

Rising rents push US inflation higher; rate cuts still expected in 2024

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US consumer prices rose more than expected in January amid a surge in the cost of rental housing, but the pick-up in inflation did not change expectations the Federal Reserve will start cutting interest rates in the first half of this year. The consumer price index (CPI) increased 0.3% last month after gaining 0.2% in December, the Labor Department's Bureau of Labor Statistics said. Shelter, which includes rents, accounted for more than two-thirds of the rise in the CPI. Food prices rose 0.4%, the most in a year, which was partly blamed on winter storms. Grocery food inflation also increased 0.4%, the largest gain since January 2023. In the 12 months through January, the CPI increased 3.1% after advancing 3.4% in December. Economists polled by Reuters had forecast the CPI would gain 0.2% on the month and rise 2.9% on a year-on-year basis. The annual increase in consumer prices has moderated from a peak of 9.1% in June 2022.

Labor worries, costs drag small business sentiment down by most in 13 months

US small business sentiment fell to its lowest since May 2023 in January, according to a report published Tuesday, as labor costs and slowed sales squeeze bottom lines. The National Federation of Independent Business monthly sentiment index fell by 2 points, the largest decrease since December 2022, to 89.9 in January from 91.9 in December. The drop follows what had been the index's first increase in five months in December and keeps it below its 50-year average of 98 for a 25th-straight month. Labor quality and inflation were both a top concern for business owners in January. As costs increase, sales conditions have tightened with the share of owners reporting profit growth falling to a net negative 30% from a net negative 25% in December.

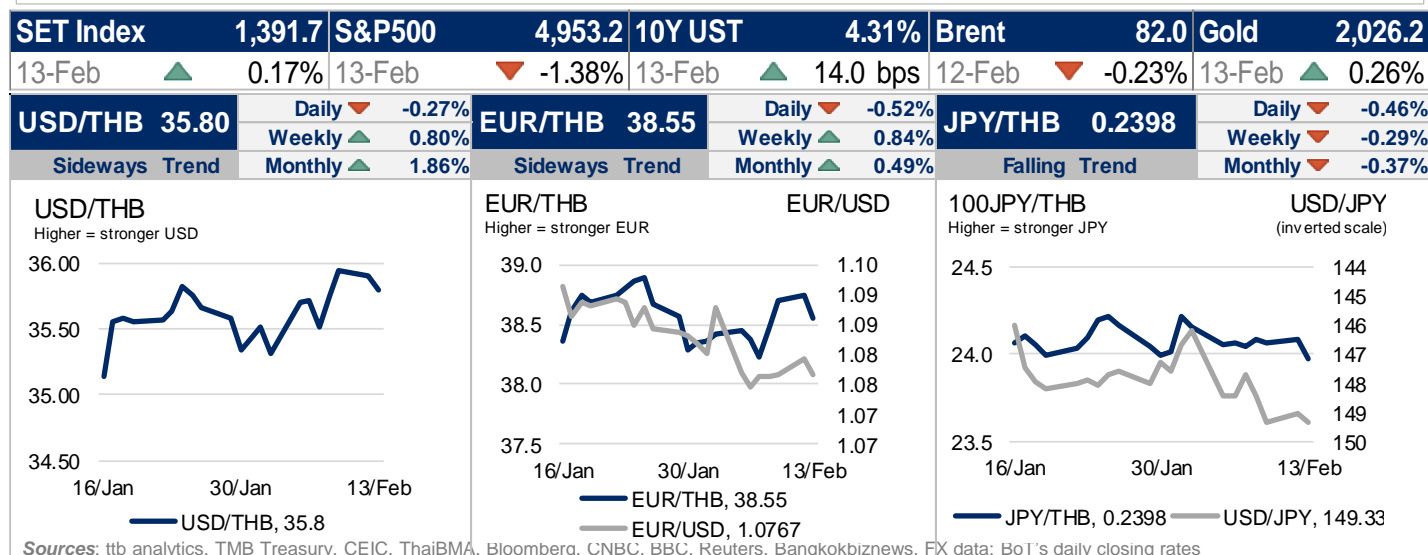
German investor morale improves, rate cut hopes have 'doping effect'

German investor morale improved more than expected in February on hopes of interest rate cuts, despite a dire assessment of current conditions. The institute reported a rise in its economic sentiment index to 19.9 points from 15.2 points in January. The February increase, the seventh in a row, beat expectations of analysts polled by Reuters of a reading of 17.5. According to ZEW president Achim Wambach, over two-thirds of respondents expect the European Central Bank to make interest rate cuts in the coming six months, and nearly three-quarters are anticipating imminent rate cuts by the US central bank. Financial markets, however, have been scaling back their bets on rate cuts from the biggest central banks in recent weeks as inflationary pressures linger and US economic data remains mostly strong.

US dollar rises to three-month high after inflation data,

The 10-year government bond yield (interpolated) on the previous trading day was 2.55, -1.82 bps. The benchmark government bond yield (LB31DA) was 2.57, -1.00 bps. Meantime, the latest closed US 10-year bond yields was 4.31, +14.00 bps. USDTHB on the previous trading day closed around 35.80 Moving in a range of 36.05-36.12 this morning. USDTHB could be closed between 35.95-36.25 today. The dollar rose to three-month peaks, after data showed US inflation rose more than expected in January, reinforcing expectations that the Federal Reserve will hold interest rates steady in March. The greenback also topped 150 yen for the first time since November following the data. Data showed that the Consumer Price Index (CPI) rose 0.3% monthly in January, above the 0.2% increase expected by economists polled by Reuters. On a year-on-year basis, it gained 3.1% versus the 2.9% estimated growth. Excluding the volatile food and energy components, the CPI increased 0.4% last month after rising 0.3% in December.

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



















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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		104.00	0.0%	-0.4%	1.7%	102.23	104.38
EUR/USD		1.0793	0.2%	0.4%	-1.6%	1.0746	1.0981
USD/JPY		149.05	-0.2%	0.4%	2.9%	144.76	149.31
USD/CHF		0.8745	0.0%	0.5%	2.6%	0.8496	0.8745
GBP/USD		1.2638	0.2%	0.7%	-0.9%	1.2549	1.2771
USD/CAD		1.3462	-0.1%	-0.5%	0.6%	1.3364	1.3525
AUD/USD		0.6523	0.5%	0.4%	-2.5%	0.6489	0.6716
NZD/USD		0.6136	0.3%	1.2%	-1.6%	0.6063	0.6246
ASEAN Dollar		109.29	0.0%	1.2%	1.9%	106.75	109.41
USD/THB		35.90	-0.1%	0.5%	3.0%	34.85	35.94
USD/SGD		1.3445	-0.2%	-0.1%	1.1%	1.3291	1.3470
USD/MYR		4.7620	-0.3%	0.0%	2.5%	4.6375	4.7769
USD/IDR		15,555	-0.1%	-0.8%	0.6%	15,467	15,769
USD/PHP		56.20	0.2%	-0.4%	0.3%	56.02	56.59
USD/CNY		7.2093	0.0%	0.2%	0.6%	7.1593	7.2093
USD/HKD		7.8183	-0.1%	0.0%	0.1%	7.8085	7.8298

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		220,832	-321
Gold		16,004	158
SDR		5,458	-15
IMF Reserves		1,164	-3
Foreign Ccy		198,207	-460
Net Fwd Position		30,605	290






















Last update: 2/2/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
2/13/2024	-201	-1,217	-1,418
2/12/2024	66	-142	-75
2/9/2024	-859	-2,892	-3,751
2/8/2024	-1,936	2,679	743
2/7/2024	-2,006	1,128	-879
Last 5 days	-4,935	-444	-5,380

	Period-to-date	Equity	Bond	Total
MTD	Month	3,016	-14,665	-11,650
QTD	Quarter	-27,858	-18,899	-46,757
YTD	Year	-27,858	-18,899	-46,757





















































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: 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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		3.9000	-22.00 	-45.00 	-8.00 	3.38	4.88
Gilt 10y		3.5712	-61.62 	-62.70 	-25.27 	3.30	4.54
Bund 10y		1.9600	-30.00 	-77.00 	-73.00 	1.96	2.78
JGB 10y		0.6630	-5.70 	-5.20 	13.20 	0.38	0.85
TGB 1y		2.2731	-0.09 	-4.22 	-8.56 	2.27	2.37
TGB 2y		2.1812	-0.71 	-7.41 	-12.18 	2.18	2.34
TGB 5y		2.2680	-0.11 	-9.87 	-12.98 	2.25	2.45
TGB 7y		2.4092	-0.26 	-9.62 	-13.41 	2.41	2.59
TGB 10y		2.5709	0.11 	-7.21 	-15.28 	2.55	2.78
AAA Spread		63.98	-3.38 	-3.40 	-9.88 	63.98	73.91
AA Spread		73.47	-1.52 	1.66 	-21.01 	67.11	94.49
A Spread		108.85	0.15 	-12.05 	-14.96 	108.70	128.26
BBB Spread		235.57	0.08 	1.27 	9.91 	225.52	237.90





























































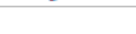



Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

Commodity Market

Commodity	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Brent Crude		82.00	-0.2% 	5.1% 	4.7% 	76.80	83.55
London Gold		2055.6	1.7% 	6.7% 	11.0% 	1,833.2	2,055.6

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)		4,891.0	0.5% 	2.8% 	12.2% 	4,186.8	4,925.0
STOXX (EU)		466.8	0.1% 	-1.7% 	2.6% 	423.4	476.2
FTSE All-Share(UK)		4,088.1	0.8% 	2.6% 	2.4% 	3,954.4	4,172.4
DAX (DE)		16,706.2	0.3% 	7.4% 	6.9% 	14,810.3	16,706.2
CAC All-Tradable(FR)		5,626.3	2.8% 	4.7% 	2.3% 	5,059.7	5,626.3
TOPIX (JP)		2,349.4	-0.6% 	-2.3% 	18.2% 	1,957.3	2,405.6
Shanghai (CH)		3,060.1	-1.8% 	-6.5% 	-11.2% 	3,060.1	3,559.0
Hang Seng (HK)		16,613.8	-0.2% 	-7.3% 	-18.4% 	16,613.8	22,044.7
ASX 200 (AU)		7,537.9	5.8% 	5.2% 	2.9% 	6,826.9	7,558.1
SET (TH)		1,413.5	2.5% 	-6.7% 	-13.1% 	1,378.7	1,681.3
SET50 (TH)		877.3	3.2% 	-5.4% 	-9.5% 	850.0	1,003.1
Straits Times (SG)		3,140.3	1.7% 	-2.0% 	-2.8% 	3,064.3	3,371.2
FTSE Malay (MY)		1,464.6	0.9% 	0.5% 	0.5% 	1,374.6	1,500.3
JSX Index (ID)		7,219.7	1.8% 	3.4% 	4.0% 	6,619.8	7,219.7
PSE Index (PH)		6,469.2	2.9% 	4.2% 	-4.1% 	6,088.4	7,056.6
Vn Index (VN)		1,100.8	-1.8% 	-10.2% 	7.4% 	1,024.8	1,226.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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