

US business activity quickens in May; price pressures building up

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U.S. business activity accelerated to the highest level in just over two years in May, but manufacturers reported a surge in prices for a range of inputs, suggesting that goods inflation could pick up in the months ahead. S&P Global said on Thursday that its flash U.S. Composite PMI Output Index, which tracks the manufacturing and services sectors, jumped to 54.4 this month. That was the highest level since April 2022 and followed a final reading of 51.3 in April. A reading above 50 indicates expansion in the private sector. Economists polled by Reuters had forecast the index little changed at 51.1. The increase was driven by the services sector, with the flash PMI rising to 54.8 from 51.3 in April. The manufacturing flash PMI inched up to 50.9 from 50.0.

US new home sales fall in April; prices rise from year ago

Sales of new U.S. single-family homes fell more than expected in April amid a resurgence in mortgage rates and higher prices, further evidence that the housing market was losing momentum in the second quarter. New home sales dropped 4.7% to a seasonally adjusted annual rate of 634,000 units last month, the Commerce Department's Census Bureau said on Thursday. The sales pace for March was revised lower to 665,000 units from the previously reported 693,000 units. Economists polled by Reuters had forecast new home sales, which account for more than 10% of U.S. home sales, would fall to a rate of 679,000 units. Sales plunged 20.9% in the Northeast and 7.3% in the West. They fell 4.8% in the densely populated South but increased 10.0% in the Midwest. New home sales are counted at the signing of a contract, making them a leading indicator of the housing market. They, however, can be volatile on a month-to-month basis.

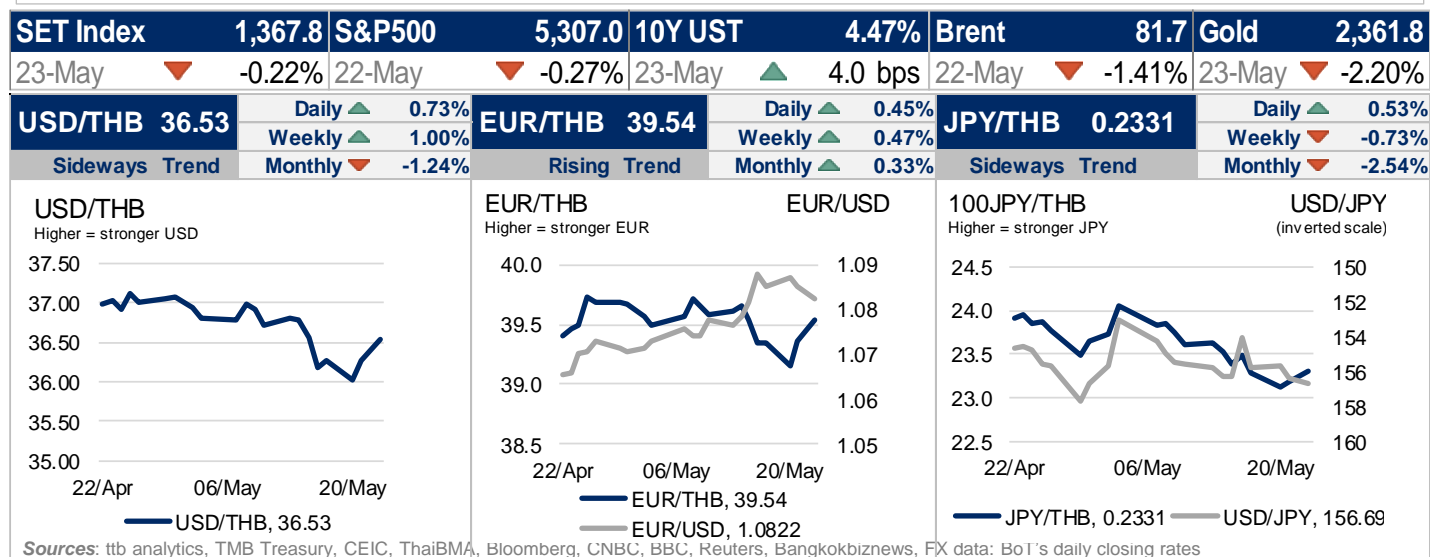
Japan's inflation slows further, keeping BOJ cautious on further rate hikes

Japan's core inflation slowed for a second straight month in April, likely signaling that the Bank of Japan will be patient in raising interest rates as consumption remains fragile. While inflation is tracking comfortably above the central bank's 2% target, policymakers are keen to see Japan's price impulse bears the stamp of sustainable domestic demand. The nationwide core consumer price index (CPI), which excludes fresh food items, rose 2.2% from a year earlier after gaining 2.6% in March, government data showed on Friday. It matched the median market forecast. The "core core" index, which excludes both fresh food and energy costs and is closely watched by the Bank of Japan as a key gauge of broader inflation trends, rose 2.4% after increasing 2.9% in March. That marked the slowest growth since September 2022.

Dollar higher on US business activity boost

The 10-year government bond yield (interpolated) on the previous trading day was 2.82, -1.22 bps. The benchmark government bond yield (LB31DA) was 2.85, -3.00 bps. Meantime, the latest closed US 10-year bond yields was 4.47, +4.00 bps. USDTHB on the previous trading day closed around 36.53. Moving in a range of 36.65-36.715 this morning. USDTHB could be closed between 36.50-36.75 today. The dollar rose against the euro on Thursday after data showed U.S. business activity accelerated to the highest level in just over two years in May, suggesting that economic growth picked up half-way through the second quarter. S&P Global said that its flash U.S. Composite PMI Output Index, which tracks the manufacturing and services sectors, jumped to 54.4 this month. That was the highest level since April 2022 and followed a final reading of 51.3 in April. Data on Thursday also showed the number of Americans filing new claims for unemployment benefits fell last week, pointing to underlying strength in the labor market that should continue to support the economy.

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		104.67	-0.2%	-0.3%	-1.5%	104.24	106.27
EUR/USD		1.0852	-0.2%	0.3%	2.1%	1.0618	1.0880
USD/JPY		156.39	0.5%	0.1%	1.4%	152.71	157.66
USD/CHF		0.9105	0.1%	0.5%	0.3%	0.9002	0.9150
GBP/USD		1.2707	0.0%	0.9%	2.3%	1.2357	1.2707
USD/CAD		1.3634	0.2%	-0.1%	-1.0%	1.3609	1.3827
AUD/USD		0.6660	-0.6%	0.4%	4.3%	0.6388	0.6698
NZD/USD		0.6100	-0.5%	0.8%	3.8%	0.5879	0.6128
ASEAN Dollar		106.23	0.0%	-0.9%	-1.6%	105.99	107.94
USD/THB		36.27	0.7%	-0.8%	-1.6%	36.01	37.12
USD/SGD		1.3479	0.2%	-0.2%	-1.2%	1.3429	1.3640
USD/MYR		4.6929	0.2%	-0.3%	-1.9%	4.6814	4.7935
USD/IDR		15,949	0.2%	-0.6%	-1.5%	15,772	16,217
USD/PHP		58.33	0.5%	0.6%	1.3%	56.71	58.33
USD/CNY		7.2388	0.0%	0.2%	-0.1%	7.2035	7.2590
USD/HKD		7.8002	0.0%	-0.1%	-0.4%	7.7966	7.8363

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		224,100	632
Gold		17,800	443
SDR		5,444	-4
IMF Reserves		1,126	-33
Foreign Ccy		199,731	226
Net Fwd Position		28,000	-25

Last update: 10/05/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
23/05/2024	-1,014	-459	-1,473
21/05/2024	-3,150	596	-2,554
20/05/2024	105	8,324	8,429
17/05/2024	832	-144	687
16/05/2024	3,566	1,084	4,650
Last 5 days	338	9,402	9,739

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -4,148	↑ 20,063	↑ 15,916
QTD	Quarter	↓ -234	↓ -5,405	↓ -5,639
YTD	Year	↓ -69,560	↓ -33,983	↓ -103,544

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		2.60	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		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		0.44	0.15	0.44
12M		2.82	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: 09/03/2022

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		4.3900	9.00	44.00	55.00	3.46	4.95
Gilt 10y		4.0494	8.37	53.50	-27.96	3.51	4.65
Bund 10y		2.3700	-7.00	27.00	-11.00	2.10	2.95
JGB 10y		0.7700	-2.20	11.90	32.00	0.41	0.92
TGB 1y		2.3108	1.25	2.37	1.89	2.27	2.31
TGB 2y		2.3961	4.55	4.81	4.72	2.33	2.40
TGB 5y		2.5533	4.87	3.78	6.18	2.47	2.58
TGB 7y		2.6559	4.19	1.39	3.94	2.60	2.69
TGB 10y		2.8363	8.33	7.89	11.67	2.71	2.84
AAA Spread		58.84	-2.49	-5.20	-13.88	58.84	73.76
AA Spread		78.12	1.92	4.57	-1.18	67.14	82.62
A Spread		114.77	2.87	5.31	-8.93	108.20	127.50
BBB Spread		236.27	0.14	-26.76	-1.71	225.96	263.02

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		81.72	-1.4%	-1.2%	-7.6%	81.72	89.50
London Gold		2361.8	-2.2%	-0.9%	2.8%	2,288.5	2,444.4

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)		5,187.7	0.0%	2.5%	3.7%	4,942.8	5,254.4
STOXX (EU)		507.2	0.1%	-1.6%	7.4%	439.7	520.1
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	2.4%	3,954.4	4,172.4
DAX (DE)		18,403.1	2.6%	9.7%	13.6%	14,892.2	18,403.1
CAC All-Tradable(FR)		6,030.5	0.2%	7.5%	9.2%	5,108.0	6,030.5
TOPIX (JP)		2,714.5	2.0%	16.2%	22.3%	2,075.5	2,714.5
Shanghai (CH)		3,188.2	-0.1%	4.8%	-5.7%	3,022.9	3,450.0
Hang Seng (HK)		16,931.5	-0.9%	3.6%	-11.4%	15,276.9	20,040.4
ASX 200 (AU)		7,817.3	1.8%	2.5%	7.8%	6,856.9	7,817.3
SET (TH)		1,380.8	0.0%	-2.0%	-9.7%	1,368.0	1,568.8
SET50 (TH)		845.7	0.3%	-3.3%	-8.4%	836.2	963.5
Straits Times (SG)		3,247.7	1.9%	1.0%	1.6%	3,053.4	3,371.2
FTSE Malay (MY)		1,544.0	0.4%	6.2%	11.6%	1,383.2	1,552.4
JSX Index (ID)		7,338.4	0.4%	3.5%	9.5%	6,633.4	7,359.8
PSE Index (PH)		6,960.4	-0.1%	7.7%	8.2%	5,989.3	6,965.5
Vn Index (VN)		1,281.5	1.4%	16.2%	15.7%	1,039.7	1,281.5

Sources: ttb analytics, CEIC

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

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