

Tokyo CPI exceeds expectations in December, fueling rate hike speculation

**U.S. jobless claims decline, but unemployment duration increases**

Initial jobless claims decreased slightly as layoffs remain low. For the week ending Dec. 21, claims for state unemployment benefits dropped by 1,000 to a seasonally adjusted 219,000, below the forecast of 224,000. Meanwhile, continuing claims, which indicate the number of people still receiving benefits, increased to 1.91 million for the week ending Dec. 14. This marked the highest level in over three years, suggesting it's taking longer for the unemployed to secure new jobs. Continuing claims have been steadily rising this year, reflecting challenges in the job market.

**Tokyo inflation rises as subsidies are temporarily removed**

Inflation in Tokyo accelerated for the second consecutive month in December, as the government phased out utility subsidies, likely fueling expectations of an interest rate hike next year. Core CPI, which excludes volatile fresh food items, increased 2.4% year-on-year in December, slightly below the expected 2.5% and up from 2.2% the previous month. The rise was mainly driven by higher energy prices after the removal of subsidies for gas and electricity bills, which had previously reduced the overall price index by 0.31 percentage points. A core measure excluding both energy and fresh food costs rose 1.8% in December, down from 1.9% in the prior month. Meanwhile, headline CPI inflation climbed to 3.0%, up from 2.6% the previous month.

**World Bank raises China's GDP forecast for 2024 and 2025**

The World Bank has upgraded its growth forecast for China, expecting a 4.9% GDP expansion in 2024 and 4.5% in 2025. These revisions are driven by stronger exports and recent policy measures aimed at stabilizing the economy, such as supporting the property sector and boosting consumer spending. This represents a slight increase of 0.1 percentage points for 2024 and 0.4 percentage points for 2025 compared to previous projections. However, the World Bank cautions that challenges remain, including weak household confidence, high local government debt, and a prolonged downturn in the property market, which continue to impact economic activity.

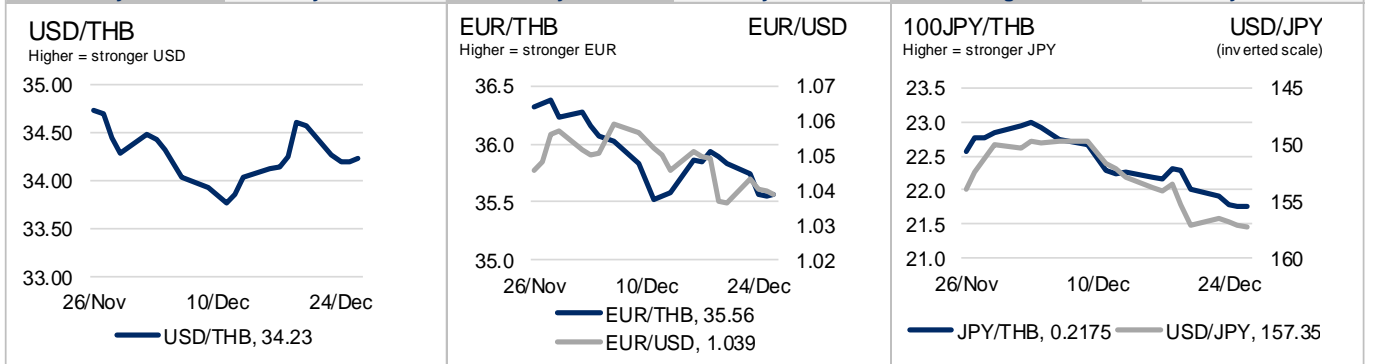
**The Japanese yen remains below 158 level after the release of Japanese data**

The 10-year government bond yield (interpolated) on the previous trading day was 2.267, +0.27 bps. The benchmark government bond yield (LB346A) was 2.233, +0.36 bps. Meantime, the latest closed US 10-year bond yields was 4.58, -1.0 bps. USDTHB on the previous trading day closed around 34.23, moving in a range of 34.13 – 34.175 this morning. USDTHB could be closed between 34.00 – 34.30 today. Trading volumes were generally low on Thursday, as many traders were on holidays between the Christmas break on Wednesday and the upcoming New Year holiday next week. The dollar index remained around the 108 level. The Japanese yen fell to a five-month low of 158 per dollar, following comments from Bank of Japan Governor Kazuo Ueda, before recovering slightly on Friday after data showed inflation in Tokyo had accelerated for a second consecutive month in December. Meanwhile, the euro experienced a slight gain overnight, reaching approximately 1.0420, before dipping to around 1.0415 during Friday's Asian trading session.

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

<b>SET Index</b>	<b>1,397.8</b>	<b>S&amp;P500</b>	<b>6,037.6</b>	<b>10Y UST</b>	<b>4.58%</b>	<b>Brent</b>	<b>73.85</b>	<b>Gold</b>	<b>2,613.8</b>
26-Dec	▼ -0.22%	26-Dec	▼ -0.04%	26-Dec	▼ -1.0 bps	25-Dec	▲ 0.9%	24-Dec	▼ -0.3%

<b>USD/THB 34.23</b>	Daily ▲ 0.11%	<b>EUR/THB 35.56</b>	Daily ▲ 0.04%	<b>JPY/THB 0.2175</b>	Daily ▼ -0.03%
Sideways Trend	Weekly ▼ -1.01%	Sideways Trend	Weekly ▼ -0.76%	Falling Trend	Weekly ▼ -1.17%
	Monthly ▼ -1.46%		Monthly ▼ -2.12%		Monthly ▼ -3.69%



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		108.22	0.1%	-0.16%	0.9%	105.64	108.39
EUR/USD		1.0390	-0.1%	0.2%	-0.7%	1.0365	1.0590
USD/JPY		157.35	0.1%	0.2%	2.3%	149.64	157.13
USD/CHF		0.9000	0.0%	0.3%	1.4%	0.8775	0.9004
GBP/USD		1.2539	0.02%	0.4%	0.0%	1.2495	1.2773
USD/CAD		1.4369	-0.08%	-0.3%	1.7%	1.3948	1.4455
AUD/USD		0.6236	0.12%	0.1%	-3.6%	0.6220	0.6528
NZD/USD		0.5649	0.1%	0.3%	-3.1%	0.5627	0.5912
ASEAN Dollar		106.79	-0.1%	-0.6%	0.2%	0.00	107.48
USD/THB		34.23	0.1%	-1.0%	-1.4%	33.77	34.74
USD/SGD		1.3593	0.0%	0.0%	0.8%	1.3366	1.3621
USD/MYR		4.4686	-0.4%	-0.8%	0.2%	4.4138	4.5057
USD/IDR		16,129	0.0%	-0.4%	1.7%	15,745	16,195
USD/PHP		58.42	-0.5%	-1.0%	-1.3%	57.97	59.25
USD/CNY		7.3009	0.06%	0.0%	0.7%	7.2292	7.3058
USD/HKD		7.7637	-0.05%	0.0%	-0.2%	7.7604	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
26/12/2024	434	-1,489	-1,055
25/12/2024	-22	88	65
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
Last 5 days	-649	1,998	1,349

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -10,027	↑ 13,763	↑ 3,735
QTD	Quarter	↓ -51,930	↓ -48,498	↓ -100,427
YTD	Year	↓ -147,500	↓ -25,125	↓ -172,625

Last update: 13/12/2024

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	2.52	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		4.5800	-1.00	19.00	32.00	4.15	4.59
Gilt 10y		4.5181	-5.93	21.78	10.18	4.22	4.58
Bund 10y		2.3100	1.00	14.00	-11.00	2.06	2.48
JGB 10y		1.1030	1.70	0.90	9.20	0.94	1.10
TGB 1y		1.9926	-0.19	-3.11	-13.37	1.99	2.13
TGB 2y		2.0006	0.51	0.10	-2.90	1.98	2.08
TGB 5y		2.0786	0.44	-0.19	-8.52	2.06	2.21
TGB 7y		2.1491	-0.05	0.61	-9.87	2.14	2.27
TGB 10y		2.2668	0.27	0.11	-16.03	2.26	2.45
AAA Spread		70.79	3.20	10.37	0.30	56.75	73.77
AA Spread		68.04	1.60	-9.51	-13.29	66.44	85.02
A Spread		105.08	0.14	4.77	-18.11	100.31	124.56
BBB Spread		0.00	0.00	0.00	-237.50	0.00	263.02

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		73.85	0.9%	1.3%	1.4%	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)		6,037.6	-0.04%	-0.6%	1.1%	5,712.7	6,090.3
STOXX (EU)		501.41	0.0%	-1.7%	-0.2%	492.5	513.7
FTSE All-Share(UK)		4,076.1	0.2%	0.5%	0.5%	3,954.4	4,128.5
DAX (DE)		19,848.8	-0.2%	-2.8%	3.1%	19,003.1	20,426.3
CAC All-Tradable(FR)		5,395.1	0.1%	-1.7%	-1.3%	5,338.9	5,539.8
TOPIX (JP)		2,766.8	1.2%	1.4%	0.9%	2,664.3	2,766.8
Shanghai (CH)		3,562.2	0.1%	1.1%	-1.6%	3,416.8	3,638.0
Hang Seng (HK)		20,098.3	1.1%	0.6%	-2.1%	19,159.2	21,007.0
ASX 200 (AU)		8,220.9	0.2%	-0.9%	0.3%	8,118.8	8,495.2
SET (TH)		1,397.8	-0.2%	0.2%	-4.9%	1,377.5	1,481.7
SET50 (TH)		906.4	-0.1%	0.4%	-4.4%	891.0	952.3
Straits Times (SG)		3,761.5	-0.2%	-1.0%	1.0%	3,581.6	3,822.7
FTSE Malay (MY)		1,613.7	0.7%	0.4%	-0.6%	1,588.7	1,634.2
JSX Index (ID)		7,065.7	-0.4%	-3.5%	-5.7%	6,977.2	7,574.0
PSE Index (PH)		6,539.0	0.1%	-1.2%	-8.7%	6,395.6	7,257.9
Vn Index (VN)		1,272.9	-0.1%	0.9%	1.6%	1,216.5	1,274.0

Sources: ttb analytics, CEIC

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

### Important Disclosures

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