

ECB delivers second rate cut of the year

US producer prices pick up slightly after downward revisions

US producer prices increased only slightly in August after July's figures were revised downward, with categories relevant to the Federal Reserve's preferred inflation measure showing little movement. The producer price index for final demand rose 0.2% from the previous month, following a flat July. This was higher than the 0.1% gain expected. On annual basis, the PPI climbed 1.7%, marking the smallest increase since early 2024. Excluding the more volatile food and energy sectors, the index rose 0.3% from the previous month and 2.4% from a year earlier. Within categories, costs for physician and hospital inpatient care remained unchanged, while airfares decreased by 0.8% as airlines adjusted to reduced discretionary travel spending.

US jobless claims pick up for the first time in three weeks

US unemployment benefit applications rose for the first time in three weeks, with initial claims increasing by 2,000 to 230,000 for the week ending September 7, surpassing the forecast of 226,000. Continuing claims also rose to 1.85 million for the week ending August 31. The four-week moving average increased to 230,750, marking its first rise in five weeks. Despite this increase, claims levels have remained relatively low, and there are no current signs of a labor market downturn.

ECB delivers second rate cut of the year

On Thursday, the European Central Bank cut interest rates by 25 basis points to 3.50% due to slowing inflation and faltering economic growth but offered little guidance on future policy. The ECB maintained its inflation forecasts and slightly raised projections for core inflation, while also noting easing labor cost pressures. The bank slightly downgraded its eurozone growth forecast, expecting reduced domestic demand. ECB President Christine Lagarde emphasized that future rate decisions will remain data-dependent.

Hawkish BOJ policymaker calls for rates to rise to at least 1%

On Thursday, hawkish BOJ policymaker Naoki Tamura called for raising interest rates to at least 1% by late next year, marking the first specific target set by a BOJ official. He suggested that Japan's economy is moving closer to achieving the BOJ's 2% inflation goal, which justifies a rate increase to a neutral level of around 1% by late 2025. Tamura's comments follow other BOJ board members' support for ongoing rate hikes despite recent market fluctuations.

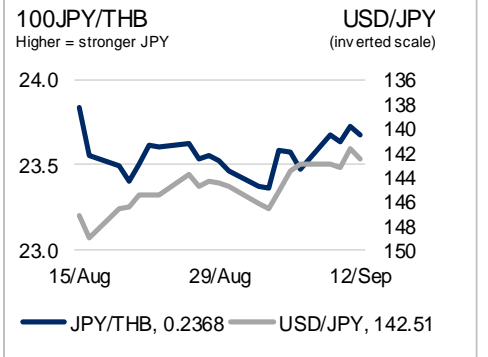
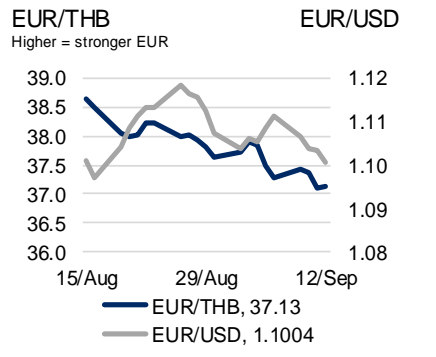
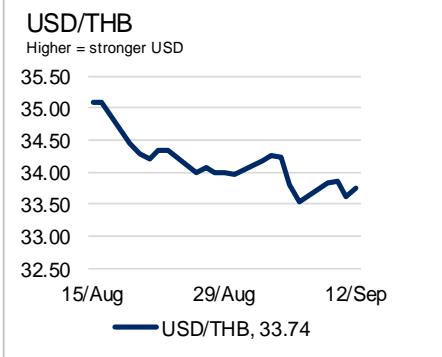
The dollar was weighed on by the risk-on sentiment

The 10-year government bond yield (interpolated) on the previous trading day was 2.556, +0.70 bps. The benchmark government bond yield (LB346A) was 2.555, +1.00 bps. Meantime, the latest closed US 10-year bond yields was 3.65, +0.00 bps. USDTHB on the previous trading day closed around 33.74 moving in a range of 33.31 – 33.39 this morning. USDTHB could be closed between 33.20 – 33.50 today. The dollar was pressured by a risk-on sentiment, with mixed PPI data and jobless claims aligning with expectations having minimal impact on the currency or on the prospects of a 25bps Fed rate cut next week. Meanwhile, the euro capitalized on the dollar's weakness, gradually rising from around the 1.1000 mark, despite the anticipated ECB rate cuts. The Japanese yen also gained from the weaker dollar, pushing USD/JPY below the 142.00 level.

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

SET Index	1,421.6	S&P500	5,595.8	10Y UST	3.68%	Brent	70.6	Gold	2,516.6
12-Sep	▲ 0.43%	12-Sep	▲ 0.7%	12-Sep	▲ 3.0 bps	11-Sep	▲ 2.0%	12-Sep	▼ -0.21%

USD/THB 33.74	Daily ▲ 0.39%	EUR/THB 37.13	Daily ▲ 0.12%	JPY/THB 0.2368	Daily ▼ -0.21%
Weekly ▲ 0.59%	Weekly ▼ -0.39%	Weekly ▼ -0.39%	Weekly ▲ 0.85%	Weekly ▲ 0.85%	Weekly ▼ -0.69%
Monthly ▼ -3.91%	Monthly ▼ -3.96%	Monthly ▼ -3.96%	Monthly ▼ -0.69%	Monthly ▼ -0.69%	Monthly ▼ -0.69%



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		101.81	0.3%	0.83%	-0.8%	100.67	103.18
EUR/USD		1.1004	-0.3%	-1.0%	-0.1%	1.0913	1.1181
USD/JPY		142.51	0.6%	-0.3%	-3.2%	141.65	148.96
USD/CHF		0.8526	0.9%	1.2%	-1.5%	0.8415	0.8718
GBP/USD		1.3038	-0.4%	-1.1%	1.5%	1.2705	1.3239
USD/CAD		1.3585	-0.2%	0.7%	-0.9%	1.3459	1.3746
AUD/USD		0.6675	0.3%	-0.8%	1.0%	0.6549	0.6796
NZD/USD		0.6137	-0.1%	-1.4%	2.3%	0.5996	0.6280
ASEAN Dollar		102.40	0.2%	-0.3%	-2.0%	101.73	105.50
USD/THB		33.74	0.4%	0.6%	-3.8%	33.54	35.24
USD/SGD		1.3046	0.2%	0.5%	-0.9%	1.2984	1.3240
USD/MYR		4.3309	0.0%	0.1%	-2.3%	4.3149	4.4686
USD/IDR		15,350	-0.2%	0.1%	-1.7%	15,331	15,900
USD/PHP		56.29	0.0%	0.1%	-1.6%	56.24	57.62
USD/CNY		7.1167	0.02%	0.6%	-0.4%	7.0761	7.1726
USD/HKD		7.7963	0.02%	0.1%	0.1%	7.7805	7.8010

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
12/09/2024	827	246	1,074
11/09/2024	2,680	2,863	5,542
10/09/2024	560	-720	-160
09/09/2024	3,646	-352	3,294
06/09/2024	10,757	-21	10,736
Last 5 days	18,470	2,016	20,486

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 23,209	↑ 12,060	↑ 35,269
QTD	Quarter	↑ 15,493	↑ 67,063	↑ 82,556
YTD	Year	↓ -101,539	↑ 21,078	↓ -80,461

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		2.53	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		3.6800	3.00	-4.00	-15.00	3.65	3.94
Gilt 10y		3.8099	-2.97	-8.76	-11.53	3.81	4.02
Bund 10y		2.1300	2.00	-4.00	-6.00	2.11	2.33
JGB 10y		0.8960	1.00	1.60	3.50	0.83	0.95
TGB 1y		2.2811	0.09	0.20	-0.62	2.28	2.32
TGB 2y		2.1780	-0.37	-0.83	-2.65	2.18	2.24
TGB 5y		2.2782	0.51	-0.12	-0.40	2.27	2.34
TGB 7y		2.4224	0.31	-0.15	-0.36	2.41	2.46
TGB 10y		2.5564	0.70	1.07	-0.20	2.54	2.60
AAA Spread		56.54	-0.08	1.45	-9.02	53.90	71.23
AA Spread		82.44	0.59	4.90	12.79	67.08	82.44
A Spread		98.59	-2.70	-7.48	-17.90	98.59	121.92
BBB Spread		0.00	0.00	-235.27	-234.54	0.00	239.68

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		70.61	2.1%	-2.9%	-11.5%	69.19	82.30
London Gold		2516.6	-0.21%	0.0%	1.8%	2,423.5	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)		5,595.8	0.75%	3.5%	0.9%	5,344.4	5,648.4
STOXX (EU)		499.1	0.9%	1.4%	0.8%	483.4	512.1
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,518.4	1.0%	1.2%	1.8%	17,726.5	18,930.9
CAC All-Tradable(FR)		5,513.0	0.5%	1.0%	0.2%	5,378.8	5,665.2
TOPIX (JP)		2,592.5	2.4%	-0.2%	-0.3%	2,483.3	2,733.3
Shanghai (CH)		2,847.6	-0.2%	-1.8%	-5.6%	2,847.6	3,032.9
Hang Seng (HK)		17,240.4	0.8%	-1.2%	0.7%	17,090.2	17,989.1
ASX 200 (AU)		8,075.7	1.1%	0.8%	2.7%	7,813.7	8,109.9
SET (TH)		1,421.6	0.4%	-0.4%	10.2%	1,289.8	1,431.1
SET50 (TH)		897.3	0.4%	-0.9%	9.7%	817.7	905.3
Straits Times (SG)		3,556.5	0.7%	3.0%	7.3%	3,235.4	3,556.5
FTSE Malay (MY)		1,638.3	-0.1%	-0.9%	1.6%	1,606.7	1,678.8
JSX Index (ID)		7,761.0	0.0%	1.0%	4.4%	7,257.0	7,761.4
PSE Index (PH)		7,024.7	1.1%	1.3%	5.6%	6,549.3	7,024.7
Vn Index (VN)		1,256.4	0.2%	-1.4%	2.1%	1,208.3	1,285.3

Sources: ttb analytics, CEIC

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

Important Disclosures

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