

Strong US worker productivity keeps labor costs in check in fourth quarter

Strong US worker productivity keeps labor costs in check in fourth quarter

Nonfarm productivity, which measures hourly output per worker, increased at a 3.2% annualized rate last quarter, the Labor Department's Bureau of Labor Statistics said. Data for the third quarter was revised lower to show productivity growing at a still-solid 4.9% rate instead of the previously reported 5.2%. Economists polled by Reuters had forecast productivity increasing at a 2.5% rate. Productivity expanded at a 2.7% pace from a year ago. Productivity growth averaged 1.2% in 2023 after contracting 1.9% in 2022. Since the fourth quarter of 2019, labor productivity has grown at an annual rate of 1.6%, 0.1-percentage point above the pace during the previous business cycle, which ran from the fourth quarter of 2007 through the fourth quarter of 2019. It is below its long-term rate of 2.1%

US job cuts more than double in January

Job cut announcements in January increased to its highest level in 10 months as employers in the financial and technology sectors launched restructuring efforts. Announced layoffs reached 82,307 in January, a 136% surge from December's 34,817, according to data released by outplacement firm Challenger, Gray & Christmas, which helps companies with the offboarding process for employees. It was the highest monthly total since March 2023. On a yearly basis, announced job cuts overall fell 20% from January 2023. Employers in the financial industry announced 23,238 job cuts, more than double the number from a year earlier.

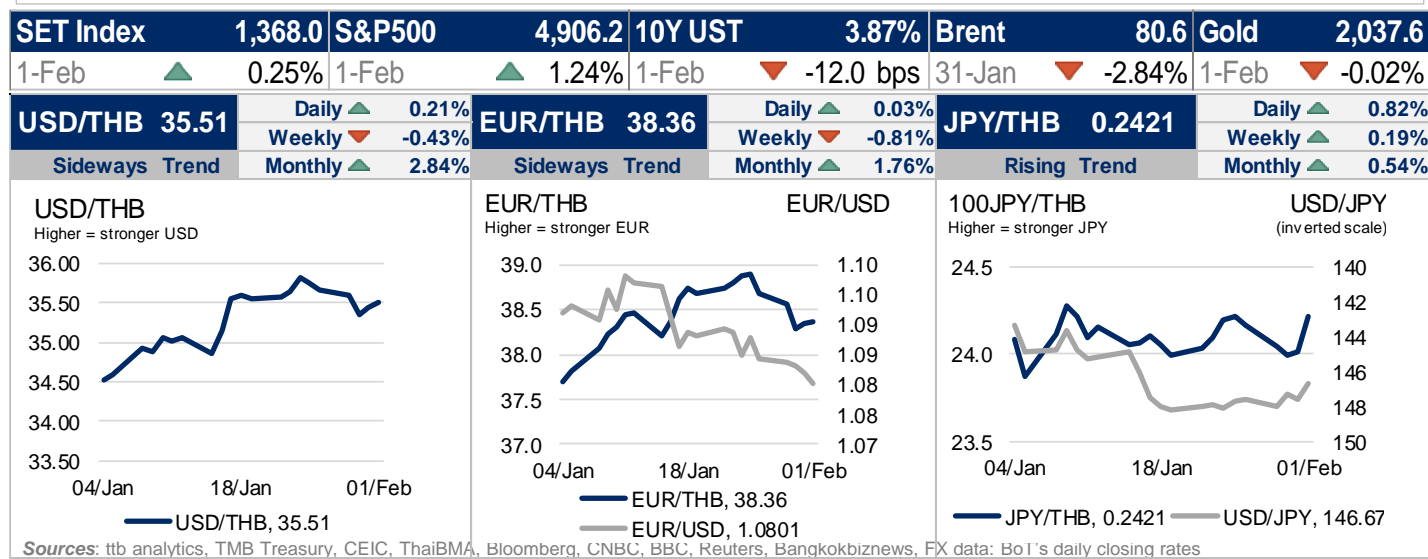
Euro zone inflation dips but core figures may disappoint

Euro zone inflation eased as expected last month but underlying price pressures fell less than forecast, likely boosting the European Central Bank's argument that rate cuts should not be rushed, even if the next move is still going to be policy easing. Consumer inflation in the 20 nations sharing the euro dipped to 2.8% in January from 2.9% in December, in line with expectations and inching towards the ECB's own 2% target, data from Eurostat, the EU's statistics agency. Price growth, now a long way from its peak in double digit territory in late 2022, fell as unprocessed food, energy and industrial goods inflation all slowed. But underlying price growth, a key measure watched by the ECB because it excludes volatile food and energy costs, only dipped to 3.3% from 3.4% and came above forecasts for 3.2%.

Dollar falls, traders price for rate cut by May

The 10-year government bond yield (interpolated) on the previous trading day was 2.64, -1.13 bps. The benchmark government bond yield (LB31DA) was 2.64, -2.00 bps. Meantime, the latest closed US 10-year bond yields was 3.87, -12.00 bps. USDTHB on the previous trading day closed around 35.51 Moving in a range of 35.295-35.36 this morning. USDTHB could be closed between 35.20-35.50 today. The dollar fell against the euro and yen on Thursday as investors continued to bet the Federal Reserve is closer to cutting interest rates, even after Chairman Jerome Powell said that a move in March was unlikely. Powell said on Wednesday that rates had peaked and would move lower in coming months, with inflation continuing to fall and an expectation of sustained job and economic growth. But he declined to declare victory in the bank's two-year inflation fight, vouch that it had achieved a sought-after "soft landing" for the economy or promise that cuts would come as soon as the March 19-20 meeting. Traders are now pricing in a 39% probability of a March rate cut, and a 94% chance of a rate reduction by May, according to the CME Group's FedWatch Tool.

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



Main Contributor

Tarathip Tanganjanapas
tarathip.tan@ttbbank.com

































































Pimchatr Ekkachan
pimchatr.ekk@ttbbank.com

ttb analytics ttbanalytics@ttbbank.com







Naris Sathapholdeja naris.sat@ttbbank.com













Kasem Harnchanpanich kasem.har@ttbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		103.59	0.0% 	0.2% 	1.4% 	100.75	103.59
EUR/USD		1.0820	-0.1% 	-0.5% 	-1.2% 	1.0820	1.1121
USD/JPY		147.57	0.2% 	-0.1% 	4.0% 	141.15	148.19
USD/CHF		0.8630	0.2% 	-0.2% 	1.6% 	0.8402	0.8699
GBP/USD		1.2678	-0.3% 	-0.3% 	0.3% 	1.2622	1.2820
USD/CAD		1.3424	0.1% 	-0.7% 	0.7% 	1.3189	1.3523
AUD/USD		0.6565	-0.7% 	-0.1% 	-2.9% 	0.6552	0.6860
NZD/USD		0.6118	-0.4% 	0.1% 	-2.3% 	0.6090	0.6362
ASEAN Dollar		109.04	0.0% 	0.5% 	2.9% 	#REF!	#REF!
USD/THB		35.44	0.3% 	-0.9% 	3.4% 	34.20	35.83
USD/SGD		1.3403	0.2% 	0.1% 	1.1% 	1.3167	1.3441
USD/MYR		4.7282	0.0% 	-0.1% 	2.1% 	4.6016	4.7358
USD/IDR		15,710	0.1% 	0.0% 	1.9% 	15,359	15,769
USD/PHP		56.53	0.1% 	0.2% 	1.1% 	55.72	56.59
USD/CNY		7.1819	0.0% 	0.3% 	0.6% 	7.1145	7.2072
USD/HKD		7.8179	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 






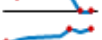















Last update: 19/1/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
1/2/2024	2,080 	-1,171 	910 
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 
Last 5 days	-2,883 	-3,334 	-6,217 

	Period-to-date	Equity	Bond	Total
MTD	Month	 2,080	 -1,171	 910
QTD	Quarter	 -28,794	 -5,404	 -34,198
YTD	Year	 -28,794	 -5,404	 -34,198





















































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: 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		4.2000	-27.00 	-6.00 	27.00 	3.41	4.91
Gilt 10y		4.0283	-13.24 	-33.26 	45.61 	3.32	4.60
Bund 10y		2.2300	-41.00 	-40.00 	-34.00 	2.23	2.94
JGB 10y		0.7910	7.90 	13.90 	26.70 	0.32	0.90
TGB 1y		2.3385	0.18 	-1.28 	-4.42 	2.34	2.38
TGB 2y		2.2750	-0.43 	-5.95 	-7.59 	2.27	2.35
TGB 5y		2.3690	1.86 	-5.16 	-11.49 	2.35	2.49
TGB 7y		2.5005	1.42 	-4.73 	-11.48 	2.49	2.62
TGB 10y		2.6466	0.89 	-5.82 	-9.72 	2.64	2.79
AAA Spread		67.37	0.00 	-1.72 	-6.38 	65.11	73.91
AA Spread		73.55	-1.31 	-6.48 	-21.04 	67.08	96.19
A Spread		108.96	-1.23 	-11.69 	-16.23 	108.96	129.07
BBB Spread		235.53	0.28 	0.81 	9.68 	225.57	239.68

































































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		80.55	-2.8% 	0.6% 	4.6% 	75.89	83.55
London Gold		1986.9	-0.4% 	3.5% 	8.4% 	1,828.3	2,036.1

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)		4,766.0	-0.3% 	-0.3% 	12.2% 	4,117.4	4,781.6
STOXX (EU)		474.2	-0.9% 	-0.5% 	5.4% 	425.3	475.7
FTSE All-Share(UK)		4,088.1	0.8% 	2.6% 	2.4% 	3,954.4	4,172.4
DAX (DE)		16,791.7	4.8% 	6.8% 	9.2% 	15,045.2	16,791.7
CAC All-Tradable(FR)		5,585.9	3.2% 	3.3% 	2.0% 	5,132.8	5,595.9
TOPIX (JP)		2,358.6	-0.8% 	-0.8% 	18.3% 	1,886.3	2,379.5
Shanghai (CH)		3,102.4	-2.6% 	-6.3% 	-8.9% 	3,081.8	3,557.1
Hang Seng (HK)		16,374.5	-6.7% 	-10.0% 	-21.3% 	16,374.5	21,958.4
ASX 200 (AU)		7,194.9	1.7% 	0.5% 	-1.6% 	6,838.3	7,490.3
SET (TH)		1,378.9	-1.0% 	-10.5% 	-16.3% 	1,378.9	1,682.6
SET50 (TH)		854.8	-0.7% 	-9.2% 	-13.3% 	854.8	1,004.3
Straits Times (SG)		3,104.3	0.6% 	-3.4% 	-5.9% 	3,086.4	3,359.5
FTSE Malay (MY)		1,446.4	-0.5% 	-0.9% 	-2.8% 	1,386.8	1,488.2
JSX Index (ID)		7,125.3	1.7% 	2.3% 	3.7% 	6,628.1	7,125.3
PSE Index (PH)		6,292.4	0.6% 	1.1% 	-8.0% 	5,962.0	7,052.2
Vn Index (VN)		1,110.1	1.3% 	-9.3% 	8.7% 	1,021.3	1,223.8

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.