

BOJ deputy governor lowers odds of a near-term rate hike

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On Wednesday, Bank of Japan Deputy Governor Shinichi Uchida stated that the central bank will not raise interest rates during market instability, diminishing the likelihood of a near-term rate hike. His comments, which differed from Governor Kazuo Ueda's recent hawkish stance and unexpected rate increase, led to a boost in Japan's Nikkei share average and a sharp drop in the yen. Uchida noted that recent market volatility could influence the BOJ's rate decisions if it impacts economic forecasts and the prospects of achieving Japan's 2% inflation target.

China's imports rise, but weak export growth raises concerns

In July, China's export growth slowed to its lowest rate in three months, falling short of expectations and raising concerns about the manufacturing sector. Exports increased by 7.0% year-over-year, down from June's 8.6% and below the anticipated 9.7% rise. Meanwhile, imports surged by 7.2%, rebounding from a 2.3% decline in June and exceeding the forecasted 3.5% increase, driven by efforts to stockpile chips before anticipated U.S. tech restrictions.

Thai inflation rose in July but stayed below the central bank's target

Thailand's annual headline inflation rate accelerated in July due to rising energy and food prices, yet it stayed within the central bank's target range of 1% to 3%. The headline consumer price index (CPI) climbed by 0.83% in July compared to a year earlier, up from a 0.62% increase in June and surpassing the expected 0.70% rise. For the first seven months of 2024, the average annual headline inflation was 0.11%, with the commerce ministry maintaining its full-year forecast of between 0% and 1%. Core CPI, which excludes fresh food and energy costs, rose 0.52% year-over-year and increased by 0.42% during the first seven months of 2024 compared to the same period the previous year.

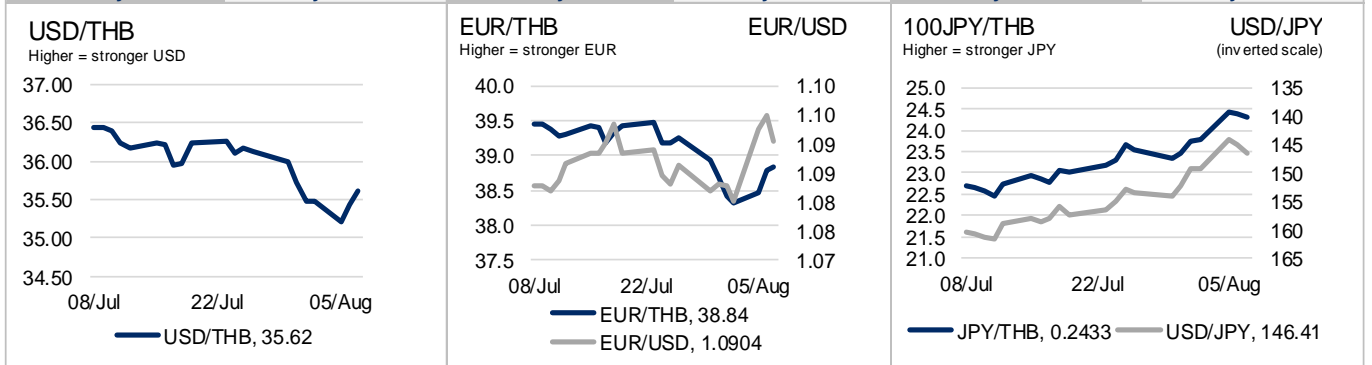
Dollar rises slightly; yen falls as BOJ rules out further rate hikes

The 10-year government bond yield (interpolated) on the previous trading day was 2.607, +4.39 bps. The benchmark government bond yield (LB346A) was 2.61, +6.00 bps. Meantime, the latest closed US 10-year bond yields was 3.96, +6.0 bps. USDTHB on the previous trading day closed around 35.62 moving in a range of 35.54 – 35.58 this morning. USDTHB could be closed between 35.40 - 35.60 today. The Dollar Index edged up on Wednesday, boosted by Japanese yen weakness following comments from BoJ Deputy Governor Uchida. Overall, dollar-specific news was sparse due to lighter trading conditions, with no significant Fed updates or major US data. The yen lagged behind other G10 currencies, reversing some recent gains after Uchida's dovish remarks, where he indicated that rates wouldn't be raised amidst market instability and that current monetary easing would continue. The Euro and the British Pound remained within narrow ranges, trading between 1.0906-36 and 1.2681-1.2735, respectively, amid minimal currency news.

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

| | | | | | | | | | |
|------------------|----------------|-------------------|----------------|----------------|--------------|--------------|-------------|-------------|----------------|
| SET Index | 1,290.6 | S&P500 | 5,199.5 | 10Y UST | 3.96% | Brent | 76.5 | Gold | 2,392.9 |
| 7-Aug | ▲ 1.29% | 7-Aug | ▼ -0.78% | 7-Aug | ▲ 6.0 bps | 6-Aug | ▲ 0.2% | 7-Aug | ▼ -0.89% |

| | | | | | |
|----------------------|------------------|----------------------|----------------|-----------------------|----------------|
| USD/THB 35.62 | Daily ▲ 0.53% | EUR/THB 38.84 | Daily ▲ 0.12% | JPY/THB 0.2433 | Daily ▼ -0.33% |
| Sideways Trend | Weekly ▲ 0.39% | Sideways Trend | Weekly ▲ 1.10% | Sideways Trend | Weekly ▲ 2.36% |
| Monthly ▼ -2.25% | Monthly ▼ -1.55% | Monthly ▲ 6.97% | | | |



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 | | 103.28 | 0.4% | -0.7% | -1.5% | 102.84 | 105.97 |
| EUR/USD | | 1.0904 | -0.4% | 0.7% | 0.7% | 1.0720 | 1.0949 |
| USD/JPY | | 146.41 | 0.9% | -2.0% | -8.8% | 144.03 | 161.63 |
| USD/CHF | | 0.8569 | 0.2% | -2.2% | -4.2% | 0.8512 | 0.9043 |
| GBP/USD | | 1.2691 | -0.7% | -1.2% | -1.0% | 1.2629 | 1.3005 |
| USD/CAD | | 1.3795 | -0.2% | -0.1% | 1.2% | 1.3608 | 1.3880 |
| AUD/USD | | 0.6537 | 0.4% | 0.1% | -3.1% | 0.6470 | 0.6766 |
| NZD/USD | | 0.5998 | 0.8% | 0.7% | -2.4% | 0.5885 | 0.6144 |
| ASEAN Dollar | | 102.87 | -1.1% | -2.1% | -3.1% | 103.98 | 106.64 |
| USD/THB | | 35.62 | 0.5% | 0.4% | -2.2% | 35.21 | 36.83 |
| USD/SGD | | 1.3279 | 0.3% | -0.5% | -1.5% | 1.3222 | 1.3586 |
| USD/MYR | | 4.4899 | 0.6% | -1.5% | -4.6% | 4.4148 | 4.7210 |
| USD/IDR | | 16,064 | -0.3% | -0.6% | -0.8% | 16,074 | 16,303 |
| USD/PHP | | 57.99 | -0.4% | -1.0% | -1.4% | 58.07 | 59.05 |
| USD/CNY | | 7.1778 | 0.63% | -0.6% | -1.4% | 7.1220 | 7.2894 |
| USD/HKD | | 7.8011 | 0.14% | -0.1% | -0.1% | 7.7718 | 7.8156 |

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

| 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 |

| Date | Equity | Bond | Total |
|-------------|--------|--------|--------|
| 07/08/2024 | 1,667 | 8,214 | 9,881 |
| 06/08/2024 | -724 | 13,250 | 12,526 |
| 05/08/2024 | -72 | -890 | -962 |
| 02/08/2024 | -1,843 | 6,794 | 4,951 |
| 01/08/2024 | -207 | 7,957 | 7,751 |
| Last 5 days | -1,178 | 35,325 | 34,147 |

| Reserves (\$mn) | 3M History | Last | \$mn Chg(1W) |
|------------------|------------|---------|--------------|
| Total | | 228,710 | 987 |
| Gold | | 17,999 | -108 |
| SDR | | 5,484 | 6 |
| IMF Reserves | | 1,126 | 1 |
| Foreign Ccy | | 204,101 | 1089 |
| Net Fwd Position | | 27,475 | -260 |

| | Period-to-date | Equity | Bond | Total |
|-----|----------------|------------|----------|------------|
| MTD | Month | ↓ -1,178 | ↑ 35,325 | ↑ 34,147 |
| QTD | Quarter | ↓ -2,930 | ↑ 63,142 | ↑ 60,212 |
| YTD | Year | ↓ -119,962 | ↑ 17,156 | ↓ -102,806 |

Last update: 26/07/2024

Money Market

| 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 | | 3.9600 | 6.00 | -3.00 | -32.00 | 3.78 | 4.30 |
| Gilt 10y | | 3.8451 | 0.87 | -18.17 | -24.15 | 3.84 | 4.18 |
| Bund 10y | | 2.2700 | 10.00 | -2.00 | -27.00 | 2.13 | 2.59 |
| JGB 10y | | 0.8990 | -0.90 | -14.70 | -18.00 | 0.78 | 1.09 |
| TGB 1y | | 2.3267 | -0.55 | -4.13 | -4.53 | 2.33 | 2.39 |
| TGB 2y | | 2.2465 | 1.54 | -5.79 | -10.74 | 2.23 | 2.36 |
| TGB 5y | | 2.3352 | 3.15 | 1.87 | -11.21 | 2.26 | 2.50 |
| TGB 7y | | 2.4446 | 3.66 | 1.86 | -10.97 | 2.37 | 2.60 |
| TGB 10y | | 2.6071 | 4.39 | 2.83 | -6.28 | 2.52 | 2.70 |
| AAA Spread | | 60.37 | 3.48 | 1.48 | -10.13 | 56.89 | 71.63 |
| AA Spread | | 78.60 | 2.92 | 0.48 | -1.88 | 66.99 | 82.62 |
| A Spread | | 100.48 | -1.24 | -14.45 | -21.81 | 100.48 | 124.29 |
| BBB Spread | | 0.00 | 0.00 | -236.28 | -239.76 | 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 | | 76.48 | 0.24% | -5.3% | -9.7% | 76.30 | 87.43 |
| London Gold | | 2392.9 | -0.88% | -1.7% | 0.8% | 2,362.4 | 2,470.4 |

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) | | 5,199.5 | -0.8% | -4.5% | -6.8% | 5,186.3 | 5,667.2 |
| STOXX (EU) | | 482.5 | 2.0% | -2.3% | -5.3% | 472.8 | 517.7 |
| FTSE All-Share(UK) | | 4,076.1 | 0.2% | -0.3% | 2.9% | 3,933.2 | 4,088.1 |
| DAX (DE) | | 17,615.2 | 1.5% | -2.6% | -4.3% | 17,339.0 | 18,748.2 |
| CAC All-Tradable(FR) | | 5,390.9 | 1.9% | -1.5% | -3.8% | 5,291.7 | 5,718.5 |
| TOPIX (JP) | | 2,489.2 | 2.3% | -7.9% | -14.0% | 2,227.2 | 2,929.2 |
| Shanghai (CH) | | 3,008.0 | 0.1% | -2.1% | -2.4% | 2,998.6 | 3,126.4 |
| Hang Seng (HK) | | 16,877.9 | 1.4% | -2.5% | -3.4% | 16,647.3 | 18,293.4 |
| ASX 200 (AU) | | 7,699.8 | 0.2% | -5.1% | -1.5% | 7,649.6 | 8,114.7 |
| SET (TH) | | 1,290.6 | 1.3% | -2.4% | -2.4% | 1,274.0 | 1,332.0 |
| SET50 (TH) | | 817.7 | 1.4% | -1.8% | -0.2% | 804.7 | 832.8 |
| Straits Times (SG) | | 3,249.7 | 1.6% | -5.0% | -6.1% | 3,198.4 | 3,499.9 |
| FTSE Malay (MY) | | 1,591.9 | 1.1% | -2.0% | -1.6% | 1,536.5 | 1,636.6 |
| JSX Index (ID) | | 7,212.1 | 1.2% | -1.6% | -1.0% | 7,059.7 | 7,327.6 |
| PSE Index (PH) | | 6,535.2 | 1.6% | -2.4% | -0.3% | 6,433.2 | 6,791.7 |
| Vn Index (VN) | | 1,215.9 | 0.5% | -0.9% | -5.4% | 1,188.1 | 1,293.7 |

Sources: ttb analytics, CEIC

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

Important Disclosures

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