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The Bank of England (BoE) kept interest rates steady at 5.0% on Thursday, with an 8-1 vote rather than the expected 7-2. Following a 25 basis point cut in August, the BoE plans a gradual approach to further reductions until inflation sustainably hits the 2.0% target. Governor Andrew Bailey cautioned that high wage growth and differing views on long-term inflation pressures pose challenges. The BoE forecasts inflation will rise to about 2.5% by year-end, up from 2.2%, but lower than the previous estimate of 2.75%, partly due to falling oil prices. Future changes will be assessed on a meeting-by-meeting basis. The BoE also announced a £100 billion reduction in government bonds over the next year, bringing the total to £558 billion.

Weekly initial jobless claims increased less than anticipated

The number of Americans filing for first-time unemployment benefits increased less than expected last week, indicating that the US labor market remains relatively strong, even after the Federal Reserve's first interest rate cut in over four years earlier this week. Initial jobless claims rose to 219,000 for the week ending September 14, up from a revised 231,000 the previous week, while economists had anticipated 230,000. Meanwhile, continuing claims, which reflect those receiving benefits after the initial week, decreased by 14,000 to a seasonally adjusted 1.829 million.

Japan's CPI inflation reached a 10-month high in August

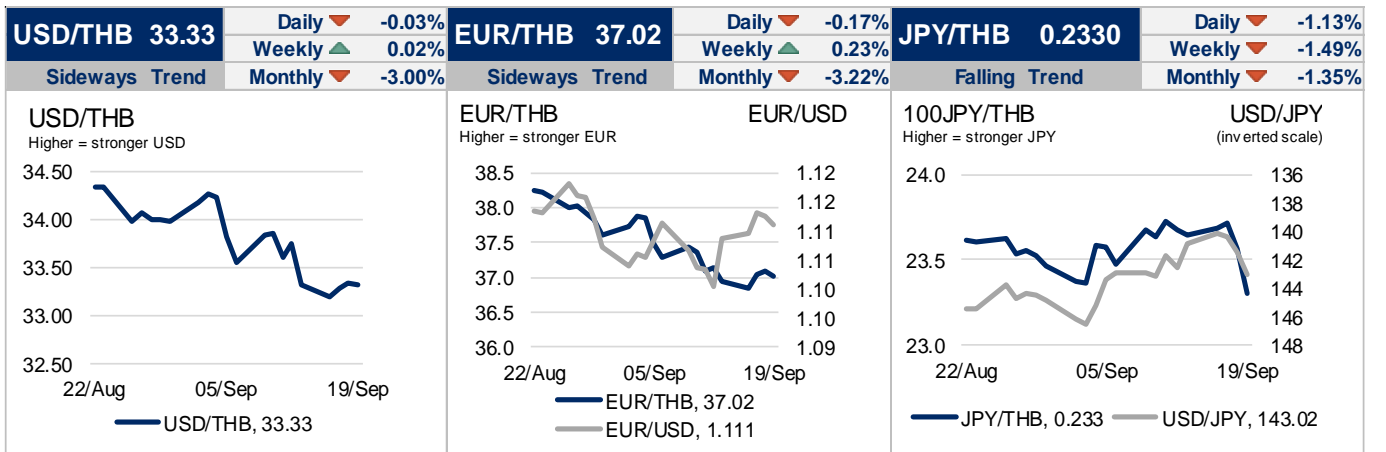
Japanese consumer price index increased as expected in August, driven by ongoing consumption growth linked to higher wages, just ahead of a Bank of Japan meeting later that day. Core CPI, which excludes volatile fresh food prices, rose 2.8% year-on-year, reaching a 10-month high and up from 2.7% in July. A more focused core reading that excludes both fresh food and energy prices, closely monitored by the BOJ as an indicator of underlying inflation, climbed to 2% in August from 1.9% the previous month. Headline CPI inflation also increased to 3% in August, up from 2.8% in July.

The dollar fell in volatile trading after the Fed's major rate cut

The 10-year government bond yield (interpolated) on the previous trading day was 2.507, -1.55 bps. The benchmark government bond yield (LB346A) was 2.495, -2.0 bps. Meantime, the latest closed US 10-year bond yields was 3.73, +3.00 bps. USDTHB on the previous trading day closed around 33.33 moving in a range of 33.08 – 33.13 this morning. USDTHB could be closed between 33.00 – 33.30 today. The dollar declined after the Fed's recent 50 basis point rate cut, which led to a day of increased risk-taking. Although various US data releases were better than anticipated, they did not lead to a lasting recovery for the greenback, with the dollar index remaining below the 101.00 mark. The euro gained from the weaker dollar, ignoring dovish remarks from ECB officials. The British pound benefited from the BoE's hawkish stance but lost some gains due to strong US data. Meanwhile, the Japanese yen weakened as risk appetite grew, although USD/JPY pulled back from intraday highs as the 144.00 level remained out of reach, with market participants now focused on upcoming Japanese inflation data and the conclusion of the BoJ's two-day policy meeting.

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

SET Index	1,454.8	S&P500	5,713.6	10Y UST	3.73%	Brent	74.3	Gold	2,590.6
19-Sep ▲	1.32%	19-Sep ▲	1.7%	19-Sep ▲	3.0 bps	18-Sep ▲	0.9%	19-Sep ▲	0.9%



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		101.07	0.2%	0.03%	-0.2%	100.64	103.00
EUR/USD		1.1110	-0.1%	0.2%	-0.2%	1.0970	1.1181
USD/JPY		143.02	1.1%	1.5%	-1.6%	140.15	148.96
USD/CHF		0.8483	0.4%	-0.1%	-0.4%	0.8415	0.8718
GBP/USD		1.3208	0.3%	0.4%	1.0%	1.2861	1.3239
USD/CAD		1.3608	0.2%	0.3%	0.1%	1.3459	1.3742
AUD/USD		0.6784	0.3%	0.9%	0.8%	0.6616	0.6796
NZD/USD		0.6216	0.2%	0.4%	1.1%	0.5996	0.6280
ASEAN Dollar		102.20	-0.1%	-0.8%	-1.9%	102.32	105.98
USD/THB		33.33	0.0%	0.0%	-3.0%	33.20	34.45
USD/SGD		1.2955	0.1%	-0.2%	-0.8%	1.2940	1.3210
USD/MYR		4.2515	0.2%	-1.4%	-2.9%	4.2440	4.4487
USD/IDR		15,245	-0.3%	-0.6%	-1.5%	15,295	15,628
USD/PHP		56.03	0.1%	-0.4%	-1.1%	55.91	57.42
USD/CNY		7.0794	-0.10%	-0.3%	-0.7%	7.0761	7.1726
USD/HKD		7.7933	0.06%	0.0%	0.0%	7.7811	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		236,897	1212
Gold		18,978	100
SDR		5,583	16
IMF Reserves		1,144	3
Foreign Ccy		211,192	1092
Net Fwd Position		26,680	195

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
19/09/2024	1,038	2,370	3,407
18/09/2024	3,494	9,749	13,242
17/09/2024	-416	-186	-601
16/09/2024	350	-66	285
13/09/2024	1,761	1,718	3,479
Last 5 days	6,227	13,585	19,812

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 29,436	↑ 25,645	↑ 55,081
QTD	Quarter	↑ 21,719	↑ 80,649	↑ 102,368
YTD	Year	↓ -95,312	↑ 34,663	↓ -60,649

Money Market

Last update: 06/09/2024

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		3.7300	3.00	7.00	-6.00	3.63	3.91
Gilt 10y		3.7245	-8.54	-16.71	-14.41	3.72	4.02
Bund 10y		2.2000	3.00	7.00	-2.00	2.10	2.33
JGB 10y		0.8890	2.90	-0.70	-0.70	0.86	0.95
TGB 1y		2.2581	-0.29	-2.12	-2.14	2.26	2.29
TGB 2y		2.1417	0.14	-2.69	-6.20	2.14	2.22
TGB 5y		2.2048	-0.74	-4.97	-10.45	2.20	2.33
TGB 7y		2.3550	-0.66	-5.63	-8.31	2.36	2.45
TGB 10y		2.5066	-1.55	-3.74	-5.61	2.50	2.58
AAA Spread		56.73	2.40	2.01	-8.78	54.33	70.50
AA Spread		80.68	-0.13	2.99	13.58	67.11	80.81
A Spread		99.54	-1.10	-5.85	-13.78	99.54	122.28
BBB Spread		0.00	0.00	0.00	-234.27	0.00	263.02

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		74.32	0.9%	3.3%	-2.3%	69.19	81.43
London Gold		2590.6	0.87%	0.7%	3.3%	2,462.2	2,590.6

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)		5,713.6	1.70%	1.6%	2.6%	5,408.4	5,713.6
STOXX (EU)		511.5	1.8%	1.7%	1.8%	492.4	512.1
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		19,002.4	1.6%	1.6%	2.8%	18,265.9	19,002.4
CAC All-Tradable(FR)		5,651.2	2.2%	2.0%	1.3%	5,456.2	5,665.2
TOPIX (JP)		2,616.9	2.0%	0.9%	-1.8%	2,530.7	2,733.3
Shanghai (CH)		2,867.5	0.7%	0.5%	-4.6%	2,834.0	3,032.9
Hang Seng (HK)		18,013.2	2.0%	4.5%	2.9%	17,108.7	18,013.2
ASX 200 (AU)		8,191.9	0.6%	1.1%	2.1%	7,950.5	8,191.9
SET (TH)		1,454.8	1.3%	2.1%	8.5%	1,323.4	1,454.8
SET50 (TH)		917.7	1.4%	2.0%	8.4%	837.3	917.7
Straits Times (SG)		3,633.2	1.1%	2.0%	7.7%	3,355.6	3,633.2
FTSE Malay (MY)		1,665.7	0.3%	1.7%	1.9%	1,623.9	1,678.8
JSX Index (ID)		7,905.4	1.0%	1.4%	4.6%	7,432.1	7,905.4
PSE Index (PH)		7,202.2	0.6%	2.6%	3.7%	6,692.9	7,202.2
Vn Index (VN)		1,271.3	0.5%	1.6%	-0.1%	1,223.6	1,285.3

Sources: ttb analytics, CEIC

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

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