

UK Inflation Falls to 2% Goal for First Time in Three Years

UK inflation drops to 2% target for first time since 2021

British inflation returned to its 2% target for the first time in nearly three years in May, but strong underlying price pressures all but rule out a pre-election interest rate cut. While Prime Minister Rishi Sunak welcomed the fall in headline inflation in May, it has likely come too late to turn around his fortunes in British elections on July 4 or to prompt a Bank of England rate cut on Thursday. Office for National Statistics data showed services price inflation, which the BoE thinks gives a better picture of medium-term inflation risks, was 5.7%. That was down from 5.9% in April, but higher than the 5.5% economists had forecast or the 5.3% predicted by the BoE last month.

Japan's Exports Grow Most Since 2022 on Boost from Weak Yen

Japan's exports grew at the fastest clip since late 2022 as the weak yen boosted their value, a positive development for the nation's manufacturing sector. Exports increased 13.5% from a year ago in May, marking a sixth month of gains. The gain outpaced economists' consensus estimate of a 12.7% increase, and it was the largest since November of 2022. Imports advanced 9.5%, in line with estimates. The trade deficit came to ¥1.22 trillion (\$7.7 billion), widening from ¥466 billion in April.

Most Japan firms see no need to follow the U.S. with tariffs on China

According to the Reuters, Most Japanese companies see no need for their government to follow the U.S. in raising tariffs on Chinese imports, saying excessive production capacity in China's industrial sector does not affect them. Around 61% of respondents to the survey, conducted June 5-14, said there was no need for Japan to embark on similar measures. The rest said Japan should. Around 53% said China's excessive production capacity had little to no impact on their business. In contrast, the European Union has increased duties on EV imports from China.

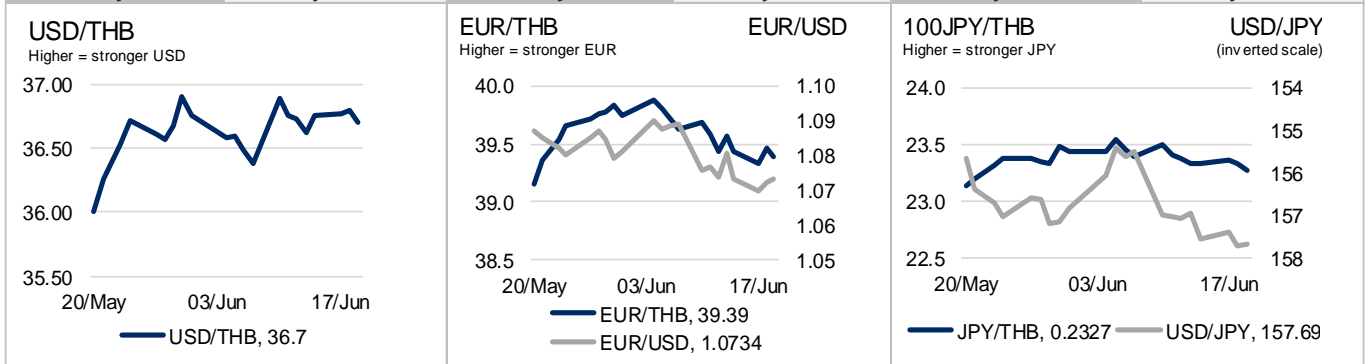
Dollar struggles for direction, euro close to 1-1/2-month low

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 36.70 moving in a range of 36.655-36.70 this morning. USDTHB could be closed between 36.55-36.80 today. The dollar struggled for direction on Wednesday while the euro remained close to its recent lows on concerns that a new government in France could weaken fiscal discipline, increasing the debt risk premium across the euro area. Meanwhile sterling rose after data showed British service inflation was stronger than expected. The dollar index was flat around 105.20 as U.S. markets are closed on Wednesday.

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

SET Index	1,303.8	S&P500	5,487.0	10Y UST	4.22%	Brent	85.3	Gold	2,328.6
19-Jun	▲ 0.49%	18-Jun	▲ 0.25%	18-Jun	▼ -6.0 bps	18-Jun	▲ 1.27%	19-Jun	▲ 0.71%

USD/THB 36.70	Daily ▼ -0.27%	EUR/THB 39.39	Daily ▼ -0.16%	JPY/THB 0.2327	Daily ▼ -0.24%
Sideways Trend	Weekly ▲ 0.20%	Sideways Trend	Weekly ▼ -0.45%	Sideways Trend	Weekly ▼ -0.29%
	Monthly ▲ 1.90%		Monthly ▲ 0.62%		Monthly ▲ 0.60%



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		105.43	0.1%	0.1%	0.7%	104.08	105.57
EUR/USD		1.0723	0.2%	-0.1%	-1.2%	1.0699	1.0902
USD/JPY		157.73	0.2%	0.4%	1.3%	154.01	157.73
USD/CHF		0.8902	-0.1%	-0.8%	-1.9%	0.8897	0.9154
GBP/USD		1.2695	0.1%	-0.4%	0.3%	1.2558	1.2803
USD/CAD		1.3748	0.0%	-0.1%	0.8%	1.3609	1.3777
AUD/USD		0.6610	0.1%	0.1%	-0.8%	0.6583	0.6698
NZD/USD		0.6121	-0.1%	-0.3%	0.2%	0.6017	0.6205
ASEAN Dollar		106.81	0.0%	0.0%	1.2%	105.35	106.90
USD/THB		36.80	0.1%	0.2%	1.5%	36.01	36.90
USD/SGD		1.3524	0.0%	0.0%	0.4%	1.3429	1.3534
USD/MYR		4.7125	-0.1%	-0.1%	0.6%	4.6814	4.7275
USD/IDR		16,314	-0.1%	0.5%	2.5%	15,895	16,331
USD/PHP		58.94	0.0%	0.0%	1.8%	57.67	59.15
USD/CNY		7.2582	0.0%	0.0%	0.5%	7.2097	7.2625
USD/HKD		7.8085	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
19/06/2024	-2,693	2,342	-351
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
Last 5 days	-9,879	-3,540	-13,419

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -22,562	↓ -4,060	↓ -26,621
QTD	Quarter	↓ -35,395	↓ -10,895	↓ -46,291
YTD	Year	↓ -104,721	↓ -39,474	↓ -144,195

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		4.0765	5.79	-21.05	5.81	4.02	4.35
Bund 10y		2.4000	-2.00	-19.00	-10.00	2.39	2.70
JGB 10y		0.9630	1.60	-7.20	-2.40	0.93	1.08
TGB 1y		2.3516	0.65	0.88	6.35	2.29	2.35
TGB 2y		2.3665	-0.19	-0.94	3.11	2.34	2.41
TGB 5y		2.5148	0.71	-0.44	4.20	2.47	2.55
TGB 7y		2.6305	0.17	-0.66	2.90	2.60	2.67
TGB 10y		2.7633	-0.44	-1.87	3.22	2.73	2.84
AAA Spread		57.94	-1.38	-4.35	-15.35	57.94	73.76
AA Spread		75.77	-2.40	0.05	-4.87	67.07	84.99
A Spread		109.42	-6.78	1.54	-13.76	107.88	124.56
BBB Spread		235.78	-0.49	-0.03	-2.14	234.30	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		85.33	1.3%	4.2%	2.0%	77.52	85.33
London Gold		2328.6	0.7%	0.6%	-4.7%	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)		5,487.0	0.0%	2.1%	3.1%	5,235.5	5,487.0
STOXX (EU)		505.4	-0.5%	-3.0%	-3.9%	499.0	525.5
FTSE All-Share(UK)		4,076.1	0.2%	0.9%	2.1%	3,933.2	4,088.1
DAX (DE)		18,067.9	-0.4%	-3.0%	-3.5%	18,002.0	18,774.7
CAC All-Tradable(FR)		5,605.8	-0.8%	-3.9%	-7.2%	5,557.3	6,079.7
TOPIX (JP)		2,728.6	0.5%	-1.0%	-1.1%	2,700.0	2,798.1
Shanghai (CH)		3,163.8	-0.4%	-0.6%	-4.8%	3,161.5	3,324.2
Hang Seng (HK)		18,430.4	2.9%	2.7%	-6.1%	17,915.6	19,636.2
ASX 200 (AU)		7,769.7	-0.1%	0.7%	-1.2%	7,628.2	7,881.3
SET (TH)		1,303.8	0.5%	-1.0%	-5.7%	1,296.6	1,382.7
SET50 (TH)		811.1	1.1%	-0.2%	-5.0%	802.4	853.9
Straits Times (SG)		3,304.0	0.1%	-0.2%	-0.3%	3,289.4	3,348.9
FTSE Malay (MY)		1,599.8	-0.4%	-0.7%	-0.7%	1,596.7	1,629.2
JSX Index (ID)		6,726.9	-0.1%	-2.8%	-6.3%	6,726.9	7,317.2
PSE Index (PH)		6,366.0	0.0%	-1.4%	-3.8%	6,366.0	6,682.8
Vn Index (VN)		1,279.8	0.0%	-1.6%	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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