

RBA pushes back against near-term rate cut on inflation risk

US trade deficit narrows to \$73.1 billion as exports increase

The US trade deficit decreased for the first time in three months, as the value of goods and services exports rose by the largest amount since earlier this year. The deficit in goods and services narrowed by 2.5% from the previous month to \$73.1 billion, slightly higher than the \$72.5 billion shortfall predicted by a Bloomberg survey. Exports grew by 1.5%, while imports increased by 0.6%. The rise in merchandise exports was broad-based, with notable increases in shipments of commercial aircraft, natural gas, other petroleum products, and motor vehicles. Imports were driven up by higher spending on pharmaceuticals and capital goods.

German industrial orders surge, boosting economic hopes

German industrial orders surged more than expected in June, offering a hopeful sign for Europe's largest economy, which faces the possibility of recession after a contraction in the second quarter. Orders rose by 3.9% from the previous month, adjusting for seasonal and calendar factors, surpassing analysts' forecast of a 0.5% increase.

Japan's June real wages rise for first time in nearly two years

In June, Japan's inflation-adjusted real wages increased for the first time in over two years, as nominal wages surged at their fastest rate in nearly 30 years. Real wages rose by 1.1% in June, reversing a revised 1.3% decline from May and marking the first increase in 27 months. However, separate data released on Tuesday indicated that household spending dropped by 1.4% year-on-year in June, exceeding the median market forecast of a 0.9% decline. This suggests that rising living costs may be deterring consumers from increasing their spending.

RBA pushes back against near-term rate cut on inflation risk

The Reserve Bank of Australia (RBA) maintained its interest rates at 4.35%, as anticipated, and indicated that it will need to keep monetary conditions tight to address ongoing inflationary pressures. This decision marks the sixth consecutive meeting with no change in the official cash rate. The RBA's move was expected after the consumer price index (CPI) grew in line with the bank's forecasts for the second quarter. While underlying inflation eased slightly, providing some hope that it will eventually decrease, CPI inflation remains significantly above the RBA's target range of 2% to 3%, prompting a cautious stance from the central bank.

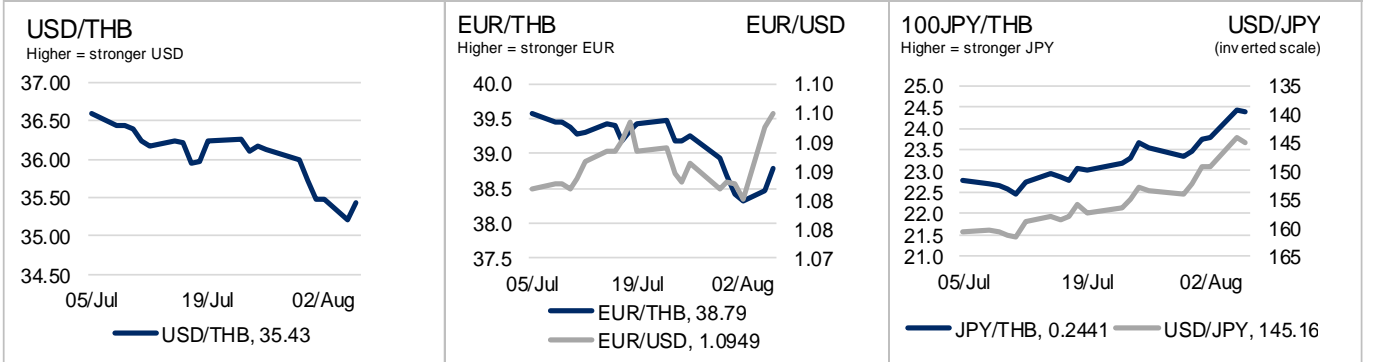
Dollar stabilizes against yen as market eases

The 10-year government bond yield (interpolated) on the previous trading day was 2.563, +4.15 bps. The benchmark government bond yield (LB346A) was 2.56, +4.00 bps. Meantime, the latest closed US 10-year bond yields was 3.90, +12.0 bps. USDTHB on the previous trading day closed around 35.43 moving in a range of 35.49 – 35.52 this morning. USDTHB could be closed between 35.35 - 35.60 today. The dollar made only slight gains, with the index staying near 103.00. The Japanese yen lagged after its recent rally, while the Australian dollar led the gains following hawkish remarks from RBA Governor Bullock, who revealed that the RBA considered a rate hike at this meeting.

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

<b>SET Index</b>	<b>1,274.0</b>	<b>S&amp;P500</b>	<b>5,240.0</b>	<b>10Y UST</b>	<b>3.90%</b>	<b>Brent</b>	<b>76.3</b>	<b>Gold</b>	<b>2,414.2</b>
6-Aug	▼ -0.05%	6-Aug	▲ 1.03%	6-Aug	▲ 12.0 bps	5-Aug	▼ -0.7%	6-Aug	▼ -0.31%

<b>USD/THB 35.43</b>	Daily ▲ 0.62%	<b>EUR/THB 38.79</b>	Daily ▲ 0.85%	<b>JPY/THB 0.2441</b>	Daily ▼ -0.16%
Sideways Trend	Weekly ▼ -0.83%	Sideways Trend	Weekly ▲ 0.26%	Sideways Trend	Weekly ▲ 3.94%
	Monthly ▼ -3.22%		Monthly ▼ -2.02%		Monthly ▲ 6.96%



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@ttbank.com

Pimchatr Ekkachan  
pimchatr.ekk@ttbank.com

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

Currency Market

Currency	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
Dollar Index		102.84	-0.1%	-1.4%	-2.1%	102.90	105.97
EUR/USD		1.0949	0.2%	1.1%	1.2%	1.0720	1.0934
USD/JPY		145.16	0.8%	-4.7%	-9.7%	144.03	161.63
USD/CHF		0.8553	0.5%	-2.9%	-4.8%	0.8512	0.9043
GBP/USD		1.2780	0.0%	-0.6%	0.1%	1.2629	1.3005
USD/CAD		1.3817	-0.5%	-0.1%	1.5%	1.3608	1.3880
AUD/USD		0.6512	0.6%	0.1%	-3.2%	0.6470	0.6766
NZD/USD		0.5948	0.2%	0.5%	-2.8%	0.5885	0.6144
ASEAN Dollar		104.21	-0.1%	-1.2%	-2.2%	104.35	106.92
USD/THB		35.43	0.6%	-0.8%	-3.2%	35.21	36.83
USD/SGD		1.3239	0.1%	-1.2%	-1.9%	1.3222	1.3586
USD/MYR		4.4612	1.1%	-3.1%	-5.2%	4.4148	4.7210
USD/IDR		16,113	0.0%	-0.5%	-0.7%	16,074	16,303
USD/PHP		58.25	0.3%	-0.8%	-0.9%	58.07	59.05
USD/CNY		7.1332	0.16%	-1.3%	-2.0%	7.1220	7.2894
USD/HKD		7.7905	0.24%	-0.2%	-0.2%	7.7718	7.8156

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		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

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
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
31/07/2024	301	1,887	2,189
Last 5 days	-2,544	28,998	26,454

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,845	↑ 27,111	↑ 24,266
QTD	Quarter	↓ -4,597	↑ 54,928	↑ 50,331
YTD	Year	↓ -121,629	↑ 8,942	↓ -112,687

Last update: 26/07/2024

Money Market

THB BIBOR	1M Hist	Last	1M Range		THBFIX	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	2.66	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		3.9000	12.00	-19.00	-40.00	3.78	4.36
Gilt 10y		3.8364	-2.46	-19.53	-26.73	3.84	4.22
Bund 10y		2.1700	4.00	-16.00	-39.00	2.13	2.60
JGB 10y		0.9080	12.70	-16.20	-18.40	0.78	1.10
TGB 1y		2.3322	-0.98	-4.27	-4.13	2.34	2.39
TGB 2y		2.2310	-0.45	-9.22	-12.49	2.24	2.36
TGB 5y		2.3037	4.04	-3.90	-16.19	2.26	2.50
TGB 7y		2.4079	3.55	-3.89	-16.93	2.37	2.60
TGB 10y		2.5632	4.15	-2.44	-11.86	2.52	2.70
AAA Spread		60.35	6.45	1.50	-10.15	53.90	73.77
AA Spread		78.61	2.92	0.49	-1.89	67.14	82.76
A Spread		100.76	-1.64	-14.01	-21.27	100.76	124.56
BBB Spread		0.00	0.00	-236.27	-239.74	0.00	248.70

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		76.30	-0.66%	-3.0%	-11.0%	76.30	87.43
London Gold		2414.2	-0.31%	-0.2%	2.2%	2,357.2	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)		5,240.0	1.0%	-5.1%	-6.0%	5,186.3	5,667.2
STOXX (EU)		473.3	0.1%	-6.1%	-6.1%	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)		17,354.3	0.1%	-6.2%	-4.8%	17,339.0	18,748.2
CAC All-Tradable(FR)		5,291.7	-0.2%	-5.4%	-4.8%	5,291.7	5,718.5
TOPIX (JP)		2,434.2	9.3%	-12.9%	-15.1%	2,227.2	2,929.2
Shanghai (CH)		3,005.4	0.2%	-2.4%	-3.1%	2,998.6	3,126.4
Hang Seng (HK)		16,647.3	-0.3%	-4.0%	-5.0%	16,647.3	18,293.4
ASX 200 (AU)		7,680.6	0.4%	-5.1%	-1.9%	7,649.6	8,114.7
SET (TH)		1,274.0	-0.1%	-3.5%	-2.9%	1,274.0	1,332.0
SET50 (TH)		806.2	0.0%	-3.1%	-1.0%	800.1	832.8
Straits Times (SG)		3,198.4	-1.4%	-7.5%	-6.6%	3,198.4	3,499.9
FTSE Malay (MY)		1,574.4	2.5%	-3.1%	-2.5%	1,536.5	1,636.6
JSX Index (ID)		7,129.2	1.0%	-1.7%	-1.9%	7,059.7	7,327.6
PSE Index (PH)		6,433.2	0.0%	-2.8%	-1.5%	6,433.2	6,791.7
Vn Index (VN)		1,210.3	1.9%	-3.3%	-6.4%	1,188.1	1,293.7

Sources: ttb analytics, CEIC

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

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