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US consumer sentiment improved in January, hitting the highest level in 2-1/2 years amid growing optimism over the outlook for inflation and household incomes, which bodes well for the economy's prospects this year. The better-than-expected reading in sentiment reported by the University of Michigan on Friday reflected a brightening of moods across all age and income groups, education and geographical locations as well as political affiliation. It suggested that Americans were finally warming up to the economy's resilience after much anxiety over high inflation, which has weighed on President Joe Biden's popularity. Consumers' inflation expectations over the next 12 months were the lowest in three years, good news for the Federal Reserve.

**Fed won't start rate cuts until May, traders now bet**

The Federal Reserve won't start easing policy until May, capping a week during which stronger-than-expected economic data and commentary from central bankers chipped away at financial market confidence in the idea of an earlier start to interest-rate cuts. A widely watched measure of consumer sentiment rose to its highest level in 2-1/2 years, and Chicago Fed President Austan Goolsbee said the US central bank won't commit itself to rate cuts until it is surer that inflation is on track to a healthy 2%. Futures contracts that settle to the Fed's policy rate fell, and now reflect about a 47% chance of a Fed rate cut by March, down from 55% earlier in the day. Just a week ago the probability of an interest-rate cut in March from the current range of 5.25%-5.5% was seen at nearly 80%, reflecting faster-than-expected declines in inflation.

**Annual foreign investment flows into China shrinks first time since 2012**

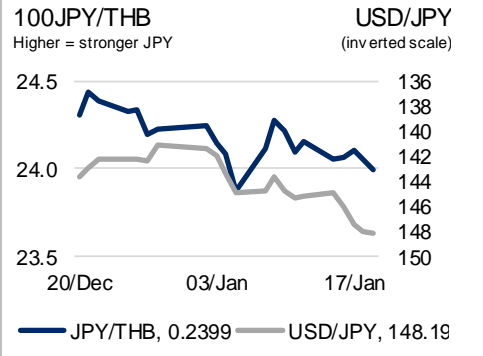
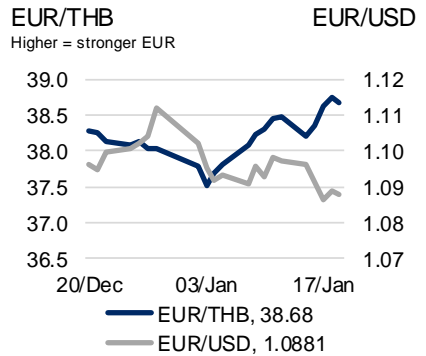
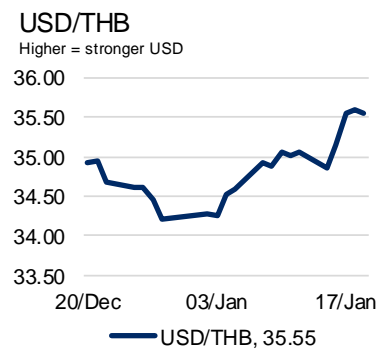
Foreign direct investment into China shrank for the first time in over a decade in 2023, data released by the commerce ministry showed, underscoring the challenge Beijing faces if it is to win back foreign firms as Western governments talk up "de-risking". Overseas companies last year invested 1.13 trillion yuan (\$157.1 billion) in the world's second-largest economy, according to a statement on Friday, which represents a drop of 8.0% year-on-year and marks the first decline since 2012. Foreign firms have been sour on the Asian giant ever since Beijing abandoned its strict zero-COVID curbs in late December 2022, with concerns over China's business environment, economic recovery, and politics weighing heavy on the minds of foreign investors.

**Dollar edges lower but poised for weekly gain as early rate cut hopes dim**

The 10-year government bond yield (interpolated) on the previous trading day was 2.78, +0.56 bps. The benchmark government bond yield (LB31DA) was 2.77, +0.00 bps. Meantime, the latest closed US 10-year bond yields was 4.15, +1.00 bps. USDTHB on the previous trading day closed around 35.55 Moving in a range of 35.445-35.575 this morning. USDTHB could be closed between 35.35-35.55 today. The US dollar edged lower on Friday, pausing after five straight sessions of gains but still poised for a weekly climb, as recent economic data and comments from Federal Reserve officials dampened expectations of rapid cuts in interest rates. The greenback strengthened early in the session after economic data showed the University of Michigan's preliminary reading on the overall index of consumer sentiment came in at 78.8 this month, the highest reading since July 2021, compared with 69.7 in December and the 70.0 estimate of economists polled by Reuters. The data comes on the heels of solid labor market and retail sales data earlier this week indicating the economy remained firm. Expectations for a cut from the Fed in March of at least 25 basis points (bps) have dipped below 50% according to CME's FedWatch Tool, with traders now targeting May as the likely month for a rate cut announcement.

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

<b>SET Index</b> 1,382.5	<b>S&amp;P500</b> 4,839.8	<b>10Y UST</b> 4.15%	<b>Brent</b> 79.1	<b>Gold</b> 2,029.5
19-Jan ▲ 0.33%	19-Jan ▲ 1.22%	19-Jan ▲ 1.0 bps	18-Jan ▲ 1.55%	19-Jan ▲ 0.86%
<b>USD/THB</b> 35.55	<b>EUR/THB</b> 38.68	<b>JPY/THB</b> 0.2399		
Daily ▼ -0.09%	Daily ▼ -0.14%	Daily ▼ -0.25%		
Weekly ▲ 1.99%	Weekly ▲ 1.22%	Weekly ▲ -0.27%		
Monthly ▲ 1.79%	Monthly ▲ 1.05%	Monthly ▼ -1.29%		
Sideways Trend	Sideways Trend	Falling Trend		



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

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		103.33	0.0%	1.0%	0.8%	100.74	103.47
EUR/USD		1.0886	0.2%	-0.8%	-0.3%	1.0862	1.1121
USD/JPY		147.96	0.3%	1.9%	3.5%	141.15	147.96
USD/CHF		0.8647	0.2%	1.5%	-0.3%	0.8402	0.8701
GBP/USD		1.2682	0.5%	-0.7%	0.2%	1.2622	1.2820
USD/CAD		1.3507	0.0%	0.9%	0.8%	1.3189	1.3513
AUD/USD		0.6552	-0.2%	-2.1%	-2.3%	0.6552	0.6860
NZD/USD		0.6119	-0.2%	-1.9%	-1.6%	0.6119	0.6362
ASEAN Dollar		105.63	0.0%	0.2%	-0.4%	104.05	106.89
USD/THB		35.59	0.1%	1.5%	1.7%	34.20	35.59
USD/SGD		1.3439	0.0%	1.0%	0.9%	1.3167	1.3441
USD/MYR		4.7182	0.1%	1.6%	0.6%	4.6016	4.7182
USD/IDR		15,595	0.1%	0.7%	0.9%	15,359	15,595
USD/PHP		56.06	-0.2%	-0.2%	0.0%	55.45	56.42
USD/CNY		7.2072	0.0%	0.6%	1.0%	7.1108	7.2072
USD/HKD		7.8223	0.0%	0.1%	0.3%	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		223,507	1034
Gold		16,084	25
SDR		5,498	0
IMF Reserves		1,180	-21
Foreign Ccy		200,745	1031
Net Fwd Position		29,875	-135

Last update: 1/12/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
1/19/2024	-1,233	237	-996
1/18/2024	-2,650	323	-2,327
1/17/2024	-5,749	-1,143	-6,892
1/16/2024	-834	-4,208	-5,043
1/15/2024	-471	-3,541	-4,012
Last 5 days	-10,938	-8,331	-19,269

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -17,264	↑ 1,305	↓ -15,959
QTD	Quarter	↓ -17,264	↑ 1,305	↓ -15,959
YTD	Year	↓ -17,264	↑ 1,305	↓ -15,959





















































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	1.14	1.72	ON		0.07	0.07	0.08
1W		2.52	0.00	2.52	1W		1.61	0.22	1.61	1W		0.00	0.00	0.09
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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		<b>4.2700</b>	-34.00 	2.00 	57.00 	3.30	4.93
Gilt 10y		<b>4.2152</b>	-5.33 	-16.80 	52.49 	3.24	4.67
Bund 10y		<b>2.4500</b>	-26.00 	-10.00 	13.00 	2.24	2.95
JGB 10y		<b>0.7870</b>	-6.50 	11.40 	26.00 	0.28	0.85
TGB 1y		<b>2.3595</b>	0.15 	-0.84 	-0.37 	2.36	2.38
TGB 2y		<b>2.3317</b>	0.48 	3.04 	-2.37 	2.30	2.36
TGB 5y		<b>2.4406</b>	2.34 	4.18 	-3.79 	2.40	2.49
TGB 7y		<b>2.5840</b>	1.92 	4.15 	-8.01 	2.53	2.66
TGB 10y		<b>2.7710</b>	2.15 	4.49 	-4.53 	2.70	2.82
AAA Spread		<b>67.49</b>	-2.06 	-3.83 	-5.51 	65.15	73.93
AA Spread		<b>74.95</b>	7.16 	-6.50 	-19.63 	67.07	94.58
A Spread		<b>109.47</b>	0.20 	-12.52 	-14.07 	109.27	128.05
BBB Spread		<b>235.31</b>	0.49 	-4.41 	9.73 	225.58	242.26

































































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		<b>79.10</b>	1.6% 	2.2% 	2.3% 	74.26	81.07
London Gold		<b>2037.6</b>	5.2% 	5.1% 	11.0% 	1,809.1	2,037.6

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)		<b>4,704.8</b>	-1.6% 	0.0% 	11.4% 	4,137.2	4,783.4
STOXX (EU)		<b>476.2</b>	-0.2% 	4.2% 	4.8% 	425.3	476.2
FTSE All-Share(UK)		<b>4,088.1</b>	0.8% 	2.6% 	0.5% 	3,954.4	4,175.9
DAX (DE)		<b>16,166.5</b>	5.4% 	1.7% 	9.7% 	14,735.3	16,310.8
CAC All-Tradable(FR)		<b>5,432.0</b>	3.3% 	-1.1% 	5.2% 	5,076.8	5,607.1
TOPIX (JP)		<b>2,376.7</b>	1.8% 	4.4% 	17.7% 	1,937.1	2,378.6
Shanghai (CH)		<b>3,178.6</b>	-1.3% 	-1.6% 	-8.7% 	3,118.3	3,557.1
Hang Seng (HK)		<b>16,993.4</b>	-2.5% 	-6.7% 	-17.4% 	16,993.4	20,887.0
ASX 200 (AU)		<b>7,015.2</b>	0.6% 	-2.7% 	-1.3% 	6,900.7	7,340.1
SET (TH)		<b>1,380.2</b>	-0.4% 	-12.0% 	-14.1% 	1,380.2	1,657.7
SET50 (TH)		<b>852.9</b>	-0.9% 	-11.5% 	-11.2% 	852.9	991.6
Straits Times (SG)		<b>3,073.0</b>	-1.0% 	-4.7% 	-3.3% 	3,053.4	3,324.6
FTSE Malay (MY)		<b>1,452.7</b>	0.1% 	0.6% 	-0.4% 	1,374.6	1,464.0
JSX Index (ID)		<b>7,036.1</b>	2.9% 	1.1% 	3.3% 	6,612.5	7,036.1
PSE Index (PH)		<b>6,309.6</b>	2.0% 	1.6% 	-3.8% 	6,149.2	6,791.2
Vn Index (VN)		<b>1,102.2</b>	-1.8% 	-9.1% 	3.8% 	1,037.6	1,236.8

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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