

Fed leaves rates unchanged, but signals no rush to cut amid 'elevated' inflation

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The Federal Reserve left interest rates unchanged Wednesday, though signaled no rush to cut rates as more confidence was needed that "elevated" inflation continues to slow toward target at a time of "solid" economic growth and strong job gains. Fed sees rates higher for longer as inflation battle continues; Powell shoots down March cut hopes "The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent," the Fed said in its monetary policy statement. Fed chairman Jerome Powell dealt a further blow to a March rate cut, saying it was unlikely the level of confidence would have improved enough by March to cut rates. While the odds of a March cut were dealt a blow, falling to about 30% from about 65% prior to the statement, some economists continued to keep hopes of an earlier rate cut alive.

Japan Jan factory activity shrinks modestly on softer demand

Japan's factory activity shrank for an eighth straight month in January as output and new orders declined due to the subsiding economy at home and overseas. The final au Jibun Bank Japan manufacturing purchasing managers' index (PMI) rose to 48.0 in January from 47.9 in December but remained below the 50.0 threshold that separates growth from contraction in activity, where it has languished since June. The two main subindexes of the PMI, output and new orders, declined for an eighth month in a row though the pace of the falls slowed. Also, worries remained over manufacturing activity in the coming months as outstanding business showed the sharpest depletion since August 2020. Manufacturers cited cost pressures grew due to higher prices of raw materials, labor and fuel. Some firms noted the impact of the supply disruption caused by a crisis in the Red Sea.

Chinese manufacturing activity rises as expected in Jan

China's manufacturing sector grew as expected in January with local manufacturers continuing to see growth in new orders and output amid a mild improvement in demand. The Caixin Manufacturing Purchasing Managers Index rose 50.8 in January as expected, keeping its pace of growth steady from the prior month. A reading above 50 indicates growth, with the Caixin PMI now remaining in expansion for a third straight month. The Caixin survey contrasted with government data released on Wednesday, which showed that Chinese manufacturing activity remained in contraction in January. But the Caixin survey differs from the official reading in its scope of businesses survey- wherein it focuses more on smaller, private enterprises, as opposed to the bigger, state-run enterprises covered by the official survey. Investors use both surveys to get a clearer picture of the Chinese economy.

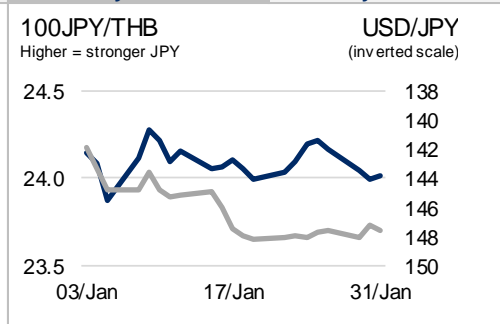
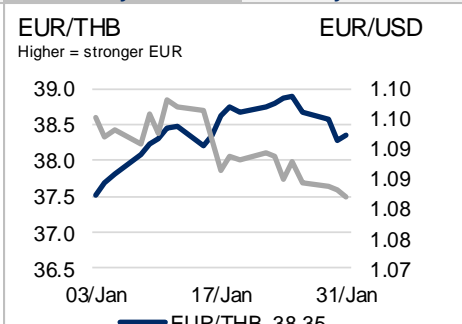
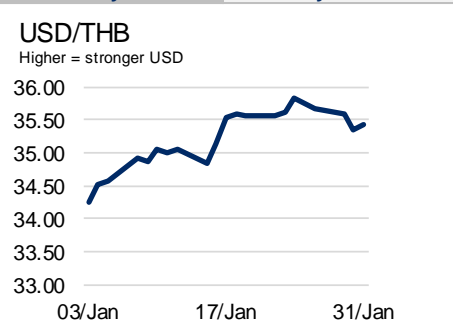
Dollar rebounds as Fed's Powell sees March rate cut as unlikely

The 10-year government bond yield (interpolated) on the previous trading day was 2.65, +0.89 bps. The benchmark government bond yield (LB31DA) was 2.63, +1.00 bps. Meantime, the latest closed US 10-year bond yields was 3.99, -7.00 bps. USDTHB on the previous trading day closed around 35.44 Moving in a range of 35.45-35.59 this morning. USDTHB could be closed between 35.40-35.70 today. The dollar gained on the euro and pared losses against the yen on Wednesday after Federal Reserve Chair Jerome Powell said that a rate cut in March was not the US central bank's "base case." It came after the Fed offered a neutral and less dovish outlook on rates than many investors had expected. The US central bank left interest rates unchanged and dropped a longstanding reference to possible further hikes in borrowing costs. But it gave no hint that a rate cut was imminent.

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

SET Index	1,364.5	S&P500	4,845.7	10Y UST	3.99%	Brent	82.5	Gold	2,037.9
31-Jan	▼ -0.63%	31-Jan	▼ -1.62%	31-Jan	▼ -7.0 bps	30-Jan	▲ 0.12%	31-Jan	▲ 0.05%

USD/THB	35.44	Daily ▲ 0.28%	EUR/THB	38.35	Daily ▲ 0.17%	JPY/THB	0.2402	Daily ▲ 0.08%
		Weekly ▼ -0.89%			Weekly ▼ -1.42%			Weekly ▼ -0.81%
Sideways	Trend	Monthly ▲ 3.38%	Sideways	Trend	Monthly ▲ 2.16%	Sideways	Trend	Monthly ▼ -0.55%



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

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		103.44	0.0%	-0.1%	1.9%	100.74	103.57
EUR/USD		1.0831	-0.1%	-0.2%	-1.7%	1.0831	1.1121
USD/JPY		147.27	-0.5%	-0.5%	4.2%	141.15	148.19
USD/CHF		0.8613	-0.2%	-1.0%	2.1%	0.8402	0.8699
GBP/USD		1.2715	0.1%	0.2%	0.0%	1.2622	1.2820
USD/CAD		1.3406	-0.3%	-0.6%	1.1%	1.3189	1.3523
AUD/USD		0.6612	0.4%	0.7%	-2.9%	0.6552	0.6860
NZD/USD		0.6141	0.7%	0.7%	-2.6%	0.6090	0.6362
ASEAN Dollar		108.28	0.0%	0.4%	2.4%	105.34	108.30
USD/THB		35.34	-0.7%	-1.4%	3.1%	34.20	35.83
USD/SGD		1.3383	-0.2%	-0.2%	1.3%	1.3167	1.3441
USD/MYR		4.7259	-0.1%	-0.2%	2.7%	4.6016	4.7358
USD/IDR		15,695	-0.4%	0.2%	1.8%	15,359	15,769
USD/PHP		56.49	-0.2%	0.1%	1.2%	55.45	56.59
USD/CNY		7.1739	0.0%	0.0%	0.8%	7.1145	7.2072
USD/HKD		7.8085	-0.1%	-0.2%	-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: 19/1/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
31/1/2024	-961	-589	-1,551
30/1/2024	-1,397	-3,521	-4,917
29/1/2024	160	190	351
26/1/2024	-2,766	1,756	-1,010
25/1/2024	-2,042	1,946	-97
Last 5 days	-7,006	-218	-7,224

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -30,874	↓ -4,233	↓ -35,107
QTD	Quarter	↓ -30,874	↓ -4,233	↓ -35,107
YTD	Year	↓ -30,874	↓ -4,233	↓ -35,107





















































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	2.53	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: 29/6/2023









Last Updated: 9/3/2022

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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2300	-19.00 	-4.00 	28.00 	3.39	4.83
Gilt 10y		3.9854	-11.51 	-43.51 	36.97 	3.30	4.65
Bund 10y		2.2500	-33.00 	-35.00 	-21.00 	2.25	2.91
JGB 10y		0.7910	7.90 	13.90 	26.70 	0.32	0.90
TGB 1y		2.3368	-0.31 	-1.45 	-4.51 	2.34	2.38
TGB 2y		2.2793	-1.36 	-5.91 	-7.28 	2.28	2.35
TGB 5y		2.3505	-1.33 	-6.96 	-12.17 	2.35	2.49
TGB 7y		2.4862	-1.23 	-7.75 	-12.63 	2.49	2.62
TGB 10y		2.6377	-1.53 	-6.90 	-9.25 	2.64	2.79
AAA Spread		67.38	0.01 	-1.87 	-6.37 	65.21	73.91
AA Spread		73.57	-1.30 	-6.71 	-20.82 	66.99	94.49
A Spread		109.01	-1.19 	-12.02 	-16.20 	109.01	128.26
BBB Spread		235.53	0.29 	0.52 	9.67 	225.56	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		82.50	0.1% 	3.7% 	5.2% 	75.89	83.55
London Gold		1992.0	0.0% 	3.4% 	8.7% 	1,831.9	2,016.9

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)		0.0	-100.0% 	-100.0% 	-100.0% 	4,137.2	4,783.5
STOXX (EU)		473.7	-1.4% 	-0.2% 	4.9% 	423.0	474.1
FTSE All-Share(UK)		4,088.1	0.8% 	2.6% 	2.4% 	3,954.4	4,172.4
DAX (DE)		16,794.4	5.0% 	6.3% 	10.4% 	15,094.9	16,794.4
CAC All-Tradable(FR)		5,592.9	3.5% 	3.0% 	3.7% 	5,169.9	5,606.1
TOPIX (JP)		2,324.5	-1.8% 	-2.1% 	17.5% 	1,955.3	2,373.7
Shanghai (CH)		3,112.6	-2.1% 	-5.9% 	-9.5% 	3,112.6	3,548.9
Hang Seng (HK)		16,201.5	-9.5% 	-12.2% 	-23.3% 	16,201.5	22,566.8
ASX 200 (AU)		7,173.3	1.3% 	0.0% 	-2.2% 	6,780.7	7,530.1
SET (TH)		1,358.0	-2.8% 	-12.2% 	-17.8% 	1,358.0	1,685.8
SET50 (TH)		841.2	-2.5% 	-11.1% 	-14.7% 	841.2	1,002.4
Straits Times (SG)		3,102.3	0.2% 	-3.6% 	-6.2% 	3,082.5	3,388.5
FTSE Malay (MY)		1,446.4	-0.5% 	-0.9% 	-2.8% 	1,386.8	1,499.5
JSX Index (ID)		7,088.8	1.2% 	2.4% 	2.6% 	6,641.8	7,088.8
PSE Index (PH)		6,228.3	0.3% 	0.2% 	-10.0% 	6,018.5	7,056.6
Vn Index (VN)		1,114.2	2.4% 	-10.0% 	7.2% 	1,034.9	1,238.4

Sources: ttb analytics, CEIC

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

Important Disclosures

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