

US dollar climbs for the second day as GDP data supports a smaller Fed cut

US economy grows at a revised 3% rate, driven by strong consumer spending

The US economy expanded at a somewhat faster rate in the second quarter than previously estimated, thanks to an upward adjustment in consumer spending that outweighed declines in other areas. GDP grew at an annualized rate of 3% from April to June, up from the earlier estimate of 2.8%. Personal spending, the main driver of economic growth, increased by 2.9%, revised up from the previous estimate of 2.3%.

Jobless claims remain largely unchanged

The number of new unemployment benefit applications in the US was relatively stable last week. Initial claims for the week ending August 24 were 231,000, slightly below the forecast of 232,000. The previous week's total was revised up to 233,000 from 232,000. Continuing claims, or the number of people receiving benefits beyond the first week, increased by 13,000 to 1.868 million. The labor market shows no significant weakness, suggesting a likely 25bps rate cut by the Fed in September. However, the US jobs report on September 6 will be crucial in determining the exact size of the Federal Reserve's rate adjustment.

Tokyo CPI and core inflation rose more than expected in August

In August, consumer price index inflation in Tokyo exceeded expectations as rising wages boosted private spending, possibly signaling future interest rate hikes by the Bank of Japan. Tokyo Core CPI, which excludes volatile fresh food prices, increased by 2.4% year-on-year, surpassing forecasts of 2.2% and the previous month's rate. A narrower core CPI measure, excluding both fresh food and energy, rose 1.6% year-on-year from 1.5% the previous month, but still fell short of the BOJ's 2% target. Headline CPI inflation jumped to 2.6% year-on-year from 2.2% the previous month, driven by higher food prices.

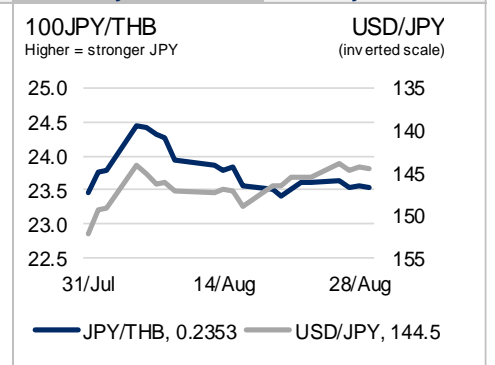
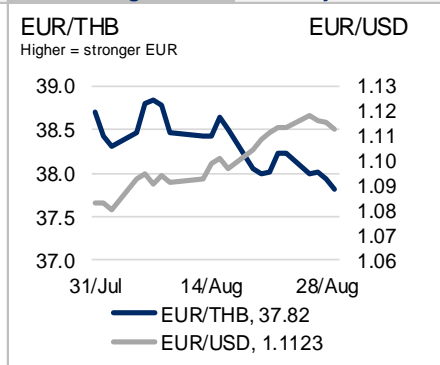
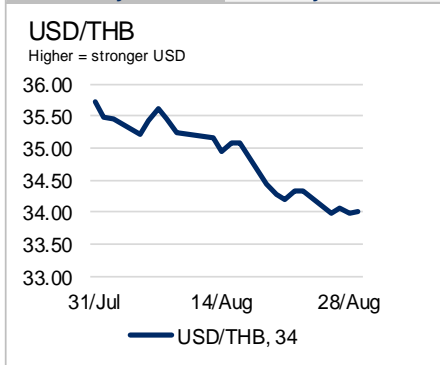
US dollar climbs for the second day as GDP data supports a smaller Fed cut

The 10-year government bond yield (interpolated) on the previous trading day was 2.551, +0.11 bps. The benchmark government bond yield (LB346A) was 2.54, -0.5 bps. Meantime, the latest closed US 10-year bond yields was 3.87, +3.0 bps. USDTHB on the previous trading day closed around 34.00 moving in a range of 33.93 – 33.99 this morning. USDTHB could be closed between 33.80 - 34.10 today. The Dollar Index rose above 101, initially boosted by Euro weakness and later supported by a higher-than-expected Q2 GDP revision and stable jobless claims. It peaked at 101.58 but has since slightly decreased. The Euro weakened against the dollar following a larger-than-expected drop in German state CPI. Safe haven currencies also fell due to a stronger dollar and rising US yields. USD/JPY hit 145.55 but couldn't maintain that level.

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

SET Index	1,357.4	S&P500	5,592.0	10Y UST	3.87%	Brent	77.6	Gold	2,517.1
29-Aug	▼ -0.61%	29-Aug	▼ 0.00%	29-Aug	▲ 3.0 bps	28-Aug	▼ -2.5%	29-Aug	▲ 0.30%

USD/THB 34.00	Daily ▲ 0.02%	EUR/THB 37.82	Daily ▼ -0.27%	JPY/THB 0.2353	Daily ▼ -0.10%
Sideways Trend	Weekly ▼ -1.00%	Falling Trend	Weekly ▼ -1.07%	Sideways Trend	Weekly ▼ -0.31%
	Monthly ▼ -4.94%		Monthly ▼ -2.28%		Monthly ▲ 0.27%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates

Main Contributor

Wajarawij Ramindra
wajarawij.ram@ttbbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbbank.com

ttb analytics ttbanalytics@ttbbank.com
Naris Sathapholdeja naris.sat@ttbbank.com
Kasem Harnchanpanich kasem.har@ttbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		101.01	0.2%	-0.3%	-3.2%	100.70	104.58
EUR/USD		1.1123	-0.3%	-0.1%	2.7%	1.0801	1.1181
USD/JPY		144.50	0.1%	-0.7%	-5.1%	143.82	155.00
USD/CHF		0.8415	-0.2%	-1.1%	-4.5%	0.8431	0.8909
GBP/USD		1.3208	-0.2%	0.7%	2.7%	1.2691	1.3239
USD/CAD		1.3471	0.1%	-0.8%	-2.6%	1.3459	1.3880
AUD/USD		0.6793	0.1%	1.1%	4.4%	0.6470	0.6789
NZD/USD		0.6280	0.7%	2.0%	6.1%	0.5885	0.6238
ASEAN Dollar		101.54	0.2%	-0.3%	-4.8%	101.37	106.90
USD/THB		34.00	0.0%	-1.0%	-4.8%	33.98	36.16
USD/SGD		1.3019	-0.1%	-0.4%	-2.8%	1.3014	1.3444
USD/MYR		4.3302	-0.3%	-1.0%	-5.9%	4.3438	4.6707
USD/IDR		15,345	-0.4%	-0.8%	-5.2%	15,357	16,229
USD/PHP		56.53	0.0%	-0.2%	-3.7%	56.50	58.87
USD/CNY		7.1120	-0.18%	-0.2%	-1.6%	7.1139	7.2735
USD/HKD		7.7957	-0.04%	0.1%	-0.1%	7.7718	7.8096

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		234,501	2311
Gold		18,914	580
SDR		5,535	21
IMF Reserves		1,137	4
Foreign Ccy		208,916	1705
Net Fwd Position		26,515	-20

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
29/08/2024	968	-1,319	-351
28/08/2024	1,761	9,940	11,701
27/08/2024	1,081	-4,009	-2,928
26/08/2024	553	-1,245	-692
23/08/2024	2,843	-2,087	755
Last 5 days	7,206	1,279	8,485

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,780	↑ 30,367	↑ 27,587
QTD	Quarter	↓ -4,532	↑ 58,184	↑ 53,652
YTD	Year	↓ -121,564	↑ 12,198	↓ -109,365

Money Market

Last update: 16/08/2024

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		3.8700	3.00	6.00	-12.00	3.78	4.17
Gilt 10y		3.9632	6.68	6.41	-6.85	3.81	4.13
Bund 10y		2.2300	-2.00	-2.00	-6.00	2.13	2.37
JGB 10y		0.9170	-0.40	-0.20	-15.30	0.78	1.07
TGB 1y		2.2826	0.01	0.19	-9.23	2.28	2.38
TGB 2y		2.1952	0.01	-1.13	-12.80	2.19	2.34
TGB 5y		2.2805	0.08	-3.05	-6.22	2.26	2.37
TGB 7y		2.4172	0.12	-2.24	-2.97	2.37	2.49
TGB 10y		2.5508	0.11	-1.89	-3.68	2.52	2.62
AAA Spread		56.88	-2.97	-1.70	-10.50	55.02	71.30
AA Spread		80.62	2.00	4.88	8.81	66.99	81.90
A Spread		100.93	0.15	-9.86	-19.97	100.79	123.17
BBB Spread		0.00	0.00	-235.84	-234.30	0.00	239.70

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		77.58	-2.48%	0.5%	-3.9%	76.05	82.30
London Gold		2517.1	0.30%	0.5%	4.0%	2,374.6	2,521.6

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)		5,592.0	0.0%	-0.8%	1.3%	5,186.3	5,634.6
STOXX (EU)		511.3	0.9%	1.2%	3.6%	472.8	511.3
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,912.6	0.7%	1.5%	4.6%	17,339.0	18,912.6
CAC All-Tradable(FR)		5,661.2	0.8%	0.8%	3.4%	5,291.7	5,661.2
TOPIX (JP)		2,693.0	0.0%	0.3%	-3.6%	2,227.2	2,794.3
Shanghai (CH)		2,958.8	-0.5%	-1.1%	-3.7%	2,958.8	3,080.4
Hang Seng (HK)		17,786.3	0.5%	1.0%	2.8%	16,647.3	17,874.7
ASX 200 (AU)		8,045.1	-0.3%	0.3%	-0.9%	7,649.6	8,114.7
SET (TH)		1,357.4	-0.6%	0.2%	2.8%	1,274.0	1,365.7
SET50 (TH)		857.4	-0.7%	0.4%	3.1%	806.0	863.3
Straits Times (SG)		3,404.5	0.4%	0.5%	-1.5%	3,198.4	3,455.9
FTSE Malay (MY)		1,653.6	-1.3%	1.1%	1.8%	1,536.5	1,675.2
JSX Index (ID)		7,627.6	-0.4%	1.1%	4.1%	7,059.7	7,658.9
PSE Index (PH)		6,891.6	-1.0%	-0.1%	4.3%	6,433.2	6,973.4
Vn Index (VN)		1,281.5	0.0%	-0.3%	4.4%	1,188.1	1,285.3

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.