

The Thai central bank surprises markets with its first rate cut since 2020

UK inflation drop spurs traders to boost rate cut bets

UK inflation has fallen below the Bank of England's 2% target for the first time in over three years, leading investors to expect faster interest rate cuts. The Consumer Price Index (CPI) rose 1.7% in September, down from 2.2% and below the 1.9% forecast. This decline was driven by cheaper airfares and petrol. Services inflation also slowed to 4.9%, below the BOE's 5.5% estimate.

Japan exports unexpectedly slip for first time in 10 months

In September, Japan's exports fell 1.7% year-over-year for the first time in 10 months, slowing economic recovery amid weakening global demand. This decline was driven by decreases in cars, mineral fuels, and construction machinery, missing the expected 0.9% gain. Imports rose 2.1%, below the 2.8% forecast, and the trade deficit narrowed to \$2 billion.

Australia's job growth surpassed expectations for the sixth month in September

Australia's labor market exceeded expectations in September, growing for the sixth month in a row despite broader economic weakness. The number of employed people increased by 64,100, significantly above the expected 25,200 and up from 47,500 the previous month. The participation rate unexpectedly rose to 67.2%, near record highs, while the unemployment rate remained steady at 4.1%.

The Thai central bank surprises markets with its first rate cut since 2020

Thailand's central bank has unexpectedly cut its benchmark interest rate for the first time in over four years, reducing it by a quarter percentage point to 2.25%. This move aims to ease the debt burden while supporting the reduction of the household debt-to-GDP ratio. The Bank of Thailand also raised its 2024 economic growth forecast to 2.7% from 2.6% and predicted 2.9% growth for 2025, down from 3%. Additionally, it lowered its 2024 headline inflation forecast to 0.5%, below the target range of 1% to 3%.

Indonesia's central bank keeps rates steady amid global uncertainties

Indonesia's central bank kept interest rates at 6% on Wednesday to control inflation and stabilize the rupiah amid rising market uncertainties. BI Governor Perry Warjiyo highlighted escalating Middle East tensions and potential U.S. Federal Reserve rate cuts as factors affecting the rupiah, which has been under pressure recently.

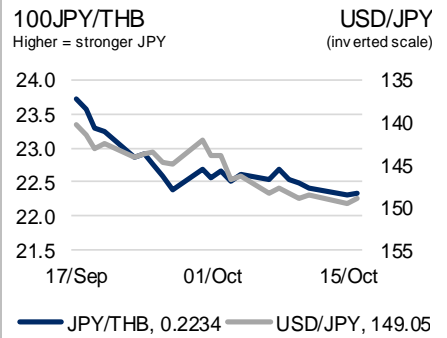
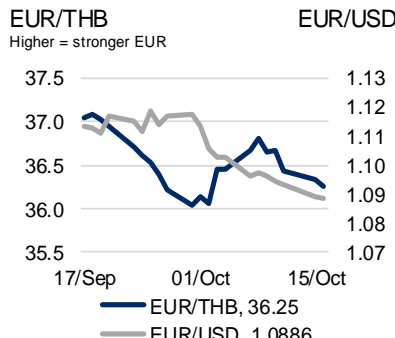
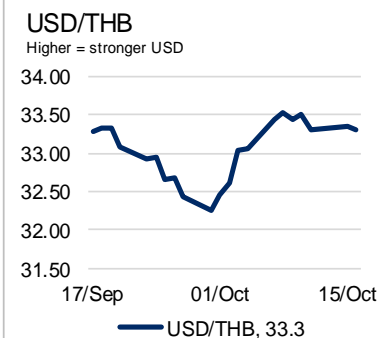
US dollar rallies; inflation weighs on the pound

The 10-year government bond yield (interpolated) on the previous trading day was 2.434, -8.03 bps. The benchmark government bond yield (LB346A) was 2.40, -9.0 bps. Meantime, the latest closed US 10-year bond yields was 4.02, -1.00 bps. USDTHB on the previous trading day closed around 33.30 moving in a range of 33.16 – 33.26 this morning. USDTHB could be closed between 33.00 – 33.30 today. The dollar strengthened slightly amid weakness in major peers, with no significant updates affecting it. Limited U.S. data included softer Import and Export Prices, which had little impact. The euro weakened after failing to reach 1.0900, while the British pound fell below 1.3000 due to disappointing UK CPI data. The Japanese yen continued to weaken, with USD/JPY nearing but not hitting the 150.00 level.

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

SET Index	1,485.0	S&P500	5,842.5	10Y UST	4.02%	Brent	74.77	Gold	2,679.4
16-Oct	▲ 1.35%	16-Oct	▲ 0.47%	16-Oct	▼ -1.0 bps	15-Oct	▼ -3.5%	16-Oct	▲ 1.0%

USD/THB 33.30	Daily ▼ -0.14%	EUR/THB 36.25	Daily ▼ -0.21%	JPY/THB 0.2234	Daily ▲ 0.18%
Weekly ▼ -0.38%	Weekly ▼ -1.07%	Weekly ▼ -0.90%	Monthly ▲ 0.09%	Monthly ▼ -2.14%	Monthly ▼ -5.95%
Sideways Trend	Falling Trend	Sideways Trend			



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		103.25	-0.03%	0.62%	2.6%	100.32	103.29
EUR/USD		1.0886	-0.1%	-0.7%	-2.2%	1.0893	1.1189
USD/JPY		149.05	-0.3%	0.5%	6.2%	140.15	149.53
USD/CHF		0.8621	-0.1%	0.5%	2.2%	0.8406	0.8626
GBP/USD		1.3050	-0.02%	-0.3%	-1.2%	1.3038	1.3413
USD/CAD		1.3784	-0.21%	0.9%	1.5%	1.3433	1.3813
AUD/USD		0.6686	-0.44%	-0.7%	-1.0%	0.6654	0.6931
NZD/USD		0.6061	-0.4%	-0.5%	-2.1%	0.6079	0.6372
ASEAN Dollar		107.22	-0.2%	0.1%	1.5%	103.19	107.48
USD/THB		33.30	-0.1%	-0.4%	0.1%	32.26	33.74
USD/SGD		1.3082	-0.1%	0.3%	1.1%	1.2786	1.3091
USD/MYR		4.2961	-0.1%	0.3%	0.3%	4.1044	4.3328
USD/IDR		15,469	-0.1%	-0.4%	1.0%	15,044	15,575
USD/PHP		57.95	0.2%	1.2%	3.6%	55.83	57.86
USD/CNY		7.1165	0.17%	0.8%	0.4%	6.9837	7.1167
USD/HKD		7.7637	-0.05%	-0.1%	-0.2%	7.7604	7.7963

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		240,721	-2463
Gold		20,010	-37
SDR		5,556	-55
IMF Reserves		1,135	-15
Foreign Ccy		214,020	-2356
Net Fwd Position		26,070	-25

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
16/10/2024	4,201	-1,439	2,763
15/10/2024	-2,355	2,289	-67
11/10/2024	-1,165	-1,220	-2,385
10/10/2024	-1,604	392	-1,212
09/10/2024	-2,064	851	-1,213
Last 5 days	-2,987	873	-2,114

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -15,360	↓ -20,971	↓ -36,331
QTD	Quarter	↓ -15,360	↓ -20,971	↓ -36,331
YTD	Year	↓ -110,930	↑ 2,401	↓ -108,528

Money Market

Last update: 04/10/2024

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	2.52	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		4.0200	-1.00	-4.00	37.00	3.63	4.09
Gilt 10y		4.1459	-8.10	-1.85	39.71	3.73	4.23
Bund 10y		2.1900	-4.00	-8.00	2.00	2.06	2.29
JGB 10y		0.9570	-1.90	2.10	7.90	0.85	0.98
TGB 1y		2.1845	-6.15	-7.33	-8.08	2.25	2.28
TGB 2y		2.1154	-5.68	-8.64	-3.61	2.12	2.21
TGB 5y		2.1832	-7.71	-12.14	-1.66	2.18	2.32
TGB 7y		2.2853	-7.51	-10.02	-7.78	2.32	2.42
TGB 10y		2.4337	-8.03	-11.71	-6.69	2.47	2.57
AAA Spread		66.39	4.35	6.08	-2.42	54.11	68.81
AA Spread		79.95	0.20	2.43	11.90	67.11	81.86
A Spread		102.43	1.14	2.46	-7.60	99.31	120.01
BBB Spread		0.00	0.00	0.00	-234.44	0.00	238.94

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		74.77	-3.5%	-2.6%	1.5%	71.09	81.13
London Gold		2679.4	1.0%	2.4%	4.3%	2,568.4	2,679.4

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)		5,842.5	0.47%	1.1%	4.0%	5,618.3	5,859.9
STOXX (EU)		511.7	-0.4%	-0.5%	1.42%	501.5	522.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		19,432.8	-0.3%	1.2%	3.9%	18,633.1	19,508.3
CAC All-Tradable(FR)		5,560.2	-0.3%	-0.5%	0.6%	5,526.9	5,773.1
TOPIX (JP)		2,690.7	-1.2%	-0.6%	4.6%	2,530.7	2,740.9
Shanghai (CH)		3,357.2	0.1%	-3.0%	17.1%	2,834.0	3,657.6
Hang Seng (HK)		20,286.9	-0.2%	-1.7%	16.8%	17,108.7	23,099.8
ASX 200 (AU)		8,284.7	-0.4%	0.8%	1.8%	8,075.7	8,318.4
SET (TH)		1,485.0	1.4%	1.9%	3.4%	1,421.6	1,485.0
SET50 (TH)		947.7	1.2%	2.3%	4.5%	897.3	947.7
Straits Times (SG)		3,590.6	-0.1%	0.1%	-0.1%	3,562.7	3,638.5
FTSE Malay (MY)		1,632.6	-0.6%	-0.5%	-1.7%	1,630.0	1,673.4
JSX Index (ID)		7,648.9	0.3%	2.3%	-2.3%	7,480.1	7,905.4
PSE Index (PH)		7,437.0	-0.3%	0.3%	3.9%	7,022.9	7,554.7
Vn Index (VN)		1,279.5	-0.1%	-0.5%	1.2%	1,239.3	1,292.2

Sources: ttb analytics, CEIC

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

Important Disclosures

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