

Dollar rises ahead of key payrolls report, supported by Middle East turmoil

US service sector activity reaches a 1.5-year high, but employment declines

U.S. services sector activity surged to a 1.5-year high in September, driven by robust growth in new orders, indicating that the economy remained strong in the third quarter. The ISM Services PMI rose significantly to 54.9 from 51.5, exceeding all analyst forecasts. This growth was primarily fueled by increases in new orders and business activity, which reached 59.4 (up from 53.0) and 59.9 (up from 53.3), respectively. However, the inflation indicator for prices paid also increased to 59.4 from 57.3, while the employment component slipped into contraction. Inventory sentiment declined, but Supplier Deliveries improved to above 50, and there were varying increases in imports, exports, and backlog of orders.

Initial jobless claims climb to 225,000

The number of Americans filing first-time claims for state unemployment benefits rose more than expected last week but remained close to a four-month low reached the previous week. Initial Jobless Claims increased to 225,000 from 219,000, surpassing the forecast of 220,000. Continued claims for the prior week held steady at 1.826 million, below the consensus estimate of 1.832 million. The four-week average for initial claims fell to 224,250 from 225,000, while unadjusted claims totaled 181,000, down from 182,000. Seasonal adjustments had predicted a decline of 5,600. Economists noted a rise in claims in Washington over the last two weeks, likely linked to the Boeing strike. The data also indicated no significant impact from Hurricane Helene, although it and the port strikes are expected to raise claims in the coming weeks.

US factory orders unexpectedly fall in August

New orders for U.S.-manufactured goods unexpectedly declined in August, indicating a pullback in business spending on equipment for the third quarter. Factory orders fell by 0.2% following a slightly revised 4.9% increase in July. Economists had anticipated no change in factory orders after the previously reported 5.0% rise in July. Additionally, orders for non-defense capital goods excluding aircraft, which are considered a gauge of business spending on equipment, rose by 0.3% in August, revised from an earlier estimate of 0.2%. However, shipments of core capital goods decreased by 0.1%, rather than the 0.1% increase reported last month. Non-defense capital goods orders fell by 1.3%, matching initial estimates.

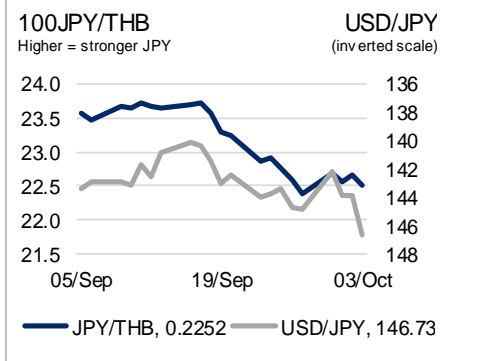
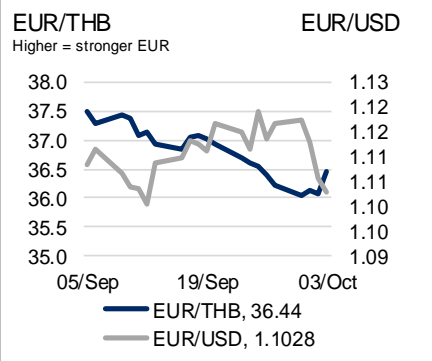
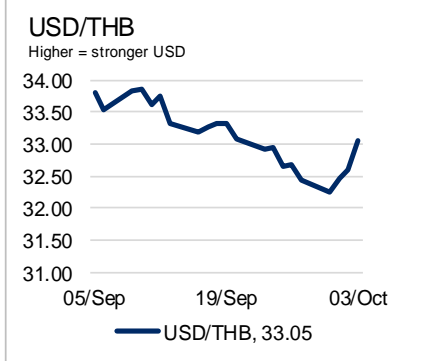
Dollar rises ahead of key payrolls report, supported by Middle East turmoil

The 10-year government bond yield (interpolated) on the previous trading day was 2.516, +1.51 bps. The benchmark government bond yield (LB346A) was 2.505, +1.5 bps. Meantime, the latest closed US 10-year bond yields was 3.85, +6.00 bps. USDTHB on the previous trading day closed around 33.05 moving in a range of 33.12 – 33.195 this morning. USDTHB could be closed between 33.00 – 33.30 today. The dollar continued its upward trend this week, testing the 102.00 level amid ongoing tensions in the Middle East and following a series of data releases, including a much stronger-than-expected US ISM Services figure. Attention now shifts to the upcoming NFP report on Friday. The euro faced slight pressure but remained above the 1.1000 level, with mixed results from the Services and Composite PMI releases in the eurozone. The Japanese yen weakened slightly against the dollar, but USD/JPY movement was limited, facing resistance at the 147.00 level.

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

SET Index	1,442.7	S&P500	5,699.9	10Y UST	3.85%	Brent	73.56	Gold	2,644.0
3-Oct	▼ -0.60%	3-Oct	▼ -0.17%	3-Oct	▲ 6.0 bps	1-Oct	▲ 2.6%	3-Oct	▼ -0.4%

USD/THB 33.05	Daily ▲ 1.31%	EUR/THB 36.44	Daily ▲ 1.05%	JPY/THB 0.2252	Daily ▼ -0.65%
Sideways Trend	Weekly ▲ 1.86%	Sideways Trend	Weekly ▲ 0.63%	Sideways Trend	Weekly ▲ 0.59%
	Monthly ▼ -2.31%		Monthly ▼ -2.81%		Monthly ▼ -4.57%



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@ttbbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbbank.com

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

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		101.84	0.5%	1.17%	0.6%	100.32	101.81
EUR/USD		1.1028	-0.3%	-1.2%	-0.5%	1.1004	1.1189
USD/JPY		146.73	2.0%	1.3%	2.3%	140.15	146.60
USD/CHF		0.8510	0.5%	0.5%	0.6%	0.8406	0.8526
GBP/USD		1.3217	-0.45%	-1.3%	0.5%	1.3038	1.3413
USD/CAD		1.3527	0.23%	0.3%	0.1%	1.3433	1.3608
AUD/USD		0.6863	-0.38%	-0.2%	2.0%	0.6654	0.6931
NZD/USD		0.6237	-0.9%	-1.2%	0.6%	0.6137	0.6372
ASEAN Dollar		102.96	0.7%	0.2%	-3.7%	102.29	107.20
USD/THB		33.05	1.3%	1.9%	-2.3%	32.26	34.26
USD/SGD		1.2945	0.5%	0.8%	-0.5%	1.2786	1.3078
USD/MYR		4.2102	1.1%	2.1%	-2.8%	4.1044	4.3693
USD/IDR		15,281	0.8%	1.5%	-0.7%	15,044	15,474
USD/PHP		56.50	0.1%	0.7%	-0.1%	55.83	56.84
USD/CNY		7.0276	0.22%	0.5%	-0.9%	6.9837	7.1167
USD/HKD		7.7663	-0.05%	-0.1%	-0.3%	7.7604	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		240,866	1974
Gold		19,774	337
SDR		5,601	15
IMF Reserves		1,147	3
Foreign Ccy		214,344	1618
Net Fwd Position		26,240	-280

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
03/10/2024	-2,768	-3,595	-6,363
02/10/2024	-5,361	-3,435	-8,797
01/10/2024	-1,715	-3,034	-4,749
30/09/2024	-963	-776	-1,738
27/09/2024	-1,804	-8,637	-10,442
Last 5 days	-12,611	-19,476	-32,087

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -9,844	↓ -10,064	↓ -19,908
QTD	Quarter	↓ -9,844	↓ -10,064	↓ -19,908
YTD	Year	↓ -105,414	↑ 13,309	↓ -92,105

Money Market

Last update: 20/09/2024

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		2.70	0.00	2.71	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.81	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		3.8500	6.00	10.00	12.00	3.63	3.91
Gilt 10y		4.0228	10.23	5.53	12.53	3.72	4.02
Bund 10y		2.0800	2.00	-7.00	-17.00	2.06	2.33
JGB 10y		0.8670	0.80	1.80	-8.50	0.85	0.95
TGB 1y		2.2493	-0.39	-1.68	-3.25	2.25	2.28
TGB 2y		2.1673	1.63	2.21	-2.18	2.12	2.19
TGB 5y		2.2676	1.79	2.90	-2.13	2.18	2.29
TGB 7y		2.3564	1.44	1.60	-7.38	2.32	2.44
TGB 10y		2.5156	1.51	1.97	-3.73	2.47	2.58
AAA Spread		68.20	12.95	7.36	2.84	55.10	68.72
AA Spread		82.26	-0.81	6.75	14.59	67.14	83.07
A Spread		101.68	2.32	1.66	-8.86	99.36	121.19
BBB Spread		0.00	0.00	0.00	-238.94	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		73.56	2.6%	0.9%	-0.3%	69.19	79.94
London Gold		2644.0	-0.4%	-0.6%	5.1%	2,474.5	2,668.9

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)		5,699.9	-0.17%	-0.7%	3.6%	5,408.4	5,762.5
STOXX (EU)		512.6	-0.9%	-2.8%	1.78%	492.4	522.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		19,015.4	-0.8%	-2.4%	2.4%	18,265.9	19,473.6
CAC All-Tradable(FR)		5,541.3	-1.3%	-4.0%	0.4%	5,456.2	5,773.1
TOPIX (JP)		2,683.7	1.2%	-2.1%	-1.8%	2,530.7	2,740.9
Shanghai (CH)		3,497.3	8.1%	16.5%	18.2%	2,834.0	3,497.3
Hang Seng (HK)		22,113.5	-1.5%	11.0%	25.0%	17,108.7	22,443.7
ASX 200 (AU)		8,205.2	0.1%	-0.1%	2.8%	7,950.5	8,269.8
SET (TH)		1,442.7	-0.6%	-0.5%	2.7%	1,353.6	1,464.7
SET50 (TH)		914.9	-0.3%	-0.1%	2.9%	854.2	924.8
Straits Times (SG)		3,577.4	-0.2%	0.1%	3.4%	3,441.4	3,638.5
FTSE Malay (MY)		1,641.6	0.1%	-1.1%	-1.7%	1,638.3	1,678.8
JSX Index (ID)		7,543.8	-0.3%	-2.0%	-1.7%	7,527.9	7,905.4
PSE Index (PH)		7,388.9	-0.2%	-0.5%	7.0%	6,882.1	7,458.7
Vn Index (VN)		1,278.1	-0.8%	-1.0%	0.8%	1,239.3	1,292.2

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.