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The July jobs report indicated a weakening labor market, making a September rate cut almost certain, though the extent is still debated. Additionally, the U.S. unemployment rate surged to nearly a three-year high due to a sharp slowdown in hiring, raising concerns about the labor market's health and potential recession risks. Job creation fell to 114,000 from 179,000, missing the anticipated 175,000. The Bureau of Labor Statistics noted that Hurricane Beryl did not significantly affect the July figures, and response rates were normal. The unemployment rate unexpectedly increased to 4.3% from 4.1%, which, according to the Sahm rule, historically signals a recession.

Fed's Barkin describes the slowing job growth as 'reasonable' while resisting major rate cuts

After the weak U.S. jobs report, Fed's Barkin told the NY Times that 114,000 jobs is still a "reasonable" figure despite the slowdown. He noted that Fed officials will assess August's job numbers before their next interest rate decision. Barkin added that significant rate cuts typically occur during rapid economic declines, and while 114,000 jobs isn't as strong as recent figures, it remains reasonable long-term.

Japan's service sector activity rebounded in July

In July, Japan's service sector saw growth again, driven by strong domestic demand, though businesses are still feeling the strain from sluggish international orders and ongoing cost pressures. The final au Jibun Bank Service purchasing managers' index (PMI) increased to 53.7 last month, up from 49.4 in June—the first contractionary figure in 21 months. Although the index moved back above the 50 mark that distinguishes growth from decline, it slightly decreased from the preliminary reading of 53.9.

South Korea's inflation rises in July following three months of decline

In July, South Korea's consumer inflation ticked up to 2.6% year-over-year, surpassing forecasts and ending a three-month decline. This increase, driven by supply-side pressures, was higher than the expected 2.5% and marked a rise from June's 2.4%. Monthly, the CPI rose 0.3%, reversing June's 0.2% decline and exceeding the expected 0.25% increase. Petroleum products rose by 3.3%, and agricultural products, including a 6.3% jump in vegetable prices, increased by 0.9%. Core inflation remained steady at 2.2% for the third month.

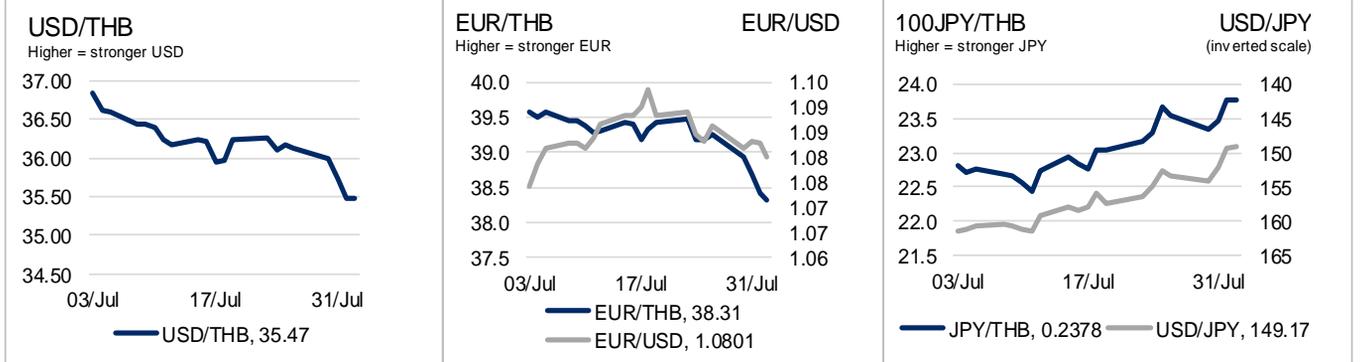
Dollar hits four-month low as weak US jobs data boosts rate cut bets

The 10-year government bond yield (interpolated) on the previous trading day was 2.559, -1.97 bps. The benchmark government bond yield (LB346A) was 2.56, -2.00 bps. Meantime, the latest closed US 10-year bond yields was 3.80, -19.0 bps. USDTHB on the previous trading day closed around 35.47 moving in a range of 35.28 – 35.32 this morning. USDTHB could be closed between 35.20 - 35.40 today. The Dollar Index was markedly weaker, with the flight-to-haven trade ramping up after the US jobs report as Yen and Franc's strength sent the index lower. The Euro was among the best performers against the Greenback, with upside accumulating on the soft NFP report. The Japanese yen benefited the most from the NFP report, as the flight to safety play persists. USD/JPY fell from its session open of 149.30 to lows of 146.42.

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

SET Index	1,313.1	S&P500	5,346.6	10Y UST	3.80%	Brent	79.5	Gold	2,461.8
2-Aug	▼ -0.73%	2-Aug	▼ -1.86%	2-Aug	▼ -19.0 bps	1-Aug	▼ -1.5%	2-Aug	▲ 1.13%

USD/THB 35.47	Daily ▼ -0.03%	EUR/THB 38.31	Daily ▼ -0.26%	JPY/THB 0.2378	Daily ▲ 0.08%
Falling Trend	Weekly ▼ -1.85%	Falling Trend	Weekly ▼ -2.42%	Rising Trend	Weekly ▲ 1.01%
	Monthly ▼ -3.76%		Monthly ▼ -3.22%		Monthly ▲ 4.20%



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		104.24	0.2%	0.0%	-1.4%	103.75	105.99
EUR/USD		1.0801	-0.2%	-0.6%	0.5%	1.0690	1.0934
USD/JPY		149.17	-0.1%	-2.8%	-7.7%	149.33	161.63
USD/CHF		0.8716	-0.5%	-1.0%	-3.6%	0.8761	0.9043
GBP/USD		1.2738	-0.9%	-1.1%	0.4%	1.2629	1.3005
USD/CAD		1.3856	0.4%	0.4%	1.3%	1.3608	1.3850
AUD/USD		0.6508	-0.4%	-0.7%	-2.5%	0.6508	0.6766
NZD/USD		0.5953	0.0%	1.0%	-2.1%	0.5885	0.6144
ASEAN Dollar		104.73	-0.4%	-0.6%	-1.8%	104.99	106.68
USD/THB		35.47	0.0%	-1.8%	-3.7%	35.48	36.85
USD/SGD		1.3344	0.0%	-0.5%	-1.6%	1.3349	1.3586
USD/MYR		4.5333	-0.5%	-2.6%	-3.9%	4.5569	4.7210
USD/IDR		16,167	0.0%	-0.3%	-0.8%	16,074	16,327
USD/PHP		58.48	-0.1%	-0.2%	-0.9%	58.44	59.05
USD/CNY		7.2168	-0.06%	-0.2%	-1.0%	7.2210	7.2894
USD/HKD		7.8029	-0.04%	0.1%	-0.1%	7.7970	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
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
30/07/2024	101	5,909	6,011
26/07/2024	-148	7,697	7,549
Last 5 days	-1,794	30,244	28,450

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,049	↑ 14,751	↑ 12,702
QTD	Quarter	↓ -3,801	↑ 42,568	↑ 38,766
YTD	Year	↓ -120,833	↓ -3,418	↓ -124,251

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		2.53	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	2.61	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		3.8000	-19.00	-37.00	-48.00	3.80	4.48
Gilt 10y		3.9721	-5.47	-13.89	-16.56	3.97	4.25
Bund 10y		2.2200	-7.00	-14.00	-37.00	2.22	2.63
JGB 10y		1.0460	-2.40	-2.20	-5.40	1.01	1.10
TGB 1y		2.3632	-0.48	-1.88	-0.48	2.36	2.39
TGB 2y		2.2761	-2.83	-5.56	-8.19	2.30	2.36
TGB 5y		2.2955	-2.10	-7.25	-20.27	2.32	2.50
TGB 7y		2.3957	-3.02	-6.97	-20.23	2.43	2.60
TGB 10y		2.5590	-1.97	-5.53	-14.24	2.58	2.70
AAA Spread		60.42	1.34	1.61	-10.88	58.15	73.76
AA Spread		77.55	1.83	-1.88	-3.88	67.07	84.68
A Spread		100.31	-2.07	-14.73	-21.68	100.31	124.56
BBB Spread		0.00	0.00	-236.25	-239.70	0.00	260.10

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		79.52	-1.49%	-2.0%	-9.0%	78.63	87.43
London Gold		2461.8	1.14%	2.9%	4.1%	2,329.0	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)		5,346.6	-1.8%	-2.1%	#DIV/0!	5,346.6	5,667.2
STOXX (EU)		480.8	-2.6%	-3.5%	-6.0%	480.8	517.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		17,661.2	-2.3%	-3.6%	-4.4%	17,661.2	18,748.2
CAC All-Tradable(FR)		5,383.6	-1.7%	-2.6%	-5.2%	5,383.6	5,718.5
TOPIX (JP)		2,537.6	-6.1%	-8.0%	-12.5%	2,537.6	2,929.2
Shanghai (CH)		3,045.4	-0.9%	0.5%	-1.5%	3,018.2	3,142.0
Hang Seng (HK)		16,945.5	-2.1%	-1.7%	-4.8%	16,945.5	18,293.4
ASX 200 (AU)		7,943.2	-2.1%	-0.6%	1.5%	7,718.2	8,114.7
SET (TH)		1,313.1	-0.7%	0.4%	1.4%	1,288.6	1,332.0
SET50 (TH)		827.6	-0.6%	0.8%	2.9%	800.1	832.8
Straits Times (SG)		3,381.5	-1.1%	-1.8%	-0.9%	3,367.9	3,499.9
FTSE Malay (MY)		1,611.1	-0.8%	-0.8%	-0.4%	1,598.0	1,636.6
JSX Index (ID)		7,308.1	-0.2%	0.3%	0.8%	7,125.1	7,327.6
PSE Index (PH)		6,605.3	-1.3%	-0.7%	1.5%	6,359.0	6,791.7
Vn Index (VN)		1,236.6	0.8%	-0.8%	-3.6%	1,227.0	1,293.7

Sources: ttb analytics, CEIC

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

Important Disclosures

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