

US Retail Sales Barely Increase In Sign of Consumer Strain

**U.S. retail sales rise at slower than expected pace in May**

U.S. retail sales increased at a slower-than-anticipated rate on a monthly basis in May, pointing to lingering headwinds to momentum in consumer spending activity despite inflationary pressures showing signs of cooling. Retail sales rose by 0.1% last month, accelerating from a downwardly-revised decline of 0.2% in April. Economists had predicted that retail sales, which mostly reflect goods and are not adjusted for inflation, would grow by 0.3%. Monthly sales at gasoline stations slipped, dented in part by a fall in gas and motor vehicle prices. Although inflation has proved to be sticky and interest rates remain elevated, U.S. sales have been largely resilient thanks in part to a solid labor market. But the uptick in sales has been dampened by more consumers choosing to spend on essential items instead of pricier luxury goods. Meanwhile, recent data has also indicated that workers who lose their jobs are struggling to find new work.

**US manufacturing production surges in May**

Production at U.S. factories increased more than expected in May, recouping all the declines in the prior two months, but the momentum is unlikely to be sustained amid higher interest rates and softening demand for goods. Manufacturing output jumped 0.9% last month following a downwardly revised 0.4% drop in April. Economists polled by Reuters had forecast factory output rebounding 0.3% after a previously reported 0.3% fall in April. Production at factories had declined in March and April. It gained 0.1% year-on-year in May.

**BOJ debated weak yen's impact on inflation, April minutes show**

According to the minutes of BOJ April policy meeting, Bank of Japan policymakers debated the impact a weak yen could have on prices, with some flagging the chance of raising interest rates sooner than expected if inflation overshoots. A few members of the nine-person board said the central bank must respond with monetary policy if exchange rate moves, which are among the key factors affecting the economy and prices, alter its view on the outlook and risks, the minutes released on Wednesday showed. The weak-yen boost to inflation may have become bigger and more lasting than in the past, as companies are already keen to hike prices and wages, some members were quoted as saying.

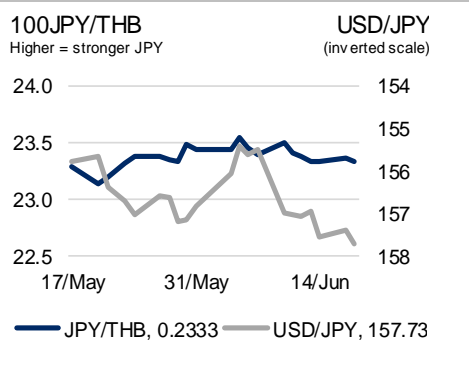
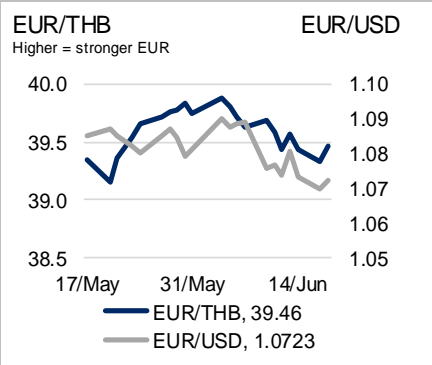
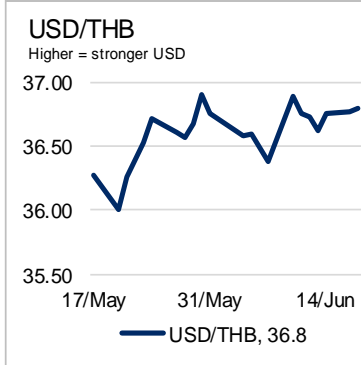
**Dollar steadies; sterling dips ahead of inflation test**

The 10-year government bond yield (interpolated) on the previous trading day was 2.76, -0.44 bps. The benchmark government bond yield (LB346A) was 2.77, -1.0 bps. Meantime, the latest closed US 10-year bond yields was 4.22, -6.00 bps. USDTHB on the previous trading day closed around 36.80 moving in a range of 36.66-36.70 this morning. USDTHB could be closed between 36.55-36.8 today. The dollar was nursing losses after soft U.S. retail sales data reinforced bets of imminent Federal Reserve rate cuts, while sterling eased a touch ahead of a reading on UK inflation due later in the day. That knocked the greenback lower in the immediate aftermath, though its losses were limited against a basket of currencies as the euro, which holds the largest weight in the dollar index, continues to be weighed down by political jitters in France and the wider bloc.

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

<b>SET Index</b>	<b>1,297.4</b>	<b>S&amp;P500</b>	<b>5,487.0</b>	<b>10Y UST</b>	<b>4.22%</b>	<b>Brent</b>	<b>84.4</b>	<b>Gold</b>	<b>2,312.1</b>
18-Jun ▲	0.06%	18-Jun ▲	1.02%	18-Jun ▼	-6.0 bps	17-Jun ▲	2.14%	18-Jun ▼	-0.37%

<b>USD/THB 36.80</b>	Daily ▲ 0.10%	<b>EUR/THB 39.46</b>	Daily ▲ 0.32%	<b>JPY/THB 0.2333</b>	Daily ▼ -0.13%
Rising Trend	Weekly ▲ 0.19%	Rising Trend	Weekly ▲ 0.06%	Sideways Trend	Weekly ▼ -0.22%
	Monthly ▲ 1.45%		Monthly ▲ 0.27%		Monthly ▲ 0.20%



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		105.57	0.1%	0.4%	1.3%	104.08	105.57
EUR/USD		1.0699	-0.3%	-0.6%	-1.7%	1.0699	1.0902
USD/JPY		157.38	-0.1%	0.2%	2.2%	154.01	157.55
USD/CHF		0.8908	-0.4%	-0.6%	-1.0%	0.8897	0.9154
GBP/USD		1.2680	-0.5%	-0.4%	-0.1%	1.2522	1.2803
USD/CAD		1.3743	0.0%	-0.1%	1.0%	1.3609	1.3777
AUD/USD		0.6600	-0.3%	0.0%	-1.3%	0.6583	0.6698
NZD/USD		0.6125	-0.4%	0.0%	0.0%	0.6010	0.6205
ASEAN Dollar		107.79	0.0%	0.6%	1.1%	105.60	107.92
USD/THB		36.76	0.0%	0.0%	1.6%	36.01	36.90
USD/SGD		1.3527	0.1%	0.0%	0.7%	1.3429	1.3546
USD/MYR		4.7183	0.1%	0.0%	0.8%	4.6814	4.7432
USD/IDR		16,331	0.5%	0.8%	2.7%	15,895	16,331
USD/PHP		58.93	0.1%	0.1%	2.2%	57.67	59.15
USD/CNY		7.2604	0.0%	0.1%	0.7%	7.2097	7.2625
USD/HKD		7.8078	0.0%	0.0%	0.1%	7.7966	7.8194

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.15	0.15
3-month		0.70	-0.05
6-month		1.50	-0.20

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		223,827	-507
Gold		17,299	-251
SDR		5,463	-6
IMF Reserves		1,114	-1
Foreign Ccy		199,950	-248
Net Fwd Position		28,640	290

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
18/06/2024	-1,741	-1,624	-3,365
17/06/2024	-2,706	-4,445	-7,152
14/06/2024	-714	-232	-946
13/06/2024	-2,025	419	-1,606
12/06/2024	-1,816	-1,346	-3,161
Last 5 days	-9,002	-7,227	-16,230

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -19,869	↓ -6,401	↓ -26,270
QTD	Quarter	↓ -32,702	↓ -13,237	↓ -45,939
YTD	Year	↓ -102,028	↓ -41,815	↓ -143,844

Money Market

Last update: 07/06/2024

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		0.08	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		2.60	0.00	2.61	2M					2M		0.00	0.00	0.00
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.84	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49

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

Sources: ttb analytics, CEIC

## Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2200	-6.00	-17.00	-20.00	4.20	4.61
Gilt 10y		4.0186	-9.94	-20.30	-0.46	4.02	4.35
Bund 10y		2.4200	2.00	-24.00	-10.00	2.39	2.70
JGB 10y		0.9470	-0.30	-9.80	-1.00	0.93	1.08
TGB 1y		2.3451	0.19	0.73	5.78	2.29	2.35
TGB 2y		2.3684	0.05	-0.74	3.11	2.34	2.41
TGB 5y		2.5077	0.42	-0.95	3.28	2.47	2.55
TGB 7y		2.6288	0.25	-0.83	2.48	2.60	2.67
TGB 10y		2.7677	0.05	-1.75	3.63	2.73	2.84
AAA Spread		57.78	-1.52	-4.61	-15.52	57.78	73.78
AA Spread		75.74	-2.42	-0.07	-4.53	67.08	85.27
A Spread		110.57	-5.98	2.05	-12.24	108.51	126.90
BBB Spread		235.75	-0.50	-0.06	-2.03	234.34	248.70

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		84.41	2.2%	3.4%	0.5%	77.52	84.41
London Gold		2312.1	-0.4%	0.4%	-2.9%	2,297.7	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)		5,473.2	0.0%	2.1%	3.1%	5,235.5	5,487.0
STOXX (EU)		501.8	0.7%	-1.2%	-3.8%	499.0	525.8
FTSE All-Share(UK)		4,076.1	0.2%	0.9%	2.1%	3,933.2	4,088.1
DAX (DE)		18,132.0	0.4%	-1.3%	-3.4%	18,002.0	18,774.7
CAC All-Tradable(FR)		5,649.0	0.8%	-2.3%	-7.1%	5,557.3	6,079.7
TOPIX (JP)		2,715.8	0.6%	-2.2%	-1.9%	2,700.0	2,798.1
Shanghai (CH)		3,176.6	0.5%	0.1%	-3.9%	3,161.5	3,324.2
Hang Seng (HK)		17,915.6	-0.1%	-1.4%	-8.4%	17,915.6	19,636.2
ASX 200 (AU)		7,778.1	1.0%	0.3%	-0.5%	7,628.2	7,881.3
SET (TH)		1,297.4	0.1%	-1.4%	-5.8%	1,296.6	1,382.7
SET50 (TH)		802.4	0.0%	-0.9%	-5.6%	802.4	853.9
Straits Times (SG)		3,301.8	0.1%	-0.6%	-0.1%	3,289.4	3,348.9
FTSE Malay (MY)		1,606.1	-0.1%	-0.5%	0.2%	1,596.7	1,629.2
JSX Index (ID)		6,734.8	-1.4%	-2.4%	-4.9%	6,734.8	7,317.2
PSE Index (PH)		6,368.8	-0.2%	-2.3%	-3.9%	6,368.8	6,682.8
Vn Index (VN)		1,279.5	0.4%	-0.4%	0.2%	1,261.7	1,301.5

Sources: ttb analytics, CEIC

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

### Important Disclosures

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