

Dollar rebounds from lows; euro impacted by weak PMI data

**US business activity steady in September; price pressures pick up**

U.S. business activity remained stable in September, but average prices for goods and services increased at their fastest rate in six months, suggesting a potential rise in inflation ahead. The S&P Global Manufacturing Flash PMI unexpectedly fell to 47.0 from 47.9, below the anticipated 48.5. The Services PMI also declined, but less than expected, coming in at 55.4 compared to the forecast of 55.2 and a previous reading of 55.7. As a result, the Composite PMI edged down to 54.4 from 54.6.

**Fed officials leave door open to another large Interest-rate cut**

Fed's Goolsbee stated that several more rate cuts will likely be needed next year, stressing the importance of significant reductions. He supported the recent 50 basis point cut, indicating a focus on employment risks. Fed's Bostic remarked that the economy is normalizing faster than expected, making it essential for monetary policy to adjust, and he also backed the 50 basis point cut as a compromise amid inflation and job market uncertainties. Lastly, Fed's Kashkari noted a shift toward risks of labor market weakening and higher unemployment, calling the 50 basis point cut appropriate. He projected a policy rate of 4.4% by the end of 2024 and 3.4% by the end of 2025.

**Euro zone business activity unexpectedly shrank in September**

Business activity in the euro zone unexpectedly declined sharply this month, with the services sector stagnating and manufacturing worsening. HCOB's preliminary composite PMI fell to 48.9 from 51.0 in August, below the forecast of 50.5. Overall demand decreased at the fastest rate in eight months, with the new business index dropping to 47.2. The manufacturing PMI, expected at 45.6, fell to 44.8, and the output index dropped to 44.5. Business optimism waned, as the factory future output index fell to an 11-month low of 52.0. The services PMI also dropped to 50.5, missing expectations. The downturn was widespread, with Germany's decline deepening and France returning to contraction after a boost from the Olympics.

**China's central bank injects cash, lowers 14-day reverse repo rate**

The People's Bank of China (PBOC) cut the 14-day reverse repurchase rate by 10 basis points to 1.85%, signaling a desire to ease monetary conditions. Analysts noted that this move wasn't a major policy easing, as the PBOC typically uses 14-day repos to support the banking system during long holidays, with a similar action last taken before a spring break in February.

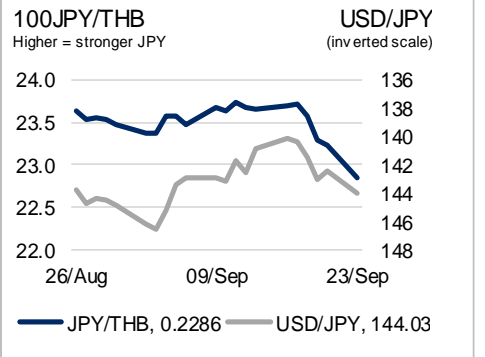
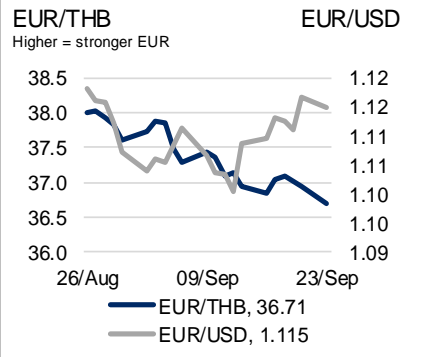
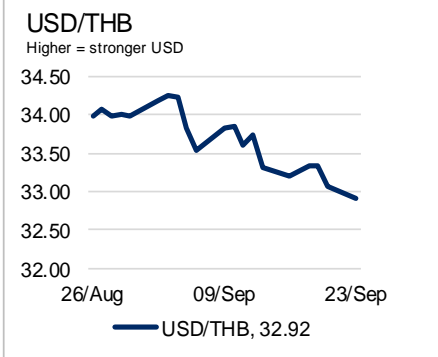
**Dollar rebounds from lows; euro impacted by weak PMI data**

The 10-year government bond yield (interpolated) on the previous trading day was 2.492, +2.35 bps. The benchmark government bond yield (LB346A) was 2.485, +2.0 bps. Meantime, the latest closed US 10-year bond yields was 3.75, +2.00 bps. USDTHB on the previous trading day closed around 32.92 moving in a range of 32.95 – 32.99 this morning. USDTHB could be closed between 32.80 – 33.10 today. The dollar made small gains but retreated from earlier highs as attention shifted to Fed speakers and flash PMI data. The euro struggled, briefly falling below the 1.1100 mark against the dollar due to a series of disappointing PMI reports from the eurozone. The Japanese yen strengthened slightly after fluctuating around the 144.00 level before pulling back, as traders awaited the reopening of Tokyo markets following the extended weekend and anticipated comments from BoJ Governor Ueda.

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

<b>SET Index</b>	<b>1,447.9</b>	<b>S&amp;P500</b>	<b>5,718.6</b>	<b>10Y UST</b>	<b>3.75%</b>	<b>Brent</b>	<b>74.95</b>	<b>Gold</b>	<b>2,617.3</b>
23-Sep	▼ -0.26%	23-Sep	▲ 0.3%	23-Sep	▲ 2.0 bps	20-Sep	▲ 0.1%	23-Sep	▲ 0.4%

<b>USD/THB 32.92</b>	Daily ▼ -0.47%	<b>EUR/THB 36.71</b>	Daily ▼ -0.62%	<b>JPY/THB 0.2286</b>	Daily ▼ -1.62%
Falling Trend	Weekly ▼ -1.07%	Falling Trend	Weekly ▼ -0.90%	Falling Trend	Weekly ▼ -3.68%
	Monthly ▼ -3.17%		Monthly ▼ -3.46%		Monthly ▼ -3.32%



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		100.83	0.3%	0.19%	0.2%	100.57	101.87
EUR/USD		1.1150	-0.1%	0.2%	-0.3%	1.1004	1.1181
USD/JPY		144.03	1.2%	2.6%	0.1%	140.15	146.60
USD/CHF		0.8507	0.5%	0.8%	0.5%	0.8415	0.8608
GBP/USD		1.3308	0.04%	0.7%	0.8%	1.2995	1.3303
USD/CAD		1.3558	-0.01%	-0.2%	0.3%	1.3459	1.3627
AUD/USD		0.6816	0.05%	1.0%	0.6%	0.6654	0.6813
NZD/USD		0.6239	-0.1%	0.7%	0.4%	0.6123	0.6280
ASEAN Dollar		102.69	0.0%	-0.5%	-2.4%	102.69	105.26
USD/THB		32.92	-0.5%	-1.1%	-3.1%	33.08	34.34
USD/SGD		1.2909	0.1%	-0.2%	-0.8%	1.2900	1.3078
USD/MYR		4.2025	0.4%	-1.9%	-3.3%	4.1878	4.3778
USD/IDR		15,119	0.3%	-1.2%	-1.6%	15,067	15,478
USD/PHP		55.93	0.2%	0.0%	-1.2%	55.83	56.85
USD/CNY		7.0401	-0.08%	-0.6%	-1.0%	7.0455	7.1283
USD/HKD		7.7826	-0.07%	0.0%	-0.2%	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		238,892	1995
Gold		19,437	459
SDR		5,585	2
IMF Reserves		1,144	0
Foreign Ccy		212,726	1534
Net Fwd Position		26,520	-160

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
23/09/2024	435	-2,975	-2,541
20/09/2024	1,399	1,358	2,758
19/09/2024	1,038	2,370	3,407
18/09/2024	3,494	9,749	13,242
17/09/2024	-416	-186	-601
Last 5 days	5,950	10,316	16,265

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 31,270	↑ 24,029	↑ 55,298
QTD	Quarter	↑ 23,553	↑ 79,032	↑ 102,585
YTD	Year	↓ -93,478	↑ 33,046	↓ -60,432

Money Market

Last update: 13/09/2024

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		2.52	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		3.7500	2.00	10.00	-6.00	3.63	3.91
Gilt 10y		3.7487	1.43	2.42	-17.80	3.72	4.02
Bund 10y		2.1600	-2.00	6.00	-7.00	2.10	2.33
JGB 10y		0.8980	0.90	2.00	-0.20	0.86	0.95
TGB 1y		2.2662	0.71	0.09	-1.36	2.26	2.29
TGB 2y		2.1281	0.78	-2.34	-6.51	2.12	2.22
TGB 5y		2.2104	2.86	1.06	-6.46	2.18	2.33
TGB 7y		2.3370	1.36	-2.61	-7.96	2.32	2.45
TGB 10y		2.4925	2.35	-0.82	-5.44	2.47	2.58
AAA Spread		56.86	3.09	-2.21	-8.66	53.77	70.55
AA Spread		79.45	-1.70	2.67	12.32	67.14	82.54
A Spread		101.00	1.12	-2.99	-11.48	99.89	122.47
BBB Spread		0.00	0.00	0.00	-234.22	0.00	238.80

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		74.95	0.1%	3.0%	-5.2%	69.19	81.43
London Gold		2617.3	0.41%	1.6%	4.7%	2,474.5	2,617.3

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)		5,718.6	0.28%	1.5%	1.8%	5,408.4	5,718.6
STOXX (EU)		504.5	0.2%	0.2%	0.18%	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)		18,846.8	0.7%	0.6%	1.2%	18,265.9	19,002.4
CAC All-Tradable(FR)		5,570.2	0.1%	0.2%	-1.0%	5,456.2	5,665.2
TOPIX (JP)		2,642.4	1.0%	2.8%	-1.1%	2,530.7	2,733.3
Shanghai (CH)		2,881.1	0.4%	1.7%	-3.5%	2,834.0	3,032.9
Hang Seng (HK)		18,247.1	-0.1%	4.7%	3.4%	17,108.7	18,258.6
ASX 200 (AU)		8,152.9	-0.7%	0.1%	0.8%	7,950.5	8,209.5
SET (TH)		1,447.9	-0.3%	0.8%	6.1%	1,337.8	1,454.8
SET50 (TH)		913.2	0.0%	0.7%	6.0%	845.5	917.7
Straits Times (SG)		3,638.5	0.4%	1.3%	7.1%	3,373.6	3,638.5
FTSE Malay (MY)		1,665.3	-0.2%	0.1%	1.8%	1,635.3	1,678.8
JSX Index (ID)		7,775.7	0.4%	-0.7%	3.1%	7,488.7	7,905.4
PSE Index (PH)		7,417.3	2.3%	3.4%	6.5%	6,882.1	7,417.3
Vn Index (VN)		1,268.5	-0.3%	0.8%	-1.1%	1,239.3	1,285.3

Sources: ttb analytics, CEIC

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

Important Disclosures

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