

US consumer prices slows as expected in December

US consumer prices slows as expected in December

The Labor Department's Bureau of Labor Statistics reported that the US consumer price index (CPI) rose 2.9% on a yearly basis in December from 2.7% in November which in line with market expectations. On a monthly basis, the CPI rose 0.4%, following the 0.3% increase recorded in the previous month. The core CPI rose 3.2% on a yearly basis which below November's gain and analysts' estimates for a 3.3% increase. The monthly core CPI rose 0.2% in the last month of 2024, also 0.1 percentage point less than expected. On an annual basis, food climbed 2.5% in 2024 while energy nudged down by 0.5%. On one hand, shelter prices, which comprise about one-third of the CPI weighting, rose by 0.3% but were up 4.6% from a year ago, the smallest one-year gain since January 2022.

UK inflation decrease provides relief to reeves after market downturn

UK inflation unexpectedly slowed to 2.5% in December, easing from 2.6% in November and aligning with the Bank of England's forecast. This prompted traders to bet on interest rate cuts and calmed market concerns. The slowdown showed signs of easing underlying pressures, with services sector price growth falling to 4.4%, the lowest since March 2022. This decline was mainly driven by drops in volatile airfares and hotel prices. Additionally, core CPI inflation fell to 3.2% from 3.5%, below market predictions.

BOJ chief Ueda signals rate hike chance next week

Governor Kazuo Ueda said that The Bank of Japan (BOJ) will debate whether to raise interest rates next week, reiterating the bank's resolve to push up borrowing costs if the economy continues to improve. It was cited uncertainty over the domestic wage outlook and Trump's policies as reasons to hold off raising rates last month. Ueda has signaled readiness to raise rates further if broadening wage hikes underpin consumption and allow companies to keep hiking prices not just for goods but services.

Bank Indonesia unexpectedly reduces interest rates to boost growth

Indonesia's central bank unexpectedly cut its policy rate by 25 basis points to 5.75%, its first reduction since September, to support economic growth amid market volatility and a weakening rupiah. The move follows signs of slower-than-expected growth in Q4 2024 and a low inflation outlook through 2026. BI revised its 2024 growth forecast to slightly below 5%, and its 2025 outlook to 4.7%-5.5% from 4.8%-5.6%. Governor Perry Warjiyo signaled that more measures could follow to boost growth.

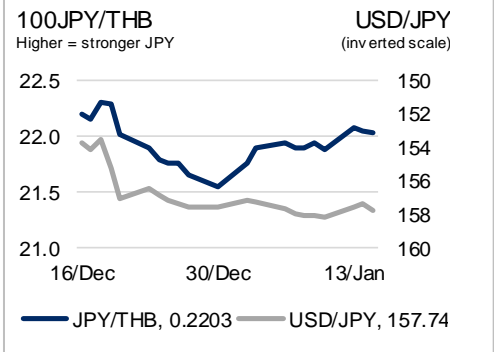
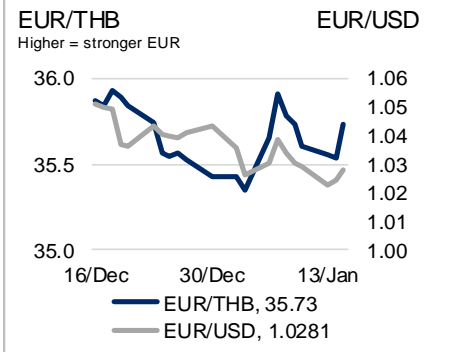
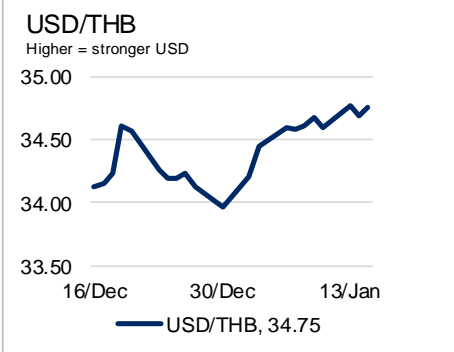
Dollar weaker as inflation eases; yen firms on BOJ talk

The 10-year government bond yield (interpolated) on the previous trading day was 2.42, +1.26 bps. The benchmark government bond yield (LB346A) was 2.41, +2.00. Meantime, the latest closed US 10-year bond yields was 4.66, -12.00 bps. USDTHB on the previous trading day closed around 34.74 Moving in a range of 34.51-34.58 this morning. USDTHB could be closed between 34.40-34.70 today. The Dollar Index was down 0.1% at 109.07, it hit a 26-month high of 110.17 on Monday. The dollar pared some losses against major peers but stayed weaker as cooler-than-expected data eased fears that inflation was accelerating and increased the chances the Federal Reserve could cut interest rates twice this year. Meanwhile, The yen strengthened on after comments from the Bank of Japan Governor Kazuo Ueda, who said the central bank would raise interest rates and adjust the degree of monetary support if improvements in the economy and price conditions continue.

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

SET Index 1,353.2	S&P500 5,949.9	10Y UST 4.66%	Brent 82.44	Gold 2,686.6
15-Jan ▲ 0.96%	15-Jan ▲ 1.81%	15-Jan ▼ -12.0 bps	15-Jan ▲ 3.2%	15-Jan ▲ 0.8%

USD/THB 34.75	Daily ▲ 0.18%	EUR/THB 35.73	Daily ▲ 0.54%	JPY/THB 0.2203	Daily ▼ -0.08%
Weekly ▲ 0.23%	Weekly ▼ -0.01%	Monthly ▲ 1.84%	Monthly ▼ -0.38%	Weekly ▲ 0.43%	Monthly ▼ -0.74%
Rising Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend



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@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbank.com

ttb analytics ttbanalytics@ttbank.com
Naris Sathapholdeja naris.sat@ttbank.com
Kasem Harnchanpanich kasem.har@ttbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		109.37	-0.2%	0.26%	2.3%	105.87	109.81
EUR/USD		1.0281	0.4%	-0.2%	-2.2%	1.0225	1.0564
USD/JPY		157.74	0.3%	-0.2%	2.6%	149.66	158.17
USD/CHF		0.9135	-0.3%	0.3%	2.5%	0.8779	0.9172
GBP/USD		1.2203	0.12%	-1.1%	-3.4%	1.2171	1.2768
USD/CAD		1.4371	-0.07%	-0.1%	1.0%	1.4138	1.4455
AUD/USD		0.6185	0.19%	-0.2%	-2.9%	0.6146	0.6408
NZD/USD		0.5604	0.3%	0.1%	-3.0%	0.5561	0.5837
ASEAN Dollar		107.77	0.3%	0.5%	1.4%	105.57	107.78
USD/THB		34.75	0.2%	0.2%	1.9%	33.77	34.77
USD/SGD		1.3683	-0.1%	0.0%	1.5%	1.3392	1.3724
USD/MYR		4.5012	0.1%	0.0%	1.1%	4.4169	4.5066
USD/IDR		16,201	0.3%	0.3%	1.8%	15,746	16,195
USD/PHP		58.96	0.2%	0.5%	0.1%	58.05	59.25
USD/CNY		7.3389	0.02%	0.0%	0.8%	7.2481	7.3460
USD/HKD		7.7878	0.10%	0.1%	0.2%	7.7563	7.7869

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		236,445	-684
Gold		19,905	145
SDR		5,393	-24
IMF Reserves		1,058	-5
Foreign Ccy		210,090	-799
Net Fwd Position		24,910	-510

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
15/01/2025	-962	-3,470	-4,432
14/01/2025	-2,187	-1,388	-3,575
13/01/2025	118	-5,096	-4,978
10/01/2025	-1,104	460	-644
09/01/2025	-2,216	-1,446	-3,662
Last 5 days	-6,350	-10,940	-17,290

Period-to-date	Equity	Bond	Total
MTD Month	↓ -5,193	↓ -19,163	↓ -24,356
QTD Quarter	↓ -5,193	↓ -19,163	↓ -24,356
YTD Year	↓ -5,193	↓ -19,163	↓ -24,356

Money Market

Last update: 03/01/2025

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		2.45	0.00	2.71	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.55	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		4.6600	-12.00	-2.00	27.00	4.26	4.79
Gilt 10y		4.8856	1.32	9.05	55.91	4.25	4.89
Bund 10y		2.6300	1.00	7.00	51.00	2.11	2.63
JGB 10y		1.2550	0.90	7.30	17.20	1.05	1.26
TGB 1y		1.9527	0.46	2.91	-11.74	1.92	2.07
TGB 2y		2.0536	0.78	6.60	5.89	1.98	2.05
TGB 5y		2.1798	1.53	7.23	8.95	2.06	2.18
TGB 7y		2.2809	1.42	8.19	9.02	2.14	2.28
TGB 10y		2.4179	1.26	7.41	9.08	2.26	2.42
AAA Spread		66.54	-4.25	0.49	4.54	56.75	70.79
AA Spread		64.41	-3.63	-10.61	-16.14	64.41	82.55
A Spread		104.10	-0.98	-0.54	-4.66	100.31	118.96
BBB Spread		0.00	0.00	0.00	-235.90	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		80.38	-0.8%	5.5%	8.8%	72.63	81.01
London Gold		2686.6	0.8%	0.8%	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)		5,949.9	1.83%	#DIV/0!	-2.0%	5,827.0	6,084.2
STOXX (EU)		511.4	1.1%	0.3%	1.37%	500.6	517.0
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		20,603.3	1.6%	1.4%	1.0%	19,848.8	20,603.3
CAC All-Tradable(FR)		5,533.3	0.8%	-0.2%	0.8%	5,387.1	5,544.6
TOPIX (JP)		2,690.8	0.3%	-2.9%	-2.1%	2,682.6	2,801.7
Shanghai (CH)		3,382.5	-0.4%	0.5%	-4.0%	3,312.9	3,628.3
Hang Seng (HK)		19,286.1	0.3%	0.2%	-3.4%	18,874.1	20,397.1
ASX 200 (AU)		8,213.3	-0.2%	-1.4%	-1.0%	8,067.0	8,393.0
SET (TH)		1,353.2	1.0%	-0.7%	-4.7%	1,340.3	1,443.1
SET50 (TH)		884.0	1.1%	-0.4%	-3.9%	874.3	931.8
Straits Times (SG)		3,772.6	-0.4%	-2.3%	-1.3%	3,719.9	3,887.0
FTSE Malay (MY)		1,562.1	-0.9%	-2.4%	-2.8%	1,562.1	1,642.3
JSX Index (ID)		7,079.6	1.8%	0.2%	-4.3%	6,956.7	7,464.8
PSE Index (PH)		6,330.5	0.5%	-2.8%	-4.7%	6,299.7	6,729.1
Vn Index (VN)		1,236.2	0.6%	-0.8%	-2.0%	1,229.1	1,275.1

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.