

US payrolls rise, but higher unemployment supports a Fed rate cut

US payrolls rise, but higher unemployment supports a Fed rate cut

US hiring increased in November, with nonfarm payrolls up by 227,000, following a revised 36,000 gain in October. Job growth was led by health care, leisure and hospitality, and government sectors, while retail trade cut jobs. The unemployment rate rose to 4.2%, indicating cooling demand for workers, and long-term unemployment hit a three-year high. The participation rate dropped to 62.5%, its lowest since May. Analysts view this as supporting the case for another Federal Reserve interest rate cut.

US consumer sentiment rises along with inflation expectations

US consumer sentiment reached its highest level since April, while year-ahead inflation expectations increased to a five-month high, with Democrats concerned about potential price pressures from upcoming tariffs. The preliminary December sentiment index rose to 74 from 71.8, surpassing the forecast of 73.2. Consumers expect prices to grow at an annual rate of 2.9% over the next year, while the five-year inflation expectation eased slightly to 3.1%, down from 3.2% the previous month.

Euro zone productivity growth remains weak in the third quarter

Euro zone productivity growth stayed sluggish in the third quarter, despite a slight expansion in the region's economy, continuing a years-long trend of weak performance. The economy grew by 0.4% quarter-on-quarter, matching previous estimates, while employment increased by 0.2%, in line with preliminary figures. The region faces challenges such as heavy dependence on costly imported energy, inefficient labor markets, fragmented regulations, and reliance on exports amid deglobalization.

Japan's Q3 GDP exceeded expectations, but private consumption weakened

Japan's economy grew faster than initially estimated, signaling stronger recovery as the central bank analyzes data ahead of its policy decision later this month. Japan's economy grew faster than expected, with GDP rising 1.2% annualized in Q3, beating the initial 0.9% estimate. Quarterly growth was 0.3%, up from 0.2%. The revised GDP figures were boosted by updated data on capital expenditure and external demand, which showed a smaller-than-expected decline in the third quarter. However, weak private consumption continued to be the main drag on growth, with the third-quarter figure revised down to 0.7% from the previous 0.9%.

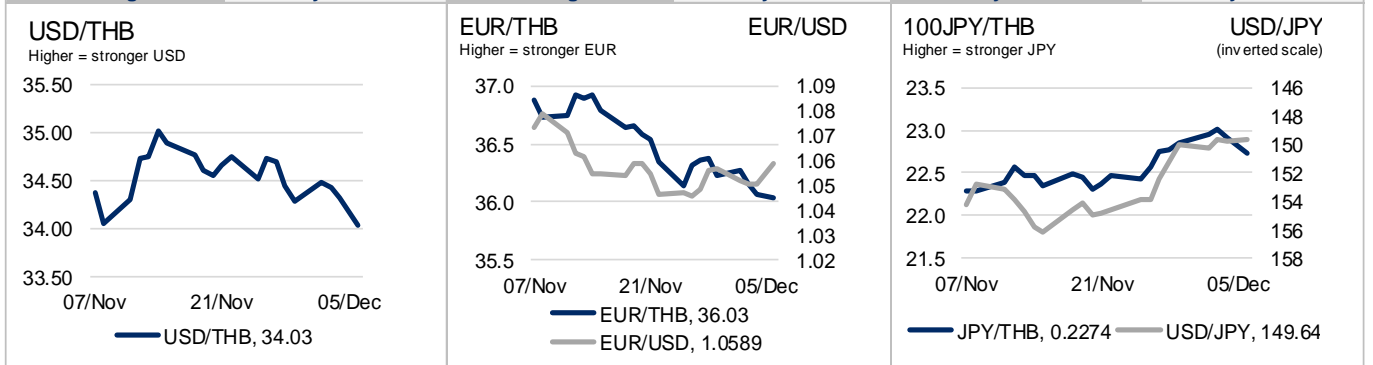
US Dollar rebounds following strong NFP report

The 10-year government bond yield (interpolated) on the previous trading day was 2.299, -2.57 bps. The benchmark government bond yield (LB346A) was 2.26, -4.0 bps. Meantime, the latest closed US 10-year bond yields was 4.15, -2.00 bps. USDTHB on the previous trading day closed around 34.03, moving in a range of 34.03 – 34.08 this morning. USDTHB could be closed between 33.90 – 34.20 today. The U.S. dollar gained strength on Friday, recovering from earlier losses caused by a jobs report showing higher unemployment, before rising further after a consumer-sentiment index reached its highest level since April. The index found support at 105.50 and advanced toward 106.00. The Euro initially surged but then retreated to its previous levels after the U.S. Non-Farm Payrolls (NFP) data. Meanwhile, the Japanese yen showed little movement, remaining around the 150 level.

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

SET Index	1,452.0	S&P500	6,090.3	10Y UST	4.15%	Brent	72.09	Gold	2,636.5
6-Dec	▲ 0.08%	6-Dec	▲ 0.25%	6-Dec	▼ -2.0 bps	5-Dec	▼ -0.3%	6-Dec	▼ -0.5%

USD/THB 34.03	Daily ▼ -0.87%	EUR/THB 36.03	Daily ▼ -0.10%	JPY/THB 0.2274	Daily ▼ -0.76%
Falling Trend	Weekly ▼ -0.73%	Falling Trend	Weekly ▼ -0.55%	Sideways Trend	Weekly ▼ -0.48%
	Monthly ▼ -0.98%		Monthly ▼ -2.32%		Monthly ▲ 2.02%



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		105.64	-0.7%	-0.61%	1.1%	103.76	107.24
EUR/USD		1.0589	0.8%	0.7%	-1.8%	1.0459	1.0888
USD/JPY		149.64	-0.1%	-0.4%	-2.0%	149.64	156.13
USD/CHF		0.8775	-1.0%	-0.8%	0.6%	0.8634	0.8903
GBP/USD		1.2773	0.72%	0.7%	-1.6%	1.2536	1.2981
USD/CAD		1.4007	-0.44%	-0.2%	1.0%	1.3873	1.4130
AUD/USD		0.6442	0.00%	-0.8%	-3.2%	0.6442	0.6658
NZD/USD		0.5881	0.3%	-0.3%	-2.2%	0.5826	0.6016
ASEAN Dollar		107.68	-0.1%	0.1%	0.1%	106.36	108.76
USD/THB		34.03	-0.9%	-1.3%	-0.1%	33.68	35.01
USD/SGD		1.3366	-0.6%	-0.5%	1.2%	1.3176	1.3486
USD/MYR		4.4138	-0.9%	-1.0%	0.7%	4.3606	4.4782
USD/IDR		15,745	-0.7%	-0.5%	0.8%	15,608	15,877
USD/PHP		57.97	-1.0%	-1.8%	-1.0%	58.48	59.25
USD/CNY		7.2439	-0.41%	-0.2%	1.3%	7.0931	7.2788
USD/HKD		7.7625	-0.19%	-0.2%	0.0%	7.7633	7.7966

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		237,501	2874
Gold		20,013	-445
SDR		5,469	44
IMF Reserves		1,106	9
Foreign Ccy		210,913	3266
Net Fwd Position		26,990	470

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
06/12/2024	-1,586	5,111	3,525
04/12/2024	-763	-421	-1,183
03/12/2024	1,406	-368	1,038
02/12/2024	-415	3,262	2,848
29/11/2024	-1,284	2,932	1,649
Last 5 days	-2,641	10,516	7,876

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -1,357	↑ 7,584	↑ 6,227
QTD	Quarter	↓ -43,259	↓ -54,676	↓ -97,935
YTD	Year	↓ -138,829	↓ -31,304	↓ -170,133

Last update: 29/11/2024

Money Market

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		2.25	0.00	2.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		2.27	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		2.30	0.00	2.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		2.35	0.00	2.60	2M					2M		0.00	0.00	0.00
3M		2.40	0.00	2.65	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		2.46	0.00	2.71	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.57	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		4.1500	-2.00	-4.00	-27.00	4.15	4.44
Gilt 10y		4.2561	3.19	2.29	-21.20	4.21	4.54
Bund 10y		2.1200	5.00	6.00	-26.00	2.06	2.48
JGB 10y		1.0820	1.40	1.80	6.60	0.94	1.11
TGB 1y		2.0840	-0.57	-1.92	-6.52	2.09	2.15
TGB 2y		1.9833	-0.38	-2.17	-10.73	1.99	2.10
TGB 5y		2.0695	-2.09	-0.37	-13.91	2.06	2.23
TGB 7y		2.1557	-1.44	-0.52	-11.73	2.14	2.29
TGB 10y		2.2988	-2.57	-2.48	-13.94	2.29	2.45
AAA Spread		66.96	-0.87	9.90	4.01	54.33	68.20
AA Spread		67.68	-4.45	-11.86	-5.92	67.68	82.53
A Spread		105.11	-0.75	4.32	-3.83	100.64	115.68
BBB Spread		0.00	0.00	0.00	-235.71	0.00	236.27

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		72.09	-0.3%	-1.2%	-4.7%	71.04	75.63
London Gold		2636.5	-0.5%	0.0%	-1.8%	2,548.5	2,738.8

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)		6,090.3	0.25%	0.7%	1.6%	5,782.8	6,090.3
STOXX (EU)		513.7	0.4%	2.4%	3.02%	491.4	513.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		20,384.6	0.1%	2.3%	6.1%	19,003.1	20,384.6
CAC All-Tradable(FR)		5,502.6	1.3%	2.7%	1.0%	5,302.0	5,512.0
TOPIX (JP)		2,727.2	-0.5%	0.5%	-0.5%	2,664.3	2,753.6
Shanghai (CH)		3,568.1	1.0%	1.2%	-1.4%	3,416.8	3,638.0
Hang Seng (HK)		19,865.9	1.6%	1.6%	-4.2%	19,151.0	21,007.0
ASX 200 (AU)		8,420.9	-0.6%	-0.3%	1.5%	8,131.8	8,495.2
SET (TH)		1,452.0	0.1%	1.0%	-0.9%	1,427.5	1,481.7
SET50 (TH)		936.7	0.1%	1.1%	-0.5%	918.5	952.3
Straits Times (SG)		3,796.2	-0.7%	1.2%	1.9%	3,581.6	3,822.7
FTSE Malay (MY)		1,613.3	-0.1%	1.1%	-0.5%	1,588.7	1,634.2
JSX Index (ID)		7,382.8	0.9%	4.8%	1.9%	7,047.0	7,491.9
PSE Index (PH)		6,729.1	0.6%	-0.2%	-3.6%	6,557.1	7,257.9
Vn Index (VN)		1,270.1	0.2%	1.5%	1.4%	1,205.2	1,270.1

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.