

US consumer confidence recovers; inflation worries persist

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US consumer confidence unexpectedly improved in May after deteriorating for three straight months amid optimism about the labor market, but worries about inflation persisted and many households expected higher interest rates over the next year. The Conference Board said that its consumer confidence index increased to 102.0 this month from an upwardly revised 97.5 in April. Economists polled by Reuters had forecast the index slipping to 95.9 from the previously reported 97.0. It outperformed the University of Michigan's sentiment index. Confidence remains within the relatively narrow range it has been hovering in for more than two years. The improvement was across all age groups, with consumers making annual incomes over \$100,000 posting the largest increase in confidence.

Euro zone consumers lower inflation expectation, ECB survey shows

Euro zone consumers lowered their inflation expectations last month, a fresh European Central Bank survey showed on Tuesday, just as the bank was making plans to start rolling back a record string of interest rate hikes. Expectations for inflation in the next 12 months eased to 2.9% from 3.0% a month earlier to hit their lowest level since September 2021. Meanwhile expectations for inflation three years out slipped to 2.4% from 2.5%, still far above the ECB's 2% target. Inflation has come down quickly in the past year to hit 2.4% last month but the ECB now sees it oscillating around its current level for the rest of the year before disinflation kicks in again and the target is reached in 2025.

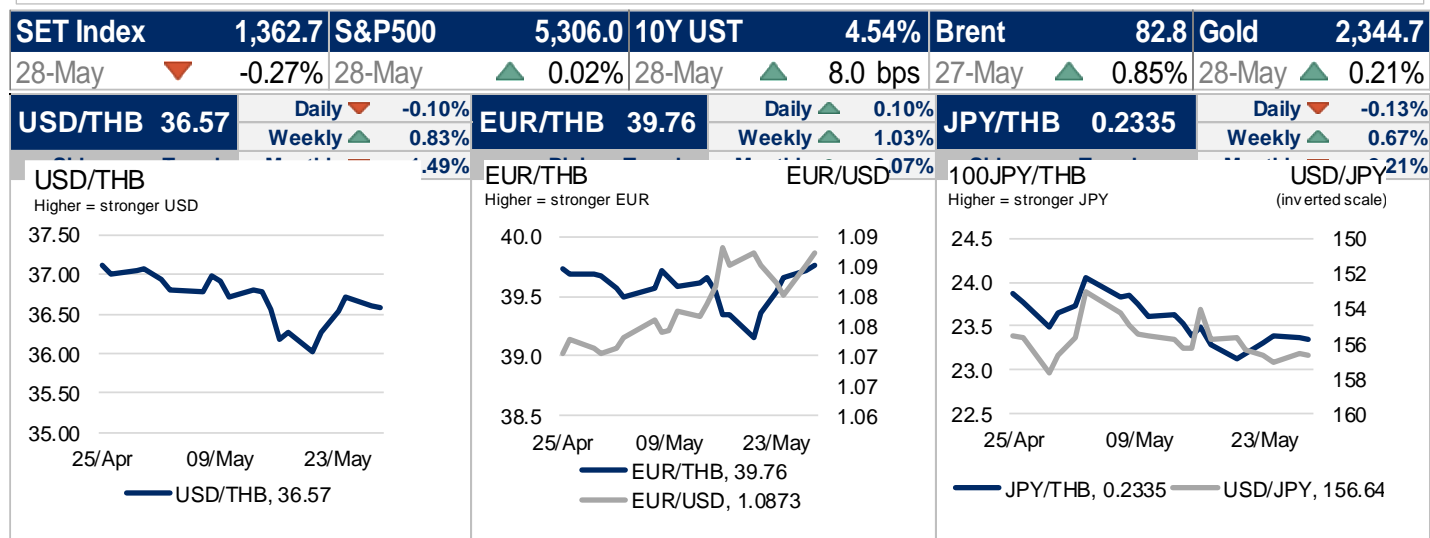
BOJ's underlying inflation measures in April all fall below 2%

Bank of Japan's key measurements of underlying inflation in April all fell below its 2% target for the first time since August 2022, data showed on Tuesday, heightening uncertainty on the timing of its next interest rate hike. The weighted median inflation rate, among the three indicators closely watched as a gauge on whether price rises are broadening, rose 1.1% in April from a year earlier after a 1.3% gain in March, the data showed. The trimmed mean index, which excludes the upper and lower tails of the price change distribution, rose 1.8% in April from a year earlier, slowing from the previous month's 2.2%, the data showed. A third index that measures the inflation rate with the highest density in the distribution also rose 1.6% in April, slowing from the previous month's 1.9% gain, it showed.

Dollar rebounds as yields rise, consumer confidence improves

The 10-year government bond yield (interpolated) on the previous trading day was 2.78, -1.68 bps. The benchmark government bond yield (LB31DA) was 2.81, -2.00 bps. Meantime, the latest closed US 10-year bond yields was 4.54, +8.00 bps. USDTHB on the previous trading day closed around 36.57. Moving in a range of 36.62-36.665 this morning. USDTHB could be closed between 36.40-36.70 today. The dollar gained, giving back earlier losses, as benchmark US Treasury yields hit a four-week high following some weak auctions. The Treasury Department saw soft demand for sales of two-year and five-year notes. They came after data showed that US consumer confidence unexpectedly improved in May after deteriorating for three straight months. US economic data was better than expected in the first quarter and so far there are no major signs of deterioration in areas such as the labor market, which some traders are waiting on before taking a more bearish view on the greenback. Concerns that inflation will remain stubbornly above the Fed's target for longer are also providing some support for the US currency. Tuesday's data showed that worries about inflation persisted, and many households expected higher interest rates over the next year.

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



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT'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		104.67	0.2%	0.2%	-1.0%	104.24	106.22
EUR/USD		1.0851	0.4%	-0.2%	1.4%	1.0628	1.0880
USD/JPY		156.60	-0.3%	0.6%	1.2%	153.03	157.66
USD/CHF		0.9140	-0.2%	0.5%	0.2%	0.9002	0.9154
GBP/USD		1.2747	0.5%	0.3%	2.4%	1.2357	1.2747
USD/CAD		1.3664	-0.6%	0.4%	0.0%	1.3609	1.3775
AUD/USD		0.6633	0.6%	-1.0%	1.9%	0.6388	0.6698
NZD/USD		0.6131	0.7%	0.0%	3.1%	0.5879	0.6131
ASEAN Dollar		107.44	0.0%	0.9%	-1.2%	106.43	108.35
USD/THB		36.61	-0.3%	1.7%	-0.8%	36.01	37.12
USD/SGD		1.3486	-0.3%	0.3%	-0.8%	1.3429	1.3638
USD/MYR		4.7044	-0.3%	0.4%	-1.4%	4.6814	4.7856
USD/IDR		15,961	0.2%	0.3%	-0.9%	15,895	16,217
USD/PHP		58.32	-0.2%	0.5%	1.2%	57.47	58.50
USD/CNY		7.2418	0.0%	0.2%	-0.1%	7.2035	7.2590
USD/HKD		7.8069	0.0%	0.1%	-0.3%	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		225,964	1864
Gold		18,214	414
SDR		5,478	34
IMF Reserves		1,117	-9
Foreign Ccy		201,155	1424
Net Fwd Position		28,225	225

Last update: 17/05/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
28/05/2024	-1,660	-196	-1,856
27/05/2024	-1,071	-576	-1,647
24/05/2024	-835	63	-772
23/05/2024	-1,014	-459	-1,473
21/05/2024	-3,150	596	-2,554
Last 5 days	-7,731	-571	-8,302

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -7,714	↑ 19,355	↑ 11,641
QTD	Quarter	↓ -3,800	↓ -6,114	↓ -9,914
YTD	Year	↓ -73,126	↓ -34,692	↓ -107,819

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		2.70	0.00	2.73	6M		1.95	1.31	1.99	6M		0.44	0.15	0.44
12M		2.81	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		4.3600	9.00	37.00	64.00	3.54	4.84
Gilt 10y		3.9755	-7.68	29.79	-35.43	3.68	4.60
Bund 10y		2.4000	-2.00	24.00	-5.00	2.03	2.81
JGB 10y		0.7800	0.60	12.30	34.60	0.41	0.96
TGB 1y		2.3109	-0.44	1.26	2.27	2.28	2.32
TGB 2y		2.3955	-0.95	4.50	3.53	2.34	2.41
TGB 5y		2.5124	-1.73	0.78	-0.33	2.47	2.58
TGB 7y		2.6585	-1.17	4.45	2.19	2.60	2.69
TGB 10y		2.8010	-2.22	4.80	7.62	2.71	2.84
AAA Spread		59.16	-0.88	-3.74	-13.48	59.16	73.91
AA Spread		78.20	-1.24	4.63	-0.68	67.08	84.99
A Spread		119.10	6.70	10.17	-4.53	107.88	127.78
BBB Spread		236.31	0.10	0.67	-1.67	225.95	239.99

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		82.82	0.9%	-1.0%	-7.5%	81.36	89.50
London Gold		2344.7	0.2%	-4.1%	0.8%	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)		5,222.7	0.0%	4.2%	#DIV/0!	4,997.9	5,254.4
STOXX (EU)		507.6	0.0%	-1.3%	7.4%	452.5	516.1
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	2.4%	3,954.4	4,172.4
DAX (DE)		18,076.7	0.3%	8.9%	13.1%	14,716.5	18,076.7
CAC All-Tradable(FR)		5,961.3	-1.0%	7.5%	10.0%	5,036.7	6,021.2
TOPIX (JP)		2,702.6	-1.8%	14.3%	23.3%	2,085.9	2,751.0
Shanghai (CH)		3,217.8	-0.5%	5.1%	-5.0%	2,904.6	3,512.2
Hang Seng (HK)		16,732.9	0.0%	-1.8%	-13.3%	14,961.2	19,867.6
ASX 200 (AU)		7,824.2	0.5%	4.5%	7.0%	6,826.9	7,824.2
SET (TH)		1,379.5	-1.1%	-2.6%	-11.3%	1,373.9	1,569.6
SET50 (TH)		845.2	-1.1%	-3.4%	-10.2%	845.2	957.0
Straits Times (SG)		3,218.3	1.4%	0.6%	-0.8%	3,071.3	3,325.0
FTSE Malay (MY)		1,553.2	0.0%	6.6%	12.9%	1,376.1	1,553.6
JSX Index (ID)		7,377.8	1.8%	4.3%	9.5%	6,619.8	7,377.8
PSE Index (PH)		6,745.5	-1.6%	2.9%	4.1%	5,989.3	6,891.5
Vn Index (VN)		1,268.3	2.1%	13.0%	13.5%	1,065.9	1,268.3

Sources: ttb analytics, CEIC

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

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