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Some investors are predicting an increase in corporate bond issuance in the New Year, after bond yields slid last week, opening the door for companies to refinance existing debt or issue new debt at lower costs. Total US investment-grade corporate debt issuance in 2023 is expected to be similar to 2022's total of roughly \$1.23 trillion, according to data from the Securities Industry and Financial Markets Association (SIFMA) trade group, well below 2021 and 2020 totals of \$1.47 trillion and \$1.85 trillion, respectively. But investors and other market participants now see issuance picking up next year following expectations of a quicker pace of interest-rate easing after last week's Federal Reserve meeting. There are \$770 billion in investment-grade bonds due in 2024, according to data by Morgan Stanley. The majority of corporate borrowers have been waiting for the Fed to cut rates before refinancing in the current high-rate environment.

**German business sentiment falls in December**

German business morale unexpectedly worsened in December, the Ifo institute said on Monday after its latest survey also showed a decline in both expectations and current conditions. The Ifo institute said its business climate index stood at 86.4 versus the 87.8 forecasts by analysts in a Reuters poll, following a revised reading of 87.2 in November. The German government had to cut spending to plug a 17 billion euro (\$18.32 billion) gap in its budget for 2024 after a constitutional court ruling on unused pandemic emergency funds blew a 60 billion euro (\$65 billion) hole in its finances. The renewed decline in business sentiment in December echoes the message from the Composite PMI released last week, showing that Germany's economic downturn worsened this month, with both manufacturing and services activity contracting.

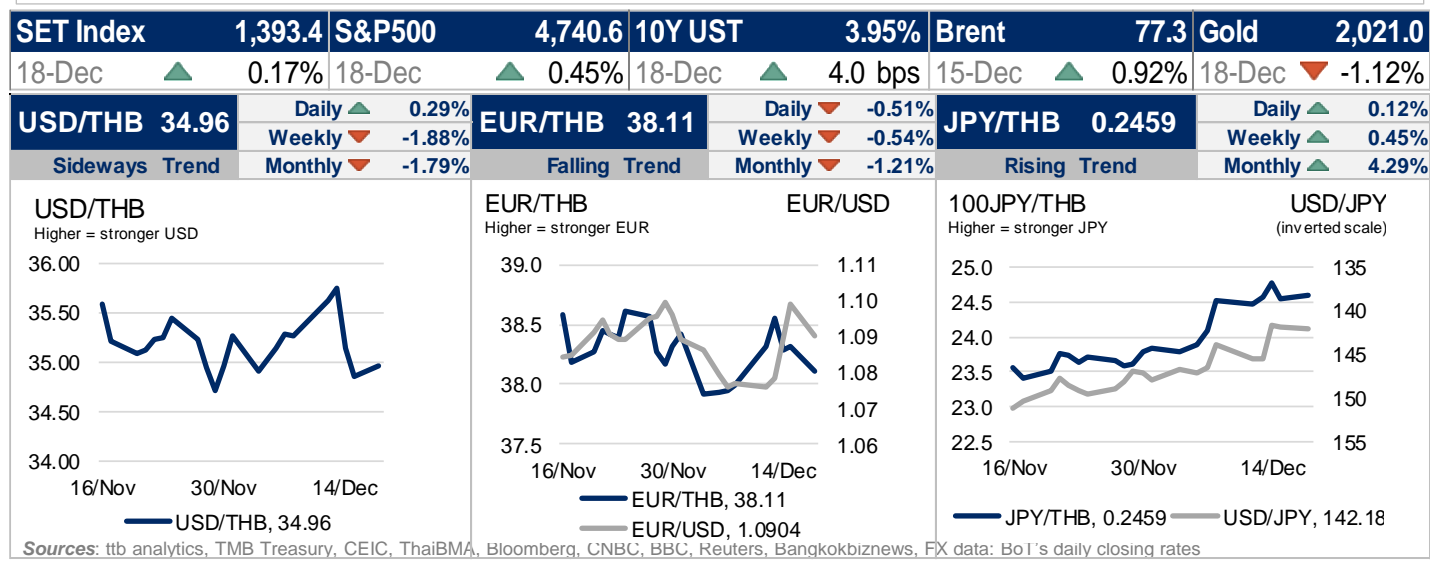
**BOJ keeps ultra-loose policy intact**

The Bank of Japan maintained ultra-loose monetary settings on Tuesday in a widely expected move, underscoring policymakers' preference to await more clues on whether wages will rise enough to keep inflation durably around its 2% target. At the two-day meeting that ended on Tuesday, the BOJ maintained a 0.1% interest charged on financial institutions' excess reserves, and a 0% target for the 10-year government bond yield set under its yield curve control (YCC) policy. It also maintained the 1.0% upper bound for the 10-year yield.

**Dollar slips against euro as Fed rate-cut outlook weighs**

The 10-year government bond yield (interpolated) on the previous trading day was 2.81, +0.79 bps. The benchmark government bond yield (LB31DA) was 2.82, -8.00 bps. Meantime, the latest closed US 10-year bond yields was 3.95, +4.00 bps. USDTHB on the previous trading day closed around 34.96 Moving in a range of 34.94-34.985 this morning. USDTHB could be closed between 34.80-35.10 today. The US dollar slipped against the euro on Monday, extending last week's fall, as the US currency remains under pressure from the Federal Reserve's signaling last week the possibility of interest rate cuts next year. The dollar was higher against the yen as the Bank of Japan (BOJ) kicked off a two-day meeting that could be crucial in determining the timing of the end of the central bank's ultra-loose stance on interest rates. Bets that the Fed will lower its benchmark overnight interest rate at its March meeting by a quarter of a percentage point soared last week after the US central bank left its policy rate unchanged in the 5.25%-5.50% range and officials forecast three-quarters of a percentage point in cuts next year. The Federal Reserve is not pre-committing to cutting interest rates soon and swiftly, and the jump in market expectations that it will do so is at odds with how the US central bank functions, Chicago Fed President Austan Goolsbee said on Monday.

Sources : ttb analytics , Bloomberg, CNBC, Trading Economics, Investing, CEIC



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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		101.95	0.0%	-1.8%	-2.2%	101.95	106.02
EUR/USD		1.0991	0.9%	2.0%	1.0%	1.0672	1.0994
USD/JPY		141.94	0.1%	-1.3%	-5.6%	141.77	151.73
USD/CHF		0.8662	-0.3%	-1.1%	-2.5%	0.8662	0.9032
GBP/USD		1.2765	0.9%	1.6%	2.2%	1.2218	1.2765
USD/CAD		1.3390	-0.7%	-1.6%	-2.2%	1.3390	1.3834
AUD/USD		0.6709	0.0%	1.7%	3.3%	0.6349	0.6709
NZD/USD		0.6209	-0.3%	0.9%	3.2%	0.5875	0.6228
ASEAN Dollar		107.36	0.0%	-0.1%	0.5%	106.49	108.39
USD/THB		34.86	-0.8%	-1.2%	-1.8%	34.71	36.08
USD/SGD		1.3273	-0.2%	-0.8%	-1.5%	1.3273	1.3616
USD/MYR		4.6649	0.0%	-0.1%	0.1%	4.6476	4.7149
USD/IDR		15,417	-0.5%	-0.4%	-0.7%	15,350	15,656
USD/PHP		55.79	-0.2%	0.4%	-0.3%	55.35	56.11
USD/CNY		7.1108	0.0%	-0.8%	-1.8%	7.1108	7.3011
USD/HKD		7.8017	0.0%	-0.2%	0.1%	7.7803	7.8206

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.20	-0.15
3-month		0.88	-0.23
6-month		2.00	0.00

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		218,605	-1752
Gold		15,728	-531
SDR		5,462	-21
IMF Reserves		1,156	-22
Foreign Ccy		196,260	-1178
Net Fwd Position		30,150	95

Last update: 08/12/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
18/12/2023	-666	-530	-1,197
15/12/2023	3,193	-219	2,975
14/12/2023	3,480	-1,008	2,472
13/12/2023	-542	3,447	2,905
12/12/2023	-768	-555	-1,324
Last 5 days	4,697	1,135	5,831

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -332	↓ -10,646	↓ -10,978
QTD	Quarter	↓ -35,448	↑ 22,473	↓ -12,975
YTD	Year	↓ -192,619	↑ 11,792	↓ -180,826

Money Market














THB BIBOR	1M Hist	Last	1M Range		THB FIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		2.50	2.00	2.50	ON		1.26	0.78	1.83	ON		0.08	0.07	0.08
1W		2.52	2.03	2.53	1W		1.56	0.22	1.61	1W		0.00	0.00	0.08
1M		2.55	2.05	2.55	1M		1.62	0.69	1.72	1M		0.12	0.08	0.12
2M		2.60	2.12	2.60	2M					2M		0.00	0.00	0.16
3M		2.65	2.20	2.65	3M		1.84	1.07	1.84	3M		0.38	0.12	0.38
6M		2.72	2.31	2.72	6M		2.11	1.31	2.11	6M		0.63	0.16	0.63
12M		2.84	2.44	2.84	12M		2.33	1.59	2.33	12M		1.09	0.23	1.09

Last Updated: 29/06/2023

Last Updated: 09/03/2022

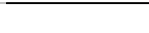

Note: D=d=day; M=mth=month; Y=year; %chg = percentage change; chg = change; USTH FX Sp = USD/THB FX Swap point; \$mn=million US dollar; THB.mn= Thai baht million; Hist=history; THB implied = Thai baht rate that are calculated by FX forward rate; ASEAN Index = value average ASEAN FX Jan2008=100

## Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.4500	-43.00	10.00	73.00	3.72	4.91
Gilt 10y		4.2039	-33.19	0.57	-20.14	4.16	4.64
Bund 10y		2.5200	-26.00	-21.00	7.00	2.32	2.94
JGB 10y		0.7980	-7.70	7.10	35.10	0.40	0.88
TGB 1y		2.3583	-0.31	-1.39	-3.63	2.36	2.40
TGB 2y		2.3525	0.25	-5.18	-16.41	2.34	2.54
TGB 5y		2.4761	0.14	-4.82	-19.52	2.45	2.78
TGB 7y		2.6585	-0.11	-6.77	-22.60	2.63	2.98
TGB 10y		2.8134	0.79	-5.63	-24.36	2.78	3.19
AAA Spread		67.30	1.84	-0.48	-5.21	65.21	73.93
AA Spread		75.29	7.75	2.94	-4.39	66.99	84.99
A Spread		109.95	-0.52	-10.62	-13.31	109.95	124.71
BBB Spread		235.07	-3.72	0.63	-2.73	234.24	239.99

















Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

## Commodity Market

Commodity	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
Brent Crude		77.32	0.9%	2.0%	#DIV/0!	73.24	83.10
London Gold		1992.2	-0.3%	3.4%	2.9%	1,828.3	1,997.6

Note: Unit of Brent crude oil price is \$/barrel; unit of gold price is \$/ounce

## Equity Market

Equity Index	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
S&P500 (US)		4,569.8	-0.5%	0.4%	7.8%	4,166.8	4,594.6
STOXX (EU)		455.0	0.6%	3.3%	4.9%	421.2	457.7
FTSE All-Share(UK)		4,071.1	-0.4%	1.4%	-1.4%	3,933.2	4,137.3
DAX (DE)		15,919.2	7.5%	2.3%	-0.4%	14,810.3	16,310.8
CAC All-Tradable(FR)		5,373.0	5.2%	0.4%	-0.1%	5,106.1	5,527.7
TOPIX (JP)		2,275.5	0.9%	-6.4%	-0.8%	2,221.5	2,430.3
Shanghai (CH)		3,257.8	2.9%	-0.6%	-3.7%	3,151.1	3,439.0
Hang Seng (HK)		17,195.8	0.5%	-3.9%	-11.4%	17,112.5	20,011.1
ASX 200 (AU)		6,925.5	2.1%	-2.0%	-3.8%	6,780.7	7,450.7
SET (TH)		1,447.3	3.7%	-5.0%	-7.3%	1,395.9	1,561.2
SET50 (TH)		872.4	0.8%	-6.6%	-7.8%	865.8	966.2
Straits Times (SG)		3,155.1	2.8%	-1.6%	-2.7%	3,067.7	3,371.2
FTSE Malay (MY)		1,415.6	-1.6%	-2.5%	2.5%	1,376.7	1,457.2
JSX Index (ID)		6,874.8	1.8%	-1.7%	2.6%	6,618.9	6,996.0
PSE Index (PH)		6,304.5	4.4%	2.9%	-3.1%	6,039.7	6,677.9
Vn Index (VN)		1,113.9	8.3%	-6.6%	0.2%	1,028.2	1,243.1

Sources: ttb analytics, CEIC

Note: A = actual, P = previous; C = consensus

### Important Disclosures

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