

Wishing you peace and joy on Christmas Day

**October minutes reveal BOJ's debate on caution in rate hikes**

In the minutes from the Bank of Japan's October meeting, several members stressed the need to assess the impact of previous rate hikes on the economy and inflation before deciding on future policy. One member called for caution in timing the next hike, while others agreed that rates would rise if the economy and inflation met forecasts. Some members suggested gradual hikes if inflation accelerated, though one noted that market rates might be lower than expected based on the BoJ's projections. A member also highlighted uncertainty about Japan's neutral rate and monetary policy transmission, making it hard to predict the BoJ's long-term rate path.

**China considers issuing record \$411 billion in special bonds, according to Reuters**

Reuters reports that China's policymakers intend to issue a record 3 trillion yuan (\$411 billion) in special treasury bonds in 2025 to support the slowing economy. This represents a significant increase from this year's 1 trillion yuan, with funds aimed at boosting consumption, investment, and recapitalizing major state banks. The fiscal measures are part of China's economic planning for next year, with top leaders suggesting more aggressive stimulus as Beijing faces potential tariff threats from the incoming Trump administration. Policymakers have committed to widening the fiscal deficit and increasing bond sales to strengthen fiscal policy and stimulate consumption.

**Thai Cabinet approves handouts, wage hikes, and tax breaks**

On Tuesday, Thailand's cabinet approved new measures, including minimum wage increases starting in January, tax breaks to encourage spending, and the second phase of the government's signature handout program. The government aims to raise the national daily minimum wage to 400 baht (\$11.72) to boost the economy. However, the wage committee decided on a 2.9% increase, raising the minimum wage to between 337 baht and 400 baht (\$9.9 to \$11.7), depending on the region, effective January 1. The government will also offer tax deductions of up to 50,000 baht for verified spending, excluding domestic travel, between January 16 and February 28. They also approved the second phase of the 40-billion-baht handout scheme for four million elderly people, with payments to be made by January.

**Thai Cabinet endorses 1%-3% inflation target for 2025**

Thailand's cabinet approved a deal to maintain the official inflation target range of 1% to 3% in 2025, continuing for the fifth year. This agreement between the central bank and Ministry of Finance comes despite inflation often falling short due to high household debt.

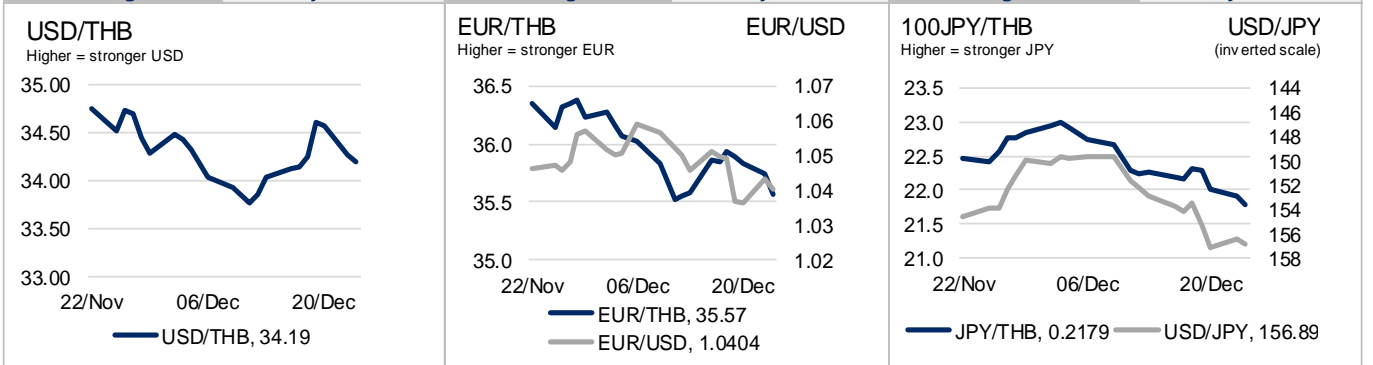
**The dollar inched up on Tuesday amid light trading during the holiday period**

The 10-year government bond yield (interpolated) on the previous trading day was 2.266, +0.49 bps. The benchmark government bond yield (LB346A) was 2.23, +1.0 bps. Meantime, the latest closed US 10-year bond yields was 4.59, +0.00 bps. USDTHB on the previous trading day closed around 34.19, moving in a range of 34.13 – 34.18 this morning. USDTHB could be closed between 34.00 – 34.30 today. The US Dollar is modestly up on Tuesday, with the Index just above 108.00, as markets wind down for the holidays. Despite reports of China considering selling nearly 3 trillion yuan in special treasury bonds in 2025, the Greenback has shown little movement. The euro is range-bound around 1.0400 due to low trading volumes. The Japanese Yen has been strengthening but saw some correction during the North American session. Comments from Finance Minister Kato pushed USD/JPY below 157.00, before it rose overnight.

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

<b>SET Index</b>	<b>1,394.7</b>	<b>S&amp;P500</b>	<b>6,040.0</b>	<b>10Y UST</b>	<b>4.59%</b>	<b>Brent</b>	<b>72.91</b>	<b>Gold</b>	<b>2,613.8</b>
24-Dec ▲	0.56%	24-Dec ▲	1.10%	24-Dec ▲	0.0 bps	23-Dec ▲	0.5%	24-Dec ▼	-0.3%

<b>USD/THB 34.19</b>	Daily ▼ -0.21%	<b>EUR/THB 35.57</b>	Daily ▼ -0.49%	<b>JPY/THB 0.2179</b>	Daily ▼ -0.49%
Falling Trend	Weekly ▼ -0.15%	Falling Trend	Weekly ▼ -1.02%	Falling Trend	Weekly ▼ -2.32%
	Monthly ▼ -1.61%		Monthly ▼ -2.16%		Monthly ▼ -3.10%



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		108.06	0.3%	1.03%	0.8%	105.64	108.39
EUR/USD		1.0404	-0.3%	-0.9%	-0.5%	1.0365	1.0590
USD/JPY		156.89	0.3%	2.2%	1.5%	149.64	157.09
USD/CHF		0.8982	0.6%	0.6%	1.3%	0.8775	0.9003
GBP/USD		1.2544	-0.28%	-1.2%	-0.2%	1.2495	1.2773
USD/CAD		1.4375	0.10%	0.4%	2.7%	1.3948	1.4455
AUD/USD		0.6240	-0.19%	-1.2%	-4.0%	0.6220	0.6528
NZD/USD		0.5648	-0.1%	-1.7%	-3.3%	0.5627	0.5912
ASEAN Dollar		107.26	-0.1%	0.2%	0.2%	105.73	107.94
USD/THB		34.19	-0.2%	-0.2%	-1.6%	33.77	34.74
USD/SGD		1.3565	0.2%	0.5%	0.7%	1.3366	1.3621
USD/MYR		4.4842	-0.2%	0.4%	0.4%	4.4138	4.5057
USD/IDR		16,121	0.0%	0.6%	1.5%	15,745	16,195
USD/PHP		58.66	-0.3%	-1.0%	-1.0%	57.97	59.25
USD/CNY		7.2920	-0.04%	0.1%	0.6%	7.2257	7.3058
USD/HKD		7.7604	-0.08%	-0.1%	-0.4%	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		237,919	-1419
Gold		19,975	119
SDR		5,441	-24
IMF Reserves		1,101	-5
Foreign Ccy		211,402	-1510
Net Fwd Position		26,655	200

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
24/12/2024	-1,193	666	-527
23/12/2024	2,250	-1,033	1,217
20/12/2024	-2,118	3,766	1,649
19/12/2024	102	12,365	12,467
18/12/2024	-388	-101	-489
Last 5 days	-1,347	15,663	14,316

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -10,439	↑ 15,163	↑ 4,724
QTD	Quarter	↓ -52,341	↓ -47,097	↓ -99,438
YTD	Year	↓ -147,911	↓ -23,724	↓ -171,635

Money Market

Last update: 13/12/2024

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		2.25	0.00	2.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		2.27	0.00	2.52	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		4.5900	0.00	19.00	17.00	4.17	4.59
Gilt 10y		4.5181	-5.93	21.78	-1.83	4.22	4.58
Bund 10y		2.3100	1.00	14.00	-17.00	2.06	2.48
JGB 10y		1.0860	0.50	3.10	7.50	0.94	1.10
TGB 1y		2.0022	-1.39	-2.87	-12.84	2.02	2.14
TGB 2y		1.9953	-0.06	0.69	-6.16	1.98	2.08
TGB 5y		2.0786	0.64	1.53	-13.10	2.06	2.22
TGB 7y		2.1437	0.37	0.50	-12.39	2.14	2.27
TGB 10y		2.2661	0.49	-0.59	-17.99	2.26	2.45
AAA Spread		70.95	2.78	10.24	-0.37	56.24	71.39
AA Spread		69.26	-0.12	-6.25	-12.18	67.07	84.99
A Spread		105.18	-0.04	4.85	-16.81	99.41	123.61
BBB Spread		0.00	0.00	0.00	-239.72	0.00	239.72

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		72.91	0.5%	-0.4%	-0.1%	71.12	75.17
London Gold		2613.8	-0.3%	-1.3%	-0.6%	2,606.2	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)		6,040.0	1.1%	-0.2%	0.7%	5,782.8	6,084.2
STOXX (EU)		501.41	0.2%	-2.1%	0.5%	491.4	514.0
FTSE All-Share(UK)		4,076.1	0.2%	0.5%	-1.2%	3,954.4	4,137.3
DAX (DE)		19,848.8	-0.2%	-2.8%	2.5%	19,003.1	20,426.3
CAC All-Tradable(FR)		5,395.1	0.1%	-1.7%	-1.0%	5,338.9	5,539.8
TOPIX (JP)		2,727.3	0.0%	-0.7%	-0.5%	2,664.3	2,753.6
Shanghai (CH)		3,557.4	1.3%	0.1%	-1.7%	3,416.8	3,638.0
Hang Seng (HK)		20,098.3	1.1%	0.6%	-3.0%	19,159.2	21,007.0
ASX 200 (AU)		8,220.9	0.2%	-0.9%	-0.9%	8,131.8	8,495.2
SET (TH)		1,394.7	0.6%	-2.6%	-5.1%	1,377.5	1,481.7
SET50 (TH)		904.4	0.5%	-2.1%	-4.6%	891.0	952.3
Straits Times (SG)		3,769.6	0.5%	-1.1%	1.2%	3,581.6	3,822.7
FTSE Malay (MY)		1,603.0	0.4%	-0.4%	-1.1%	1,589.8	1,634.2
JSX Index (ID)		7,065.7	-0.4%	-3.5%	-2.5%	6,977.2	7,491.9
PSE Index (PH)		6,534.9	2.0%	-1.6%	-6.8%	6,406.4	7,257.9
Vn Index (VN)		1,260.4	-0.2%	-0.2%	0.6%	1,205.2	1,273.8

Sources: ttb analytics, CEIC

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

### Important Disclosures

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