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The US trade deficit unexpectedly narrowed in November as imports of consumer goods fell to a one-year low amid slowing domestic demand, a trend that, if it persists in December, could result in trade having no impact on economic growth in the fourth quarter. The report from the Commerce Department on Tuesday also showed exports declined in November amid cooling demand overseas. Demand is slowing both in the United States and abroad following hefty interest rate increases by global central banks since 2022 to tackle rampant inflation. The Federal Reserve's rate hiking cycle has likely ended, with financial markets expecting the US central bank to start lowering borrowing costs as soon as March.

Australia CPI inflation falls in Nov, but still above RBA target

Australian consumer inflation fell more than expected in November, helped chiefly by a decline in fuel costs as oil prices fell, although core inflation remained elevated and well above the Reserve Bank of Australia's annual target. Consumer price index (CPI) inflation grew at an annualized 4.3% in November, data from the Australian Bureau of Statistics showed on Wednesday. The reading was slightly below expectations of 4.4% and slowed from the 4.9% seen in October. A sustained drop in fuel costs was the biggest driver of the softer headline CPI reading, as concerns over oil demand and a supply glut battered global crude prices in late-2023. But housing and service cost inflation remained elevated, while electricity prices continued to trend higher despite government rebates.

China's exports seen improving in December as global trade picks up

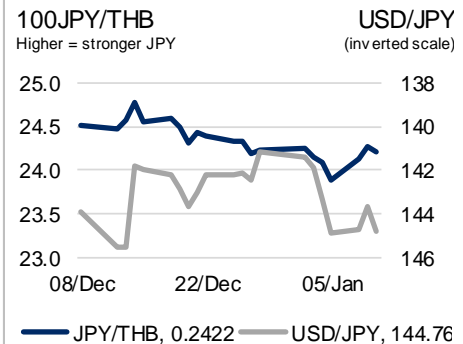
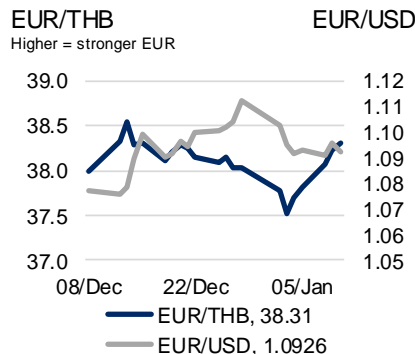
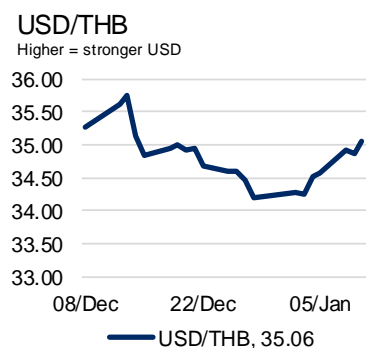
China's exports likely grew more quickly and for a second month in December, a Reuters poll showed, adding to signs global trade is starting to recover thanks to an upturn in the electronics industry and expectations of lower borrowing costs in 2024. Outbound shipments from the world's second-largest economy are expected to have risen 1.7% in December from a year earlier, after ending a six-month slump and growing 0.5% in November, according to the median forecast of 32 economists polled. Global trade slowed in 2023 as higher interest rates in the United States, Europe and other major consumer markets cramped demand. The United Nations warned trade in goods likely contracted by nearly \$2 trillion or 8% last year. But improving Chinese, South Korean and German export data suggests conditions are slowly turning a corner.

Dollar trades in tight range ahead of key US inflation release

The 10-year government bond yield (interpolated) on the previous trading day was 2.72, -3.49 bps. The benchmark government bond yield (LB31DA) was 2.74, -4.0 bps. Meantime, the latest closed US 10-year bond yields was 4.04, +2.00 bps. USDTHB on the previous trading day closed around 35.06 Moving in a range of 34.99-35.05 this morning. USDTHB could be closed between 34.85-35.15 today. The US dollar edged lower, trading in a tight range with traders on edge before key US inflation data that could influence the future path of interest rates. The Dollar Index, which tracks the greenback against a basket of six other currencies, traded 0.1% lower at 102.147, after gaining 0.2%. The dollar has rebounded from December's 2% fall as the traders have chosen the new year to reassess the likely speed and magnitude of the interest rate cuts most expect the Federal Reserve to deliver in 2024. The Fed's surprising dovish tilt in December has resulted in the market projecting around 150 basis points of cuts this year, but this is reliant on inflation continuing to retreat. This brings December US CPI release firmly into focus, as it is likely to drive market sentiment until the next Fed meeting at the end of this month.

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

SET Index	1,413.5	S&P500	4,783.5	10Y UST	4.04%	Brent	77.6	Gold	2,036.3		
10-Jan	▼ -0.10%	10-Jan	▲ 0.56%	10-Jan	▲ 2.0 bps	9-Jan	▲ 1.91%	10-Jan	▼ -0.09%		
USD/THB	35.06	Daily ▲	0.53%	EUR/THB	38.31	Daily ▲	0.23%	JPY/THB	0.2422	Daily ▼	-0.26%
		Weekly ▲	1.56%			Weekly ▲	1.62%			Weekly ▲	0.57%
		Monthly ▼	-0.59%			Monthly ▲	0.83%			Monthly ▼	-1.21%
Sideways Trend		Rising Trend		Sideways Trend		Sideways Trend					



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

Main Contributor

Tarathip Tanganjanapas
tarathip.tan@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbank.com

ttbank analytics | ttbankanalytics@ttbank.com

Naris Sathapholdeja | naris.sat@ttbank.com

Kasem Hanchanpanich | kasem.har@ttbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		102.17	0.0%	0.0%	-1.9%	100.74	104.16
EUR/USD		1.0959	0.5%	0.1%	1.9%	1.0758	1.1121
USD/JPY		143.63	-0.8%	1.2%	-2.0%	141.15	147.99
USD/CHF		0.8472	-0.7%	-0.3%	-3.2%	0.8402	0.8783
GBP/USD		1.2759	0.6%	1.0%	1.6%	1.2549	1.2820
USD/CAD		1.3348	-0.4%	0.2%	-2.0%	1.3189	1.3622
AUD/USD		0.6718	0.4%	-0.6%	2.7%	0.6539	0.6860
NZD/USD		0.6257	0.5%	0.0%	2.1%	0.6111	0.6362
ASEAN Dollar		104.00	0.0%	1.2%	-0.3%	102.77	105.14
USD/THB		34.88	-0.1%	1.8%	-1.1%	34.20	35.75
USD/SGD		1.3272	-0.5%	0.1%	-1.1%	1.3167	1.3430
USD/MYR		4.6403	-0.3%	0.2%	-0.7%	4.6016	4.6986
USD/IDR		15,429	-0.3%	0.0%	-0.3%	15,359	15,582
USD/PHP		55.98	0.2%	0.1%	0.8%	55.45	56.08
USD/CNY		7.1512	0.0%	0.1%	-0.1%	7.1108	7.1871
USD/HKD		7.8038	-0.3%	-0.1%	-0.1%	7.7962	7.8266

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: 12/29/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
1/10/2024	-1,828	14,361	12,533
1/9/2024	-1,006	1,785	779
1/8/2024	-271	-4,791	-5,061
1/5/2024	-3,096	356	-2,740
1/4/2024	651	1,220	1,871
Last 5 days	-5,550	12,931	7,381

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -5,192	↑ 24,209	↑ 19,016
QTD	Quarter	↓ -5,192	↑ 24,209	↑ 19,016
YTD	Year	↓ -5,192	↑ 24,209	↑ 19,016

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	0.00	2.50	ON		1.72	1.04	1.72	ON		0.07	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.08
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.11	0.08	0.11
2M		2.60	0.00	2.60	2M					2M		0.00	0.00	0.15
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.26	0.11	0.26
6M		2.72	0.00	2.72	6M		1.95	1.31	1.99	6M		0.44	0.15	0.44
12M		2.84	0.00	2.84	12M		2.26	1.59	2.26	12M		0.80	0.22	0.80

Last Updated: 6/29/2023

Last Updated: 3/9/2023

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		4.4200	-25.00	12.00	97.00	3.37	4.70
Gilt 10y		4.2039	-35.84	-32.07	70.58	3.33	4.56
Bund 10y		2.6000	-11.00	-5.00	8.00	2.24	2.78
JGB 10y		0.7980	-9.70	17.70	32.60	0.32	0.90
TGB 1y		2.3746	-0.75	-0.82	0.35	2.36	2.38
TGB 2y		2.3215	-2.86	-2.94	-8.68	2.32	2.44
TGB 5y		2.4401	-1.83	-4.39	-8.21	2.44	2.59
TGB 7y		2.5757	-3.55	-3.95	-15.60	2.58	2.79
TGB 10y		2.7534	-2.96	0.96	-12.53	2.70	2.97
AAA Spread		67.35	-1.96	-4.01	-4.78	65.52	73.91
AA Spread		75.33	7.32	-2.27	-9.91	67.10	86.26
A Spread		110.01	-0.25	-12.66	-16.54	110.01	128.26
BBB Spread		235.23	1.00	-4.77	9.09	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	1.9%	2.2%	4.8%	73.24	81.07
London Gold		1976.1	-0.5%	4.5%	-2.9%	1,881.2	2,035.7

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)		4,746.8	0.1%	3.9%	13.4%	4,117.4	4,774.8
STOXX (EU)		468.9	1.0%	5.1%	4.6%	423.4	473.7
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	-2.1%	3,954.4	4,175.9
DAX (DE)		15,901.3	5.0%	1.9%	0.0%	15,143.6	16,357.6
CAC All-Tradable(FR)		5,382.0	2.8%	0.3%	-4.4%	5,237.9	5,630.3
TOPIX (JP)		2,368.6	6.2%	3.8%	20.8%	1,955.3	2,383.4
Shanghai (CH)		3,191.0	-0.5%	-4.2%	-8.5%	3,191.0	3,559.0
Hang Seng (HK)		17,778.1	3.2%	-4.3%	-12.6%	17,230.6	20,650.5
ASX 200 (AU)		7,049.4	3.1%	-1.4%	-4.5%	6,838.3	7,381.5
SET (TH)		1,423.6	0.3%	-6.3%	-9.7%	1,419.8	1,600.4
SET50 (TH)		881.5	0.3%	-5.9%	-7.3%	878.7	966.2
Straits Times (SG)		3,096.3	0.4%	-2.4%	-6.0%	3,082.5	3,373.8
FTSE Malay (MY)		1,463.4	1.6%	1.1%	2.5%	1,377.7	1,463.4
JSX Index (ID)		6,994.9	3.6%	2.0%	2.3%	6,641.8	6,994.9
PSE Index (PH)		6,191.5	2.9%	-4.0%	-4.7%	6,018.5	6,675.5
Vn Index (VN)		1,113.8	2.2%	-5.6%	5.7%	1,034.9	1,238.4

Sources: ttb analytics, CEIC

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

Important Disclosures

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