

Dollar ticks up after mixed August U.S. payrolls

US hiring falls short, signaling potential concerns for the Fed

Nonfarm payrolls for last month totaled 142,000, an improvement over the sharply revised 89,000 for July. Economists had projected 164,000, up from the initial July estimate of 114,000. The unemployment rate edged down to 4.2% from 4.3%, meeting expectations, while the labor force participation rate held steady at 62.7%. This report is important for guiding the Federal Reserve's decision on the magnitude of a potential rate cut at the September 18th meeting. However, it did not offer a definitive signal, as the numbers were not weak enough to make a 50-basis point cut the most likely scenario, but they were not strong enough to eliminate speculation about a larger cut.

Fed's Williams and Waller support a 25-bps rate cut

Fed's Williams is willing to start rate cuts and adjust monetary policy to a neutral stance depending on the data. He emphasized that the Fed will use data to inform decisions about rate cuts without committing to a particular amount. Additionally, he mentioned that monetary policy is "well positioned" and "on track" to prevent undesirable weaknesses in the labor market. Meanwhile, Fed's Waller suggests that reducing the policy rate at the upcoming meeting could help sustain economic momentum. He supports the idea of implementing rate cuts early if necessary but observes that recent data indicates the labor market is softening rather than deteriorating, which will be important for policy decisions.

German industrial output slump sparks recession fear

German industrial production dropped more than anticipated in July, largely due to a downturn in the automotive sector, raising concerns that Europe's largest economy might shrink once more in the third quarter. Production fell by 2.4% from the previous month, whereas analysts had forecasted a 0.3% decline. The automotive sector alone saw an 8.1% drop, heavily impacting the overall figures. Over a less volatile three-month period, production decreased by 2.7% from May-July compared to the February-April period.

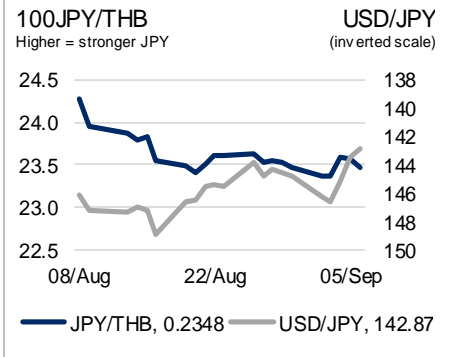
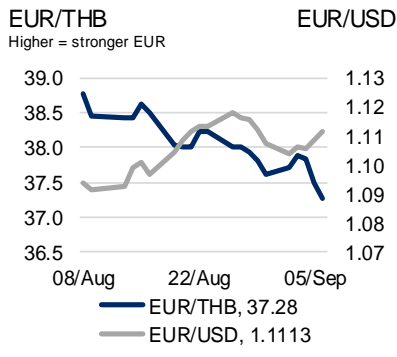
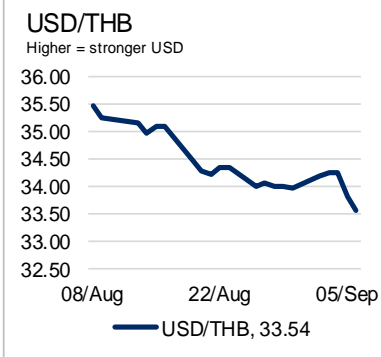
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The 10-year government bond yield (interpolated) on the previous trading day was 2.546, -0.72 bps. The benchmark government bond yield (LB346A) was 2.545, -1.00 bps. Meantime, the latest closed US 10-year bond yields was 3.72, -1.0 bps. USDT/THB on the previous trading day closed around 33.54 moving in a range of 33.70 – 33.78 this morning. USDT/THB could be closed between 33.60 - 33.80 today. At the end of the week, the dollar experienced some fluctuations but ultimately closed with gains, supported by a risk-averse mood and a lack of strong support from Federal Reserve officials for a 50bps cut, despite an initial drop following the US jobs report. The euro, on the other hand, faced losses, with EUR/USD largely influenced by movements in the dollar. Weak German industrial output and the appointment of Barnier as French PM had minimal impact on the euro. After the post-NFP USD sell-off, EUR/USD reached a high of 1.1155 before retreating to around 1.10 as the dollar recovered. The Japanese yen was the standout performer among G10 currencies, gaining against the greenback due to declining US Treasury yields and weaker equity markets. Similar to the dollar, USD/JPY saw volatility following the US jobs report, but by the afternoon, the yen strengthened, driving the cross to a low of 141.79.

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

SET Index	1,427.6	S&P500	5,408.4	10Y UST	3.72%	Brent	71.1	Gold	2,517.7
6-Sep	▲ 1.65%	6-Sep	▼ -1.7%	6-Sep	▼ -1.0 bps	6-Sep	▼ -2.3%	6-Sep	▲ 0.03%

USD/THB 33.54	Daily ▼ -0.82%	EUR/THB 37.28	Daily ▼ -0.54%	JPY/THB 0.2348	Daily ▼ -0.42%
Falling Trend	Weekly ▼ -1.86%	Falling Trend	Weekly ▼ -1.19%	Sideways Trend	Weekly ▲ 0.44%
	Monthly ▼ -5.54%		Monthly ▼ -3.94%		Monthly ▼ -3.31%



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		100.97	-0.3%	-0.8%	-2.0%	100.70	104.23
EUR/USD		1.1113	0.3%	0.7%	1.6%	1.0801	1.1181
USD/JPY		142.87	-0.4%	-2.3%	-2.2%	143.45	149.17
USD/CHF		0.8425	-0.4%	-0.9%	-1.9%	0.8415	0.8718
GBP/USD		1.3185	0.2%	0.5%	3.8%	1.2691	1.3239
USD/CAD		1.3495	-0.1%	-0.1%	-1.7%	1.3459	1.3880
AUD/USD		0.6732	0.1%	-0.4%	2.8%	0.6470	0.6796
NZD/USD		0.6224	0.4%	-0.1%	3.7%	0.5934	0.6280
ASEAN Dollar		101.53	-0.2%	0.5%	-3.2%	101.02	105.29
USD/THB		33.54	-0.8%	-1.8%	-5.4%	33.82	35.62
USD/SGD		1.2984	-0.2%	-0.7%	-1.9%	1.3014	1.3344
USD/MYR		4.3284	-0.1%	-0.2%	-3.1%	4.3149	4.5333
USD/IDR		15,331	-0.4%	-0.7%	-3.6%	15,345	16,167
USD/PHP		56.24	-0.6%	-0.7%	-2.4%	56.50	58.48
USD/CNY		7.0761	-0.23%	-0.3%	-1.1%	7.0814	7.2168
USD/HKD		7.7880	0.00%	-0.2%	0.1%	7.7718	7.8029

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		235,685	-1274
Gold		18,878	-69
SDR		5,567	-27
IMF Reserves		1,141	-5
Foreign Ccy		210,100	-1174
Net Fwd Position		26,485	-90

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
06/09/2024	10,757	-21	10,736
05/09/2024	7,485	5,513	12,998
04/09/2024	-568	3,204	2,636
03/09/2024	-700	-956	-1,656
02/09/2024	-1,478	2,283	805
Last 5 days	15,496	10,023	25,519

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 15,496	↑ 10,023	↑ 25,519
QTD	Quarter	↑ 7,779	↑ 65,027	↑ 72,806
YTD	Year	↓ -109,252	↑ 19,041	↓ -90,211

Money Market

Last update: 30/08/2024

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	2.60	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	2.71	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.82	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		3.7200	-1.00	-19.00	-27.00	3.72	3.99
Gilt 10y		3.8975	-5.25	-9.28	-0.25	3.81	4.02
Bund 10y		2.1700	-5.00	-16.00	-8.00	2.17	2.33
JGB 10y		0.9040	-1.30	-1.80	0.50	0.78	0.97
TGB 1y		2.2790	-0.27	-0.48	-4.31	2.28	2.34
TGB 2y		2.1863	-0.28	-0.57	-6.01	2.19	2.25
TGB 5y		2.2794	-0.95	-1.27	-5.50	2.26	2.34
TGB 7y		2.4240	-0.62	-1.26	-3.51	2.37	2.46
TGB 10y		2.5457	-0.72	-2.82	-5.64	2.52	2.61
AAA Spread		54.11	-5.91	-4.06	-11.25	54.11	71.37
AA Spread		80.11	-2.44	4.33	10.31	67.11	82.55
A Spread		99.31	-2.40	-6.43	-20.07	99.31	122.67
BBB Spread		0.00	0.00	-235.89	-234.33	0.00	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		71.06	-2.2%	-8.1%	-10.8%	71.06	82.30
London Gold		2517.7	0.03%	0.6%	5.1%	2,392.9	2,524.2

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)		5,408.4	-1.7%	-4.2%	1.2%	5,199.5	5,648.4
STOXX (EU)		492.4	-1.4%	-3.9%	1.8%	473.3	512.1
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,301.9	-1.5%	-3.3%	3.3%	17,354.3	18,930.9
CAC All-Tradable(FR)		5,456.2	-1.1%	-3.7%	1.2%	5,291.7	5,665.2
TOPIX (JP)		2,597.4	-0.9%	-4.4%	5.5%	2,227.2	2,733.3
Shanghai (CH)		2,898.6	-0.8%	-1.6%	-3.4%	2,898.6	3,032.9
Hang Seng (HK)		17,444.3	-0.1%	-3.0%	3.3%	16,647.3	17,989.1
ASX 200 (AU)		8,013.4	0.4%	-1.2%	3.0%	7,680.6	8,109.9
SET (TH)		1,427.6	1.7%	5.5%	10.1%	1,274.0	1,427.6
SET50 (TH)		905.3	1.9%	6.0%	10.5%	806.0	905.3
Straits Times (SG)		3,454.5	-0.1%	-0.2%	5.9%	3,198.4	3,480.3
FTSE Malay (MY)		1,653.1	-0.7%	-1.5%	3.6%	1,574.4	1,678.8
JSX Index (ID)		7,721.8	0.5%	0.4%	6.4%	7,129.2	7,721.8
PSE Index (PH)		6,936.1	0.4%	0.2%	6.1%	6,433.2	6,973.4
Vn Index (VN)		1,274.0	0.5%	-0.6%	4.8%	1,188.1	1,285.3

Sources: ttb analytics, CEIC

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

Important Disclosures

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