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The personal consumption expenditures (PCE) price index increased 0.2% last month after dropping 0.1% in November, the Commerce Department's Bureau of Economic Analysis said. Food prices rose 0.1% and the cost of energy products increased 0.3%. In the 12 months through December, the PCE price index advanced 2.6%, matching November's gain. The inflation readings were in line with economists' expectations. Excluding the volatile food and energy components, the PCE price index climbed 0.2% after rising 0.1% in November. The so-called core PCE price index increased 2.9% year-on-year, the smallest gain since March 2021, after rising 3.2% in November. The Fed tracks the PCE price measures for its 2% inflation target. Monthly inflation readings of 0.2% over time are necessary to bring inflation back to target.

**Euro zone inflation falling quicker than thought, data show**

Euro zone inflation could fall faster than expected this year as economic growth will remain anaemic, a raft of surveys and indicators, bolstering bets for an early start to European Central Bank interest rate cuts. The ECB kept interest rates unchanged on Thursday and insisted that even a discussion about rate cuts was premature because price pressures have yet to be fully extinguished. But fresh figures show inflation is cooling quickly, growth is anaemic and lending growth is at best bottoming out after an exceptionally weak 2023. A key ECB survey now sees inflation at 2.4% this year, down from 2.7% seen three months ago and well below the 2.7% projected by ECB staff. In 2025, price growth could then average 2.0%, spot on the ECB's target, the Survey of Professional Forecasters, a key input in the bank's policy deliberations, showed.

**China's industrial profits fell 2.3% in 2023**

Profits at China's industrial firms fell 2.3% in 2023, their second straight yearly decline, due to sluggish demand at home and abroad, adding pressure on economic growth amid a deep property slump and deflationary risks. The drop followed a 4.4% profit fall in the first 11 months from the same period a year earlier, according to data from the National Bureau of Statistics (NBS) on Saturday. Last year's profits decline was chiefly due to sharply lower factory-gate prices, driven by over-capacity in some industries, said economist Nie Wen at Hwabao Trust in Shanghai. Industrial profits will likely rise by between 5% and 6% this year, as a slight improvement in demand and historic lows in inventories in China, Europe, the United States and Japan will lead to a rebound in industrial prices.

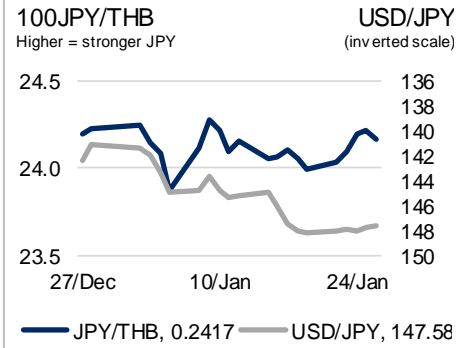
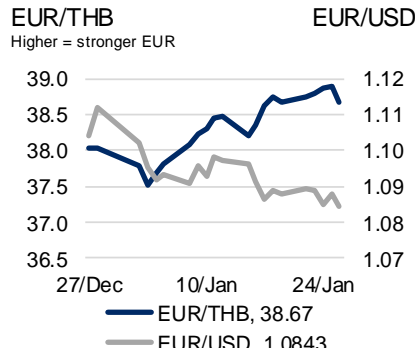
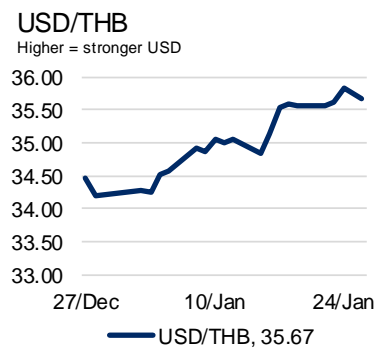
**US dollar slips after inflation data, Fed meeting looms next week**

The 10-year government bond yield (interpolated) on the previous trading day was 2.68, -2.82 bps. The benchmark government bond yield (LB31DA) was 2.71, +0.40 bps. Meantime, the latest closed US 10-year bond yields was 4.15, +1.00 bps. USDTHB on the previous trading day closed around 35.67. Moving in a range of 35.52-35.67 this morning. USDTHB could be closed between 35.50-35.80 today. The US dollar inched lower on Friday, after data showed inflation rose modestly in December but was trending lower, which should keep the Federal Reserve on track to cut interest rates by the middle of the year. Volume faded in the afternoon ahead of the weekend and as investors braced next week for a slew of important US economic data such as non-farm payrolls for January and key events led by the Federal Open Market Committee meeting and the Treasury's refunding announcement. The latter will outline the US government's borrowing requirements for the upcoming quarter. On the week, the greenback was on track to post gains for four straight weeks. The dollar index was last down 0.1% at 103.41.

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

<b>SET Index</b>	1,368.2	<b>S&amp;P500</b>	4,891.0	<b>10Y UST</b>	4.15%	<b>Brent</b>	82.4	<b>Gold</b>	2,021.1
26-Jan	▼ -0.58%	26-Jan	▼ -0.07%	26-Jan	▲ 1.0 bps	25-Jan	▲ 2.94%	26-Jan	▲ 0.15%

<b>USD/THB</b> 35.67	Daily ▼ -0.26%	<b>EUR/THB</b> 38.67	Daily ▼ -0.57%	<b>JPY/THB</b> 0.2417	Daily ▼ -0.19%
Weekly ▲ 0.26%	Weekly ▼ -0.19%	Weekly ▼ -0.19%	Weekly ▼ -0.19%	Weekly ▲ 0.56%	Weekly ▼ -0.10%
Monthly ▲ 3.45%	Monthly ▲ 1.65%	Monthly ▲ 1.65%	Monthly ▲ 1.65%	Monthly ▲ 1.65%	Monthly ▲ 1.65%



Sources: ttbank analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoJ'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		103.34	0.0%	0.0%	1.7%	100.74	103.57
EUR/USD		1.0877	0.3%	0.0%	-1.3%	1.0848	1.1121
USD/JPY		147.68	-0.2%	-0.3%	3.9%	141.15	148.19
USD/CHF		0.8645	-0.6%	-0.4%	0.9%	0.8402	0.8699
GBP/USD		1.2716	0.2%	0.1%	0.0%	1.2622	1.2820
USD/CAD		1.3523	0.3%	0.2%	1.9%	1.3189	1.3523
AUD/USD		0.6575	0.1%	-0.1%	-3.4%	0.6552	0.6860
NZD/USD		0.6109	0.2%	0.0%	-3.3%	0.6090	0.6362
ASEAN Dollar		107.39	0.0%	0.2%	2.4%	104.14	107.39
USD/THB		35.76	-0.2%	0.6%	3.3%	34.20	35.83
USD/SGD		1.3396	-0.1%	-0.2%	1.3%	1.3167	1.3441
USD/MYR		4.7306	-0.1%	0.3%	2.5%	4.6016	4.7358
USD/IDR		15,708	0.3%	0.9%	2.0%	15,359	15,708
USD/PHP		56.45	0.0%	0.7%	1.8%	55.45	56.45
USD/CNY		7.1595	0.0%	-0.6%	0.4%	7.1145	7.2072
USD/HKD		7.8166	-0.1%	0.0%	0.1%	7.8038	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		221,238	-2270
Gold		15,929	-155
SDR		5,478	-20
IMF Reserves		1,168	-12
Foreign Ccy		198,662	-2083
Net Fwd Position		30,150	275

Last update: 1/19/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
1/26/2024	-2,766	1,756	-1,010
1/25/2024	-2,042	1,946	-97
1/24/2024	-571	-1,529	-2,100
1/23/2024	-2,033	-2,895	-4,927
1/22/2024	-4,001	-897	-4,898
Last 5 days	-11,413	-1,619	-13,031

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -28,677	↓ -314	↓ -28,990
QTD	Quarter	↓ -28,677	↓ -314	↓ -28,990
YTD	Year	↓ -28,677	↓ -314	↓ -28,990

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: 3/9/2022

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		4.1200	-32.00	-6.00	11.00	3.35	4.84
Gilt 10y		4.1874	6.92	-21.46	40.77	3.32	4.59
Bund 10y		2.2600	-34.00	-35.00	-40.00	2.24	2.80
JGB 10y		0.6870	-11.10	2.60	15.60	0.28	0.86
TGB 1y		2.3513	0.01	-0.60	-1.74	2.35	2.38
TGB 2y		2.3344	-0.40	-1.03	-0.97	2.30	2.35
TGB 5y		2.4206	0.05	-3.01	-4.39	2.40	2.49
TGB 7y		2.5477	-1.60	-4.22	-5.67	2.53	2.62
TGB 10y		2.7049	-0.18	-7.17	-2.19	2.70	2.79
AAA Spread		67.36	0.00	-3.23	-6.50	65.46	74.72
AA Spread		75.00	-0.34	-5.53	-17.31	67.11	94.49
A Spread		108.70	-1.31	-13.74	-15.17	108.70	128.31
BBB Spread		235.49	0.27	0.48	9.80	225.54	247.69

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		82.43	3.0%	4.2%	4.2%	75.89	82.43
London Gold		2021.4	2.3%	5.1%	10.2%	1,824.1	2,021.4

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)		4,783.5	1.8%	1.8%	13.4%	4,137.2	4,783.8
STOXX (EU)		474.2	-0.1%	2.4%	5.2%	423.4	474.2
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	3.1%	3,953.4	4,172.4
DAX (DE)		16,656.4	4.7%	5.8%	6.4%	14,716.5	16,656.4
CAC All-Tradable(FR)		5,510.9	2.4%	2.6%	-0.4%	5,059.7	5,640.4
TOPIX (JP)		2,342.7	-1.1%	1.3%	17.3%	1,929.3	2,383.4
Shanghai (CH)		3,113.3	-2.4%	-4.8%	-9.7%	3,113.3	3,559.0
Hang Seng (HK)		16,463.3	-7.4%	-10.4%	-19.4%	16,463.3	21,624.4
ASX 200 (AU)		7,124.7	0.9%	-2.7%	-1.7%	6,812.3	7,410.3
SET (TH)		1,378.7	-3.2%	-10.9%	-16.9%	1,378.7	1,669.2
SET50 (TH)		850.0	-3.6%	-10.3%	-14.3%	850.0	991.5
Straits Times (SG)		3,074.3	-0.7%	-4.6%	-5.6%	3,064.3	3,311.2
FTSE Malay (MY)		1,445.8	-0.8%	-1.2%	-0.8%	1,378.7	1,474.6
JSX Index (ID)		7,087.4	1.3%	1.4%	2.7%	6,618.9	7,087.4
PSE Index (PH)		6,309.0	1.9%	0.2%	-7.4%	6,041.0	7,027.4
Vn Index (VN)		1,124.4	1.0%	-9.4%	9.5%	1,027.2	1,241.5

Sources: ttb analytics, CEIC

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

### Important Disclosures

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