

China's consumer slowdown highlights the urgent need to boost spending

US services sector surges, while US manufacturing PMI falls short

The US services sector has delivered strong results, with the service PMI increasing to 58.5, surpassing both the forecast of 55.7 and previous readings. On the other hand, the manufacturing PMI has declined, signaling a contraction in the sector. The latest data shows a reading of 48.3, which not only points to contraction but also falls below the expected figure of 49.4.

The decrease in eurozone business activity slows down in December

Euro-area business activity contracted less than expected in December, supported by a stronger-than-forecast services sector. The composite PMI rose to 49.5, just below 50, beating the anticipated drop to 48.2. The services index moved above 50, signaling hopes for recovery, while the manufacturing downturn continued with the PMI holding at 45.2, slightly below the forecast of 45.3.

China's consumer slowdown highlights the urgent need to boost spending

China's retail sales growth unexpectedly slowed in November, underscoring the need for Beijing to intensify efforts to boost consumer spending. Retail sales increased by 3% year-on-year, the weakest growth in three months, falling short of even the most pessimistic predictions. The decline in retail sales revealed the limits of the government's initiative to stimulate consumption through subsidies for home appliances and cars. While sales in these categories remained robust in November, several other discretionary items saw a significant drop.

China's home prices decline at a slower rate amid a "fragile" recovery

China's home-price declines slowed for the third consecutive month in November, indicating that values may be stabilizing as policymakers intensify efforts to address the property downturn. New-home prices in 70 cities, excluding state-subsidized housing, fell by 0.2% from October, marking the smallest drop in 17 months. Meanwhile, prices of used homes dropped by 0.35%, the least since May 2023. However, real estate investment continued to decline.

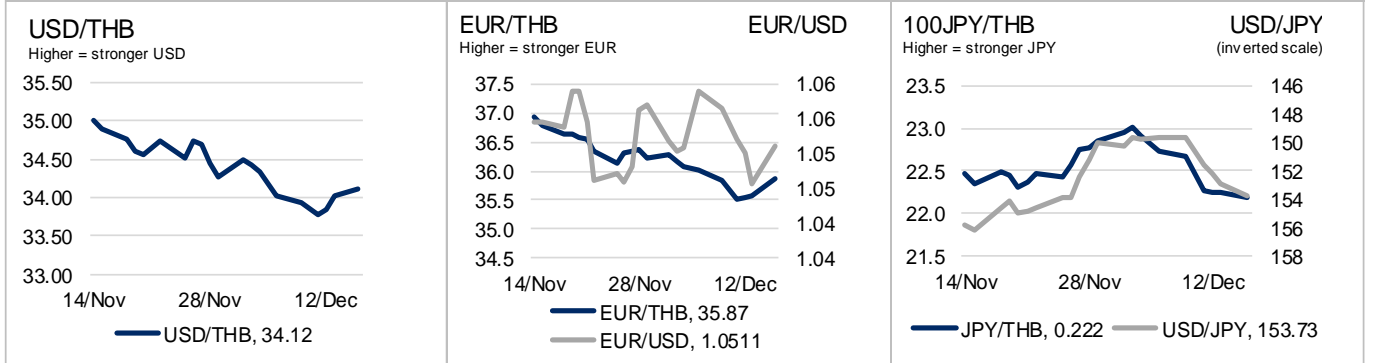
US Dollar flat as markets await Fed's decision

The 10-year government bond yield (interpolated) on the previous trading day was 2.327, +0.60 bps. The benchmark government bond yield (LB346A) was 2.30, +1.0 bps. Meantime, the latest closed US 10-year bond yields was 4.39, -1.00 bps. USDTHB on the previous trading day closed around 34.12, moving in a range of 34.015 – 34.075 this morning. USDTHB could be closed between 33.90 – 34.20 today. The dollar remained unchanged on Monday, trading within narrow ranges amid limited news, as market participants awaited the key FOMC meeting on Wednesday, along with the SEPs and Chair Powell's press conference. The Japanese yen underperformed among G10 currencies against the dollar, as traders awaited the Bank of Japan's decision on Thursday. The British pound was the top G10 performer, with Cable reaching a high of 1.2698 before losing momentum just below the 1.27 mark. Sterling was supported by the UK's PMI data, which showed the services figure exceeding expectations.

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

<b>SET Index</b>	<b>1,419.7</b>	<b>S&amp;P500</b>	<b>6,074.1</b>	<b>10Y UST</b>	<b>4.39%</b>	<b>Brent</b>	<b>74.49</b>	<b>Gold</b>	<b>2,661.0</b>
16-Dec	▼ -0.84%	16-Dec	▲ 0.38%	16-Dec	▼ -1.0 bps	13-Dec	▲ 1.5%	16-Dec	▼ -0.3%

<b>USD/THB 34.12</b>	Daily ▲ 0.28%	<b>EUR/THB 35.87</b>	Daily ▲ 0.81%	<b>JPY/THB 0.2220</b>	Daily ▼ -0.26%
Sideways Trend	Weekly ▲ 0.58%	Sideways Trend	Weekly ▲ 0.08%	Falling Trend	Weekly ▼ -2.10%
	Monthly ▼ -2.56%		Monthly ▼ -2.89%		Monthly ▼ -1.19%



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		106.87	-0.3%	0.90%	0.2%	104.44	107.24
EUR/USD		1.0511	0.5%	-0.5%	-0.3%	1.0456	1.0786
USD/JPY		153.73	0.5%	2.7%	-1.4%	149.64	156.13
USD/CHF		0.8910	-0.2%	1.5%	0.5%	0.8723	0.8929
GBP/USD		1.2635	-0.15%	-1.0%	-0.4%	1.2536	1.2976
USD/CAD		1.4228	-0.11%	0.6%	1.5%	1.3873	1.4243
AUD/USD		0.6368	0.15%	-0.6%	-1.6%	0.6358	0.6658
NZD/USD		0.5776	0.3%	-1.0%	-1.5%	0.5762	0.6016
ASEAN Dollar		107.48	0.4%	0.7%	-0.1%	0.00	108.12
USD/THB		34.12	0.3%	0.6%	-2.5%	33.77	35.01
USD/SGD		1.3483	0.0%	0.7%	0.3%	1.3208	1.3486
USD/MYR		4.4509	0.0%	0.8%	-0.6%	4.3813	4.4782
USD/IDR		15,907	0.0%	1.0%	0.9%	15,608	15,904
USD/PHP		58.87	0.4%	1.2%	-0.3%	57.97	59.25
USD/CNY		7.2804	0.00%	0.3%	0.5%	7.1479	7.2802
USD/HKD		7.7740	-0.05%	0.1%	-0.1%	7.7625	7.7896

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		239,338	1838
Gold		19,856	-157
SDR		5,465	-4
IMF Reserves		1,105	-1
Foreign Ccy		212,912	1999
Net Fwd Position		26,455	-535

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
16/12/2024	-1,271	-1,463	-2,734
13/12/2024	-484	-2,595	-3,079
12/12/2024	-1,528	-5,407	-6,935
11/12/2024	-2,147	-1,747	-3,894
09/12/2024	-1,748	3,502	1,754
Last 5 days	-7,178	-7,710	-14,887

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -8,535	↓ -126	↓ -8,660
QTD	Quarter	↓ -50,437	↓ -62,386	↓ -112,823
YTD	Year	↓ -146,007	↓ -39,013	↓ -185,020

Money Market

Last update: 06/12/2024

THB BIBOR	1M Hist	Last	1M Range		THBFIX	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		2.56	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		4.3900	-1.00	22.00	8.00	4.17	4.44
Gilt 10y		4.3913	6.48	16.70	-1.39	4.21	4.54
Bund 10y		2.2400	1.00	17.00	-8.00	2.07	2.48
JGB 10y		1.0840	2.90	0.20	7.50	0.99	1.11
TGB 1y		2.0700	-0.28	-0.74	-7.15	2.07	2.15
TGB 2y		1.9947	0.18	1.47	-7.79	1.98	2.09
TGB 5y		2.0904	0.08	2.77	-12.22	2.06	2.22
TGB 7y		2.1906	0.41	3.39	-7.84	2.14	2.27
TGB 10y		2.3271	0.60	2.05	-11.38	2.29	2.45
AAA Spread		71.62	5.31	10.75	2.90	52.99	71.62
AA Spread		71.52	-0.08	-3.97	3.53	67.11	82.49
A Spread		103.80	-2.66	2.87	-6.18	99.03	116.56
BBB Spread		0.00	0.00	0.00	-234.55	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		74.49	1.5%	3.3%	4.9%	71.04	75.17
London Gold		2661.0	-0.3%	-0.4%	2.7%	2,548.5	2,713.6

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)		6,074.1	0.38%	0.0%	1.2%	5,870.6	6,084.2
STOXX (EU)		510.07	-0.4%	-0.3%	1.2%	491.4	514.0
FTSE All-Share(UK)		4,076.1	0.2%	0.5%	0.9%	3,933.2	4,137.3
DAX (DE)		20,405.9	-0.1%	0.9%	6.2%	19,003.1	20,426.3
CAC All-Tradable(FR)		5,451.1	-0.7%	0.3%	-1.1%	5,302.0	5,539.8
TOPIX (JP)		2,738.3	-0.3%	-0.1%	0.0%	2,665.3	2,753.6
Shanghai (CH)		3,549.5	-0.2%	0.5%	-2.4%	3,416.8	3,638.0
Hang Seng (HK)		19,795.5	-0.9%	1.2%	-3.1%	19,151.0	20,953.3
ASX 200 (AU)		8,249.5	-0.6%	-2.7%	-0.2%	8,193.4	8,495.2
SET (TH)		1,419.7	-0.8%	-2.1%	-3.1%	1,419.7	1,481.7
SET50 (TH)		920.0	-0.4%	-1.7%	-2.3%	920.0	952.3
Straits Times (SG)		3,821.0	0.3%	0.0%	2.2%	3,603.0	3,822.7
FTSE Malay (MY)		1,606.9	-0.1%	-0.5%	-0.1%	1,588.7	1,634.2
JSX Index (ID)		7,258.6	-0.9%	-0.7%	-0.4%	7,114.3	7,491.9
PSE Index (PH)		6,615.2	0.0%	-1.1%	-4.7%	6,557.1	7,165.4
Vn Index (VN)		1,263.8	0.1%	-0.3%	1.1%	1,205.2	1,273.8

Sources: ttb analytics, CEIC

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

Important Disclosures

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