

The dollar maintains its strength due to confidence in Trump

**Three Fed policymakers favor more rate cuts, but differ on pace**

On Monday, three Federal Reserve policymakers expressed their support for gradual interest-rate cuts in the U.S., citing the economy's strength and an uncertain outlook. Fed's Logan reiterated her expectation for gradual cuts if the economy meets forecasts, highlighting the importance of flexibility in monetary policy. Fed's Kashkari noted that an increase in the budget deficit could lead to higher interest rates, emphasizing that inflation isn't driven by the labor market and that immigration policy will affect their evaluation. He mentioned the 50bps cut in September was in response to a weakening labor market, but the labor market's resilience raises questions about whether the neutral rate is higher. Finally, Fed's Daly stated she anticipates the central bank will continue lowering rates to protect against further labor market weakening.

**German producer prices declined more than anticipated in September**

German producer prices dropped more than anticipated in September, falling 1.4% year-on-year, primarily due to a significant decline in energy prices. Analysts had forecasted a 1.0% decrease. The main factor behind the drop was a 6.6% reduction in energy prices compared to September of the previous year, with mineral oil products seeing a notable decrease of 14.4%. When excluding energy costs, producer prices rose by 1.2%, driven by increased prices for capital, consumer, and intermediate goods.

**China reduced its loan prime rate by a bit more than anticipated**

On Monday, the People's Bank of China unexpectedly lowered its benchmark loan prime rate by more than anticipated, as part of a series of initiatives aimed at boosting economic growth. The one-year LPR was reduced to 3.10% from 3.35%, surpassing expectations of a drop to 3.15%. Meanwhile, the five-year LPR, which affects mortgage rates, fell to 3.60% from 3.85%, compared to forecasts of a decrease to 3.65%. This was the PBOC's first rate cut since July.

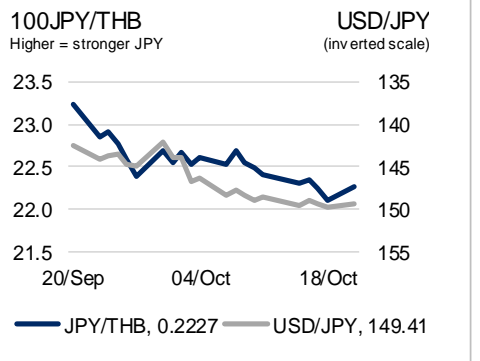
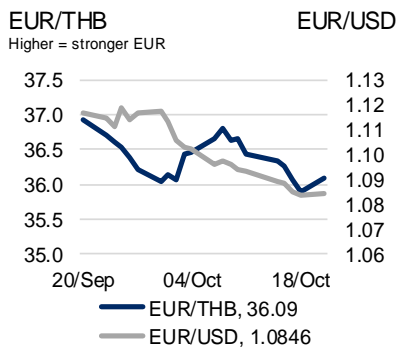
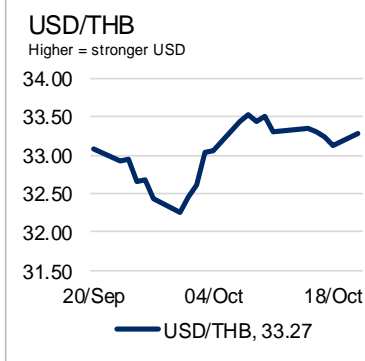
**The dollar maintains its strength due to confidence in Trump**

The 10-year government bond yield (interpolated) on the previous trading day was 2.390, -2.54 bps. The benchmark government bond yield (LB346A) was 2.38, -2.0 bps. Meantime, the latest closed US 10-year bond yields was 4.19, +11.0 bps. USDTHB on the previous trading day closed around 33.27 moving in a range of 33.47 – 33.52 this morning. USDTHB could be closed between 33.35 – 33.65 today. The dollar index's rally in October continued on Monday, driven by rising tensions in the Middle East and the ongoing Trump trade, which were further supported by higher yields across the curve and a stronger crude market. The euro's downward trend persisted, weakening against the dollar and staying just above monthly lows. There was little news affecting the euro, and cooler-than-expected PPI data did not elicit a response. The Japanese yen began the week as the weakest G10 currency, with rising U.S. yields and the Trump trade pushing USD/JPY to a high of 150.80. Attention will turn to the yen over the weekend due to the Japanese general election on Sunday.

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

<b>SET Index</b>	<b>1,488.7</b>	<b>S&amp;P500</b>	<b>5,854.0</b>	<b>10Y UST</b>	<b>4.19%</b>	<b>Brent</b>	<b>73.06</b>	<b>Gold</b>	<b>2,734.3</b>
21-Oct	▼ -0.07%	21-Oct	▼ -0.18%	21-Oct	▲ 11.0 bps	18-Oct	▼ -1.9%	21-Oct	▲ 0.8%

<b>USD/THB 33.27</b>	Daily ▲ 0.44%	<b>EUR/THB 36.09</b>	Daily ▲ 0.55%	<b>JPY/THB 0.2227</b>	Daily ▲ 0.70%
Sideways Trend	Weekly ▼ -0.24%	Sideways Trend	Weekly ▼ -0.67%	Sideways Trend	Weekly ▼ -0.16%
	Monthly ▲ 0.59%		Monthly ▼ -2.32%		Monthly ▼ -4.23%



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		103.62	-0.1%	0.32%	3.0%	100.32	103.69
EUR/USD		1.0846	0.1%	-0.4%	-2.9%	1.0835	1.1189
USD/JPY		149.41	-0.3%	-0.1%	4.9%	140.15	149.80
USD/CHF		0.8658	0.0%	0.4%	2.3%	0.8406	0.8658
GBP/USD		1.3030	0.01%	-0.2%	-2.1%	1.2986	1.3413
USD/CAD		1.3826	0.25%	0.1%	2.0%	1.3433	1.3813
AUD/USD		0.6697	-0.11%	-0.3%	-1.7%	0.6686	0.6931
NZD/USD		0.6068	0.0%	-0.3%	-2.8%	0.6061	0.6372
ASEAN Dollar		106.38	0.0%	-0.1%	1.2%	102.92	106.50
USD/THB		33.27	0.4%	-0.2%	0.6%	32.26	33.54
USD/SGD		1.3118	-0.1%	0.2%	1.7%	1.2786	1.3128
USD/MYR		4.3016	0.0%	0.0%	2.7%	4.1044	4.3030
USD/IDR		15,404	0.0%	-0.5%	2.2%	15,044	15,575
USD/PHP		57.64	-0.3%	-0.4%	3.3%	55.83	57.95
USD/CNY		7.1112	-0.10%	0.1%	0.9%	6.9837	7.1276
USD/HKD		7.7762	0.11%	0.1%	-0.1%	7.7604	7.7933

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		240,029	-692
Gold		20,038	28
SDR		5,542	-13
IMF Reserves		1,132	-3
Foreign Ccy		213,316	-704
Net Fwd Position		26,015	-55

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
21/10/2024	-699	-1,620	-2,319
18/10/2024	-263	-3,863	-4,126
17/10/2024	-2,560	-2,107	-4,667
16/10/2024	4,201	-1,439	2,763
15/10/2024	-2,355	2,289	-67
Last 5 days	-1,676	-6,741	-8,417

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -18,882	↓ -28,562	↓ -47,444
QTD	Quarter	↓ -18,882	↓ -28,562	↓ -47,444
YTD	Year	↓ -114,452	↓ -5,189	↓ -119,641

Money Market

Last update: 11/10/2024

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		4.1900	11.00	16.00	46.00	3.65	4.19
Gilt 10y		4.0509	-3.87	-17.59	15.66	3.75	4.23
Bund 10y		2.2400	3.00	1.00	8.00	2.06	2.29
JGB 10y		0.9630	-0.90	-1.30	7.40	0.85	0.98
TGB 1y		2.1571	-0.80	-8.90	-10.21	2.17	2.27
TGB 2y		2.0921	-1.12	-8.01	-2.82	2.10	2.21
TGB 5y		2.1666	-1.82	-9.37	-1.52	2.17	2.32
TGB 7y		2.2537	-2.33	-10.68	-6.98	2.28	2.40
TGB 10y		2.3904	-2.54	-12.36	-7.86	2.42	2.57
AAA Spread		66.20	1.20	5.81	-3.35	54.29	69.55
AA Spread		74.31	-7.93	-4.29	6.53	66.99	82.46
A Spread		103.78	2.10	2.52	-5.49	98.63	119.37
BBB Spread		0.00	0.00	0.00	-234.82	0.00	273.39

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		73.06	-1.9%	-5.7%	-1.9%	71.09	81.13
London Gold		2734.3	0.8%	3.1%	4.5%	2,568.4	2,734.3

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)		5,854.0	-0.18%	0.7%	2.4%	5,618.3	5,864.7
STOXX (EU)		516.4	-0.9%	0.0%	1.23%	502.4	522.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		19,461.2	-1.0%	-0.1%	3.3%	18,711.5	19,657.4
CAC All-Tradable(FR)		5,588.5	-1.0%	0.2%	0.3%	5,527.7	5,773.1
TOPIX (JP)		2,679.9	-0.3%	-1.6%	2.4%	2,555.8	2,740.9
Shanghai (CH)		3,425.4	0.2%	2.1%	20.3%	2,834.0	3,657.6
Hang Seng (HK)		20,478.5	-1.6%	0.8%	13.7%	17,369.1	23,099.8
ASX 200 (AU)		8,344.4	0.7%	0.3%	1.6%	8,126.4	8,355.9
SET (TH)		1,488.7	-0.1%	1.6%	2.6%	1,435.8	1,495.0
SET50 (TH)		953.8	-0.1%	1.9%	4.4%	904.9	956.5
Straits Times (SG)		3,614.6	-0.7%	0.5%	-0.7%	3,573.4	3,640.2
FTSE Malay (MY)		1,645.7	0.0%	0.2%	-1.2%	1,630.0	1,673.4
JSX Index (ID)		7,772.6	0.2%	1.9%	0.0%	7,480.1	7,905.4
PSE Index (PH)		7,406.6	-0.1%	-0.7%	-0.1%	7,155.9	7,554.7
Vn Index (VN)		1,279.8	-0.4%	-0.1%	0.9%	1,264.9	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.