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Nonfarm payrolls increased by 216,000 jobs last month, the Labor Department's Bureau of Labor Statistics said. Economists polled by Reuters had forecast payrolls rising by 170,000 jobs. The economy added 2.7 million jobs in 2023, a sharp step-down from the 4.8 million positions created in 2022. That reflected cooling demand in the economy following 525 basis points worth of rate hikes from the US central bank since March 2022. Roughly 100,000 jobs per month are needed to keep up with growth in the working age population. Government hiring as state and local authorities try to bring education staffing back to pre-pandemic levels led the rise in employment last month, with 52,000 jobs added.

US service sector slows in December as employment plummets

The US services sector slowed considerably in December, with a measure of employment dropping to the lowest level in nearly 3-1/2 years. The Institute for Supply Management (ISM) said that its non-manufacturing PMI fell to 50.6 last month, the lowest reading since May, from 52.7 in November. A reading above 50 indicates growth in the services industry, which accounts for more than two-thirds of the economy. Economists polled by Reuters had forecast the index little changed at 52.6. Demand for services initially surged as Americans resumed normal lives after COVID-19 lockdowns. But momentum has ebbed, with spending swinging back to goods. Spending on goods far outpaced outlays on services in the third quarter.

Euro zone inflation jump cools case for ECB rate cuts

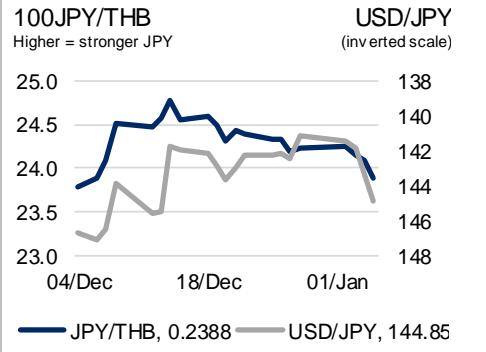
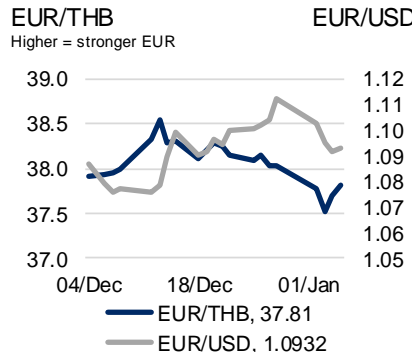
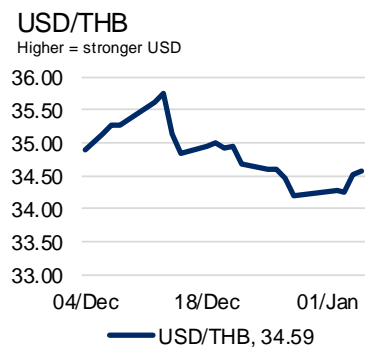
Euro zone inflation jumped as expected last month, supporting the European Central Bank's case to keep interest rates at record highs for some time, even as markets continued to bet on a rapid fall in borrowing costs. Inflation across the 20-nation bloc jumped to 2.9% in December from 2.4% in November, just shy of expectations for a 3.0% reading, mostly on technical factors, such as the end of some government subsidies and low energy prices getting knocked from base figures. The data is in line with the ECB's prediction that inflation bottomed out in November and will now hover in the 2.5% to 3% range through the year, well above its 2% target, before falling to target in 2025. Still, figures suggested that the structure of inflation is changing and while base and fiscal effects could yank around the headline figure, overall pressures may be easing.

Dollar gains vs most currencies as US nonfarm payrolls loom

The 10-year government bond yield (interpolated) on the previous trading day was 2.79, +4.60 bps. The benchmark government bond yield (LB31DA) was 2.735, +4.50 bps. Meantime, the latest closed US 10-year bond yields was 4.05, +6.00 bps. USDTHB on the previous trading day closed around 34.59 Moving in a range of 34.58-34.67 this morning. USDTHB could be closed between 34.50-34.75 today. The dollar rose against most currencies on Thursday in choppy trading, bolstered by better-than-expected US labor market data that dampened expectations of multiple interest rate cuts by the Federal Reserve this year. A crucial nonfarm payrolls report could guide the outlook on Fed policy easing. Economists polled by Reuters forecast that 170,000 jobs were created in December, fewer than the 199,000 the month before. The US currency gained on news that US private employers hired more workers than expected in December. Private payrolls increased by 164,000 jobs last month, the ADP National Employment Report showed, the largest monthly increase since August. Economists polled by Reuters had forecast private payrolls rising by 115,000. Initial claims for state unemployment benefits dropped by 18,000 to a seasonally adjusted 202,000 for the week ended Dec. 30, also bolstering the dollar.

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

SET Index	1,428.0	S&P500	4,697.2	10Y UST	4.05%	Brent	77.6	Gold	2,037.7
5-Jan	▼ -0.46%	5-Jan	▲ 0.18%	5-Jan	▲ 6.0 bps	4-Jan	▼ -0.85%	5-Jan	▼ -0.56%
USD/THB	34.59	Daily ▲ 0.20%	EUR/THB	37.81	Daily ▲ 0.32%	JPY/THB	0.2388	Daily ▼ -0.85%	
	Weekly ▲ 1.13%			Weekly ▼ -0.59%			Weekly ▼ -1.46%		
	Monthly ▼ -0.90%			Monthly ▼ -0.28%			Monthly ▲ 0.37%		
Sideways	Trend	Sideways	Trend	Sideways	Trend	Sideways	Trend	Sideways	Trend



Sources: ttbank analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoI's daily closing rates

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		102.48	0.0%	1.0%	-0.9%	100.74	104.16
EUR/USD		1.0919	-0.3%	-1.1%	0.2%	1.0758	1.1121
USD/JPY		143.34	1.0%	0.6%	-3.1%	141.15	148.11
USD/CHF		0.8494	0.0%	-0.5%	-2.9%	0.8402	0.8800
GBP/USD		1.2669	0.3%	-0.5%	0.3%	1.2549	1.2820
USD/CAD		1.3348	0.2%	1.2%	-1.5%	1.3189	1.3622
AUD/USD		0.6733	-0.4%	-1.4%	1.9%	0.6539	0.6860
NZD/USD		0.6255	-0.1%	-1.2%	1.5%	0.6104	0.6362
ASEAN Dollar		102.87	0.0%	-0.1%	-0.5%	102.43	104.80
USD/THB		34.52	0.8%	0.2%	-2.1%	34.20	35.75
USD/SGD		1.3289	0.2%	0.5%	-0.7%	1.3167	1.3430
USD/MYR		4.6390	0.2%	0.2%	-0.9%	4.6016	4.6986
USD/IDR		15,463	0.3%	0.5%	-0.1%	15,350	15,582
USD/PHP		55.79	-0.2%	0.1%	0.3%	55.35	56.08
USD/CNY		7.1524	0.0%	0.2%	0.1%	7.1108	7.1871
USD/HKD		7.8080	0.0%	0.0%	-0.1%	7.7891	7.8206

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.35	-0.20
3-month		1.10	-0.30
6-month		2.00	-0.40

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		224,484	1949
Gold		16,192	75
SDR		5,527	12
IMF Reserves		1,208	3
Foreign Ccy		201,557	1861
Net Fwd Position		30,105	-465

Last update: 29/12/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
5/1/2024	-3,096	356	-2,740
4/1/2024	651	1,220	1,871
3/1/2024	-899	10,426	9,527
2/1/2024	1,256	852	2,108
28/12/2023	3,972	2,603	6,574
Last 5 days	1,884	15,456	17,340

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,088	↑ 12,853	↑ 10,766
QTD	Quarter	↓ -2,088	↑ 12,853	↑ 10,766
YTD	Year	↓ -2,088	↑ 12,853	↑ 10,766

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		1.72	0.92	1.72	ON		0.07	0.07	0.07
1W		2.52	2.03	2.52	1W		1.61	0.22	1.61	1W		0.00	0.00	0.08
1M		2.55	2.08	2.55	1M		1.59	0.85	1.72	1M		0.11	0.08	0.11
2M		2.60	2.18	2.60	2M					2M		0.00	0.00	0.15
3M		2.65	2.26	2.65	3M		1.81	1.09	1.82	3M		0.26	0.12	0.26
6M		2.72	2.38	2.72	6M		1.95	1.31	1.99	6M		0.44	0.16	0.44
12M		2.84	2.49	2.84	12M		2.26	1.59	2.26	12M		0.80	0.23	0.80

Last Updated: 29/6/2023

Last Updated: 9/3/2023

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		4.5300	-35.00	30.00	94.00	3.37	4.88
Gilt 10y		4.3251	-26.59	-8.67	64.68	3.64	4.59
Bund 10y		2.5900	-21.00	2.00	28.00	2.24	2.84
JGB 10y		0.8790	2.30	22.20	40.30	0.40	0.88
TGB 1y		2.3830	0.02	1.21	0.20	2.36	2.38
TGB 2y		2.3491	-0.17	0.81	-9.46	2.34	2.45
TGB 5y		2.4780	-0.60	2.03	-13.36	2.45	2.61
TGB 7y		2.6093	-0.60	1.18	-19.15	2.59	2.80
TGB 10y		2.7426	-0.13	2.02	-23.53	2.70	2.98
AAA Spread		67.33	1.87	-3.94	-3.02	65.46	73.91
AA Spread		75.33	7.79	-6.25	-6.05	67.55	84.99
A Spread		109.62	-0.85	-12.33	-17.57	109.62	127.78
BBB Spread		234.89	-3.91	-4.84	8.90	225.88	244.82

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		77.59	-0.8%	-2.6%	-0.6%	73.24	82.83
London Gold		1973.4	-1.1%	2.9%	-2.2%	1,852.3	2,025.6

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)		4,740.6	0.7%	3.2%	15.1%	4,117.4	4,740.6
STOXX (EU)		463.3	1.2%	3.6%	6.4%	421.2	468.9
FTSE All-Share(UK)		4,088.1	0.8%	3.2%	-2.0%	3,954.4	4,197.8
DAX (DE)		15,748.2	7.0%	-0.3%	-1.3%	14,716.5	16,446.8
CAC All-Tradable(FR)		5,355.1	5.8%	-1.9%	-3.5%	5,059.7	5,592.3
TOPIX (JP)		2,345.3	5.4%	3.5%	14.8%	2,027.0	2,430.3
Shanghai (CH)		3,202.3	1.0%	-2.1%	-6.4%	3,169.5	3,548.9
Hang Seng (HK)		18,079.0	3.9%	1.6%	-8.5%	17,406.4	20,650.5
ASX 200 (AU)		7,006.7	2.6%	-1.5%	-2.6%	6,826.9	7,403.6
SET (TH)		1,415.3	2.4%	-9.3%	-8.3%	1,381.8	1,593.9
SET50 (TH)		879.0	2.6%	-8.5%	-5.9%	856.5	963.0
Straits Times (SG)		3,133.1	2.2%	-1.8%	-4.5%	3,064.3	3,337.4
FTSE Malay (MY)		1,464.7	1.8%	1.4%	3.3%	1,377.7	1,464.7
JSX Index (ID)		6,958.2	3.3%	0.9%	2.5%	6,633.4	6,991.7
PSE Index (PH)		6,116.1	0.5%	-3.9%	-7.3%	6,088.4	6,679.1
Vn Index (VN)		1,101.2	5.9%	-8.4%	4.5%	1,034.9	1,243.3

Sources: ttb analytics, CEIC

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

Important Disclosures

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