

**Thai central bank chief signals high threshold for further rate cuts**

**U.S. existing home sales hit a 14-year low, with prices still high**

U.S. existing home sales fell to a 14-year low in September, driven by rising mortgage rates and home prices. This marks the second consecutive monthly decline, signaling a worsening downturn in residential investment, including homebuilding. Sales dropped 1% to 3.84 million, slightly below the expected 3.86 million. The inventory of homes for sale increased to a 4.3-month supply, up from 4.2 months in August, with a year-over-year supply increase of 23%. Despite the rise in inventory, entry-level homes remain scarce, keeping prices unaffordable for many first-time buyers.

**Bank of Canada cuts rates by 50 basis points**

On Wednesday, the Bank of Canada cut its key benchmark rate by 50 basis points to 3.75%, its first major move in over four years, indicating a return to low inflation. After raising rates to a 20-year high to combat inflation, the bank has now reduced rates four times since June. With inflation at 1.6% in September, below the 2% target, demand remains weak, business sales sluggish, and consumer sentiment low, affecting economic growth. Analysts now see the possibility of another significant cut in December.

**BOJ chief states that reaching the inflation target is "still taking time"**

Bank of Japan Governor Kazuo Ueda stated on Wednesday that achieving the 2% inflation target is "still taking time," indicating a cautious approach to raising near-zero interest rates. He warned that delaying rate hikes could lead to a yen depreciation, increasing import costs. Ueda affirmed that the bank will continue to raise rates if the economy meets forecasts but highlighted the need to consider global uncertainties, including the U.S. economic outlook, in timing the next hike.

**Thai central bank chief signals high threshold for further rate cuts**

Thailand's central bank chief, Sethaput Suthiwartnarueput, stated that policymakers are not rushing to react to last week's interest-rate cut. Future decisions will be based on forecasts for inflation, economic growth, and financial stability. In addition, he defended the current inflation target despite government pressure to ease policy and raise the price goal. The BOT governor emphasized the advantages of the 1%-3% inflation band for stabilizing price expectations and enabling moderate tightening, even as neighboring countries raised their rates. He warned that increasing the band could heighten expectations, resulting in higher living costs and bond yields.

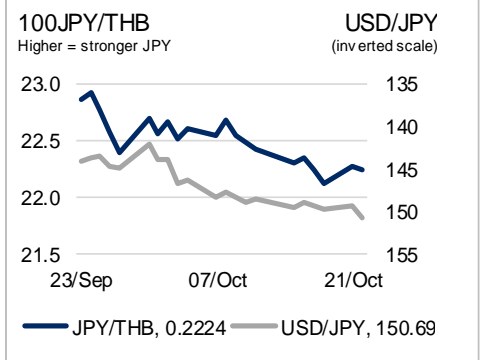
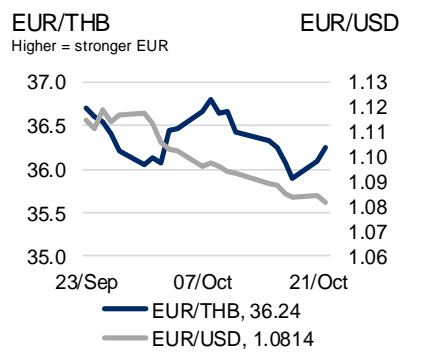
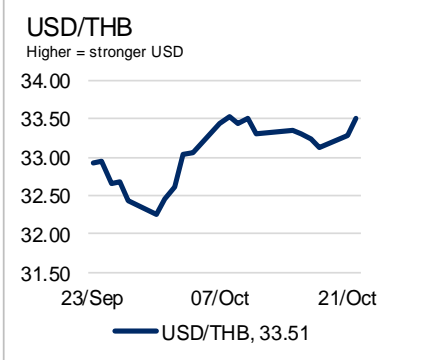
**Dollar's rally continues, reaching a three-month high against the yen**

The 10-year government bond yield (interpolated) on the previous trading day was 2.416, 2.61 bps. The benchmark government bond yield (LB346A) was 2.41, +3.0 bps. Meantime, the latest closed US 10-year bond yields was 4.24, +4.0 bps. USDTHB on the previous trading day closed around 33.51 moving in a range of 33.77 – 33.83 this morning. USDTHB could be closed between 33.65 – 33.90 today. The dollar continued to rise, with the index briefly surpassing 104.50, boosted by the yen's underperformance and higher U.S. yields. The euro dipped below 1.0800 against the stronger dollar but recovered slightly from its lowest levels. The Japanese yen lagged as USD/JPY briefly rose above 153.00, influenced by stronger U.S. yields and the upcoming election in Japan.

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

<b>SET Index</b>	<b>1,470.3</b>	<b>S&amp;P500</b>	<b>5,797.4</b>	<b>10Y UST</b>	<b>4.24%</b>	<b>Brent</b>	<b>75.87</b>	<b>Gold</b>	<b>2,751.0</b>
22-Oct	▼ -1.25%	23-Oct	▼ -0.92%	23-Oct	▲ 4.0 bps	22-Oct	▲ 2.1%	23-Oct	▲ 0.6%

<b>USD/THB 33.51</b>	Daily ▲ 0.72%	<b>EUR/THB 36.24</b>	Daily ▲ 0.43%	<b>JPY/THB 0.2224</b>	Daily ▼ -0.13%
Rising Trend	Weekly ▲ 0.63%	Sideways Trend	Weekly ▼ -0.03%	Falling Trend	Weekly ▼ -0.47%
	Monthly ▲ 1.79%		Monthly ▼ -1.27%		Monthly ▼ -2.73%



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		103.97	0.3%	0.69%	3.1%	100.32	103.69
EUR/USD		1.0814	-0.3%	-0.7%	-3.0%	1.0835	1.1189
USD/JPY		150.69	0.9%	1.1%	4.6%	140.32	149.80
USD/CHF		0.8653	-0.1%	0.4%	1.7%	0.8406	0.8658
GBP/USD		1.2993	-0.28%	-0.4%	-2.4%	1.2986	1.3413
USD/CAD		1.3838	0.09%	0.4%	2.1%	1.3433	1.3826
AUD/USD		0.6669	-0.42%	-0.3%	-2.2%	0.6686	0.6931
NZD/USD		0.6043	-0.4%	-0.3%	-3.1%	0.6061	0.6372
ASEAN Dollar		106.28	-0.1%	0.0%	1.6%	103.36	106.77
USD/THB		33.51	0.7%	0.6%	1.8%	32.26	33.54
USD/SGD		1.3154	0.3%	0.5%	1.9%	1.2786	1.3128
USD/MYR		4.3196	0.4%	0.5%	2.8%	4.1044	4.3030
USD/IDR		15,463	0.4%	0.0%	2.3%	15,044	15,575
USD/PHP		58.09	0.8%	0.2%	3.9%	55.83	57.95
USD/CNY		7.1237	0.17%	0.1%	1.2%	6.9837	7.1276
USD/HKD		7.7735	-0.03%	0.1%	-0.1%	7.7604	7.7933

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

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

Date	Equity	Bond	Total
22/10/2024	-1,645	166	-1,480
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
Last 5 days	-966	-8,864	-9,830

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

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -20,527	↓ -28,396	↓ -48,923
QTD	Quarter	↓ -20,527	↓ -28,396	↓ -48,923
YTD	Year	↓ -116,097	↓ -5,023	↓ -121,121

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	2.53	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		4.2400	4.00	15.00	50.00	3.73	4.24
Gilt 10y		4.1464	3.48	10.31	23.18	3.87	4.23
Bund 10y		2.3200	0.00	11.00	16.00	2.06	2.32
JGB 10y		0.9830	0.00	1.60	13.50	0.85	0.98
TGB 1y		2.1626	0.55	-2.19	-10.37	2.16	2.27
TGB 2y		2.0979	0.58	-1.75	-3.02	2.09	2.21
TGB 5y		2.1965	2.99	1.33	-1.39	2.17	2.32
TGB 7y		2.2745	2.09	-1.08	-6.25	2.25	2.40
TGB 10y		2.4165	2.61	-1.73	-7.60	2.39	2.57
AAA Spread		66.20	-2.00	6.88	-0.69	53.90	69.31
AA Spread		73.83	-8.43	-4.81	-1.35	67.08	82.44
A Spread		103.79	2.11	3.12	-5.99	98.59	119.35
BBB Spread		0.00	0.00	0.00	-234.76	0.00	238.89

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		75.87	2.1%	2.2%	0.9%	71.09	81.13
London Gold		2751.0	0.6%	2.7%	3.7%	2,606.5	2,751.0

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)		5,797.4	-0.92%	-0.8%	1.3%	5,695.9	5,864.7
STOXX (EU)		509.4	-0.3%	-0.7%	0.06%	504.5	522.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		19,377.6	-0.2%	-1.1%	2.4%	18,720.0	19,657.4
CAC All-Tradable(FR)		5,560.5	-0.5%	-1.1%	-0.9%	5,541.3	5,773.1
TOPIX (JP)		2,637.0	-0.5%	-1.9%	-0.7%	2,565.4	2,740.9
Shanghai (CH)		3,461.9	0.5%	4.2%	21.6%	2,834.0	3,657.6
Hang Seng (HK)		20,760.2	1.4%	2.3%	13.7%	17,422.1	23,099.8
ASX 200 (AU)		8,216.0	0.1%	-1.7%	0.9%	8,126.4	8,355.9
SET (TH)		1,470.3	-1.2%	-1.0%	1.5%	1,435.8	1,495.0
SET50 (TH)		942.0	-1.2%	-0.6%	3.1%	904.9	956.5
Straits Times (SG)		3,600.8	0.4%	-0.7%	0.5%	3,573.4	3,640.2
FTSE Malay (MY)		1,641.5	-0.1%	0.0%	-1.9%	1,630.0	1,673.4
JSX Index (ID)		7,787.6	0.0%	0.7%	0.6%	7,480.1	7,789.0
PSE Index (PH)		7,367.7	-0.6%	-0.4%	0.1%	7,252.3	7,554.7
Vn Index (VN)		1,270.9	0.1%	-1.2%	-1.3%	1,268.5	1,292.2

Sources: ttb analytics, CEIC

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

Important Disclosures

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