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Headline US consumer price growth accelerated in February, while the underlying measure was faster than anticipated, in a sign of sticky inflationary pressures that could complicate the timing of potential Federal Reserve interest rate cuts this year. The annualized reading of the closely-watched consumer price index increased by 3.2% last month, quicker than estimates that it would remain at a pace of 3.1% notched in January. The year-on-year core figure, which strips out volatile items like food and fuel, cooled to 3.8% from 3.9%, but was still slightly above projections of 3.7%. Month-on-month, the overall consumer price index rose by 0.4% in February, in line with expectations and faster than the 0.3% uptick in January. The core gauge came in at 0.4%, matching the prior month and marginally hotter than expectations of 0.3%.

US February budget deficit climbs on interest costs, tax refunds

The US federal budget deficit grew in February with outlays surging as annual tax-filing season kicked into gear and interest costs on the national debt kept rising, the US Treasury Department said. The deficit last month was \$296 billion, 13% larger than the \$262 billion shortfall in February 2023. Outlays for the month grew 8% to \$567 billion - a record for the month - while receipts rose 3% to \$271 billion. Economists polled by Reuters had expected a deficit of \$299 billion in February. For the first five months of the fiscal year, the deficit rose by \$106 billion, or 15%, to \$828 billion as interest costs on the national debt rose. The Treasury said both receipts and outlays were records on a year-to-date basis, with receipts up 7% to \$1.856 trillion, and outlays up 9% to \$2.684 trillion.

BOJ to offer guidance on bond buying pace upon ending YCC

The Bank of Japan will likely offer numerical guidance on how much government bonds it will buy upon ending negative interest rates and yield curve control (YCC), to avoid causing market disruptions, said four sources familiar with its thinking. With inflation exceeding the BOJ's 2% inflation target for well over a year, many market players expect the central bank to pull short-term interest rates out of negative territory either next week or in April. Upon ending negative rates, the BOJ is also likely to ditch yield curve control (YCC) - a policy that guides the 10-year bond yield around 0% with a loose cap of 1%, the sources said. While such a step would allow market forces to play a bigger role in bond price moves, the BOJ will likely provide guidance on the pace of bond buying to prevent long-term interest rates from rising too much.

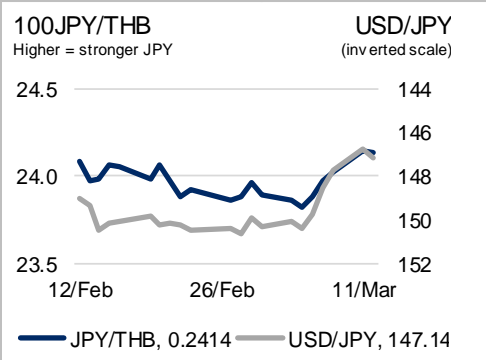
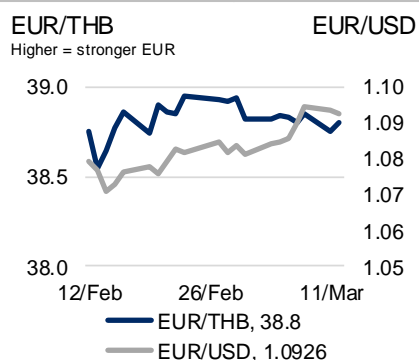
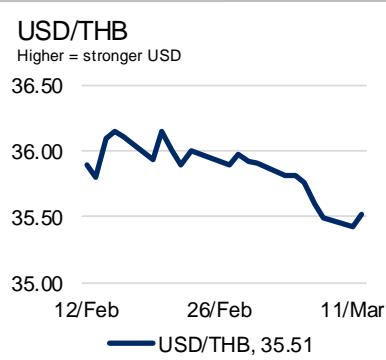
Asia FX muted as dollar steadies before CPI data; Yen retreats

The 10-year government bond yield (interpolated) on the previous trading day was 2.50, +0.35 bps. The benchmark government bond yield (LB31DA) was 2.495, -0.5 bps. Meantime, the latest closed US 10-year bond yields was 4.16, +6.00 bps. USDTHB on the previous trading day closed around 35.51 Moving in a range of 35.69-35.755 this morning. USDTHB could be closed between 35.60-35.90 today. Most Asian currencies moved little on Tuesday, while the dollar steadied as markets awaited key US inflation data for more cues on when the Federal Reserve could begin cutting interest rates. The Japanese yen was the worst performer among its regional peers, retreating sharply from an over one-month high after comments from top Bank of Japan officials somewhat cooled bets on an immediate rate hike from the central bank. Yen sinks as BOJ's Ueda tempers optimism over economy The yen weakened about 0.3% against the dollar, retreating from an over one-month high hit on Monday. A reversal in the currency came largely after BOJ Governor Kazuo Ueda said that while the Japanese economy was recovering.

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

SET Index	1,379.6	S&P500	5,175.3	10Y UST	4.16%	Brent	82.5	Gold	2,176.4
12-Mar	▼ -0.04%	11-Mar	▲ 1.11%	12-Mar	▲ 6.0 bps	12-Mar	▲ 0.36%	12-Mar	▼ -0.09%

USD/THB 35.51	Daily ▲ 0.23%	EUR/THB 38.80	Daily ▲ 0.14%	JPY/THB 0.2414	Daily ▼ -0.05%
Weekly ▼ -0.69%	Weekly ▼ -0.07%	Monthly ▼ -1.08%	Monthly ▲ 0.13%	Weekly ▲ 1.07%	Monthly ▲ 0.21%
Sideways Trend		Sideways Trend		Sideways Trend	



Sources: ttb 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		102.73	-0.1%	-1.1%	-1.5%	102.73	104.83
EUR/USD		1.0936	-0.1%	0.8%	1.6%	1.0706	1.0945
USD/JPY		146.73	-0.7%	-2.4%	-1.7%	146.73	150.60
USD/CHF		0.8774	0.0%	-0.9%	0.3%	0.8694	0.8868
GBP/USD		1.2853	0.3%	1.3%	1.9%	1.2549	1.2853
USD/CAD		1.3489	0.3%	-0.7%	0.1%	1.3450	1.3589
AUD/USD		0.6614	-0.2%	1.8%	1.9%	0.6453	0.6625
NZD/USD		0.6174	0.0%	1.5%	0.9%	0.6062	0.6194
ASEAN Dollar		106.20	0.0%	-0.7%	0.0%	106.15	107.23
USD/THB		35.43	-0.2%	-1.1%	-1.4%	35.43	36.16
USD/SGD		1.3306	-0.1%	-1.0%	-1.2%	1.3306	1.3507
USD/MYR		4.6832	-0.1%	-0.9%	-2.0%	4.6832	4.8034
USD/IDR		15,545	-0.1%	-1.0%	-0.2%	15,517	15,708
USD/PHP		55.81	-0.4%	-0.9%	-0.4%	55.81	56.51
USD/CNY		7.1858	0.0%	-0.2%	-0.3%	7.1842	7.2154
USD/HKD		7.8195	0.0%	-0.1%	-0.1%	7.8140	7.8335

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		223,106	728
Gold		16,356	374
SDR		5,474	3
IMF Reserves		1,165	1
Foreign Ccy		200,110	350
Net Fwd Position		29,400	-125

Last update: 01/03/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
12/03/2024	-200	-3,794	-3,995
11/03/2024	-2,342	109	-2,233
08/03/2024	1,610	-1,071	539
07/03/2024	-2,554	-149	-2,703
06/03/2024	1,842	834	2,676
Last 5 days	-1,644	-4,071	-5,715

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -5,977	↓ -1,245	↓ -7,222
QTD	Quarter	↓ -33,989	↓ -20,805	↓ -54,794
YTD	Year	↓ -33,989	↓ -20,805	↓ -54,794

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		2.53	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		2.61	0.00	2.61	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		2.73	0.00	2.73	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: 29/06/2023

Last Updated: 09/03/2023

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		4.1400	15.00	-77.00	66.00	3.43	4.91
Gilt 10y		3.9277	18.03	-69.86	45.58	3.23	4.63
Bund 10y		2.3200	16.00	-60.00	19.00	2.03	2.97
JGB 10y		0.6570	1.00	-10.80	33.60	0.32	0.88
TGB 1y		2.2327	-0.29	-0.24	-4.13	2.23	2.29
TGB 2y		2.1230	-1.40	-2.62	-6.53	2.12	2.24
TGB 5y		2.1955	-2.11	-4.73	-7.36	2.20	2.34
TGB 7y		2.3099	-2.44	-5.44	-10.19	2.31	2.48
TGB 10y		2.4915	-3.34	-5.51	-7.83	2.49	2.62
AAA Spread		62.12	-0.47	-2.98	-10.99	62.12	73.90
AA Spread		78.95	4.23	11.87	-5.43	67.08	92.31
A Spread		108.03	-0.73	-4.43	-20.18	108.03	128.21
BBB Spread		235.84	0.16	-3.05	9.44	225.59	239.76

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		82.51	0.4%	0.6%	0.6%	81.60	83.68
London Gold		2176.4	-0.1%	2.4%	7.7%	1,990.8	2,178.5

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)		5,088.8	0.0%	3.7%	10.8%	4,549.3	5,088.8
STOXX (EU)		485.2	-0.4%	3.7%	10.1%	422.1	485.2
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	2.4%	3,954.4	4,172.4
DAX (DE)		16,889.9	1.0%	14.1%	8.3%	14,798.5	16,889.9
CAC All-Tradable(FR)		5,492.9	-0.5%	7.0%	0.6%	5,132.8	5,618.0
TOPIX (JP)		2,544.9	7.5%	10.2%	30.2%	1,955.3	2,544.9
Shanghai (CH)		3,034.3	-2.1%	-5.8%	-10.5%	3,034.3	3,499.0
Hang Seng (HK)		14,961.2	-10.1%	-15.8%	-25.4%	14,961.2	20,423.8
ASX 200 (AU)		7,514.9	0.3%	6.2%	4.0%	6,955.4	7,514.9
SET (TH)		1,356.5	-5.0%	-4.7%	-14.9%	1,356.5	1,652.5
SET50 (TH)		830.5	-5.1%	-5.4%	-13.5%	830.5	986.3
Straits Times (SG)		3,135.3	-1.5%	1.2%	-3.8%	3,065.9	3,373.8
FTSE Malay (MY)		1,486.4	1.6%	2.9%	6.2%	1,377.7	1,486.4
JSX Index (ID)		7,200.6	-1.0%	4.0%	5.9%	6,636.4	7,272.8
PSE Index (PH)		6,621.9	-0.1%	5.7%	1.4%	6,131.3	6,779.0
Vn Index (VN)		1,162.5	2.9%	3.6%	9.7%	1,034.9	1,220.6

Sources: ttb analytics, CEIC

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

Important Disclosures

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