

The US dollar traded sideways awaiting direction

ECB policymakers support additional interest rate cuts

European Central Bank policymakers showed strong support for additional interest rate cuts on Wednesday, suggesting that a reduction next week is almost certain, with further cuts likely to follow. According to Lagarde's remarks in Davos, the policy direction is clear, and while the pace depends on data, a gradual move is likely. Meanwhile, Klaas Knot also expressed support for rate cuts on January 30 and March 6, citing "encouraging" economic data. Similarly, Yannis Stournaras endorsed gradual adjustments, advocating for 25 basis point reductions and suggesting that the ECB's 3% deposit rate should approach 2% by year-end.

Japan's exports rise as Trump's tariff impact looms

Japan's exports rose 2.8% in December, driven by a weaker yen and strong demand for chip-making machinery and semiconductor parts, exceeding the 2.4% forecast. Imports increased 1.8%, led by machinery and related goods. The yen averaged 152.48 per dollar, 3.8% weaker year-on-year. This helped exporters but made imports more expensive. The trade balance swung to a surplus of ¥130.9 billion (\$837 million) for the first time in six months.

China unveils plan to encourage insurance funds into stock markets

China announced that it will guide state insurers and commercial insurance funds to increase investments in the A-share market to boost the struggling stock market. A plan from six financial regulators requires state-owned insurers to raise their investments in mainland-listed Chinese stocks and equity funds. The plan also introduces a long-term performance evaluation, with annual equity returns weighted at no more than 30% and 60% for a three-to-five-year cycle. This comes as Chinese stocks start 2025 with losses amid fears of potential U.S. tariffs on Chinese goods.

South Korea's economy struggles amid political turmoil

South Korea's economy struggled last quarter, with President Yoon Suk Yeol's brief martial law declaration dampening consumer confidence amid slowing export growth. GDP grew just 0.1% in the fourth quarter, falling short of the 0.2% forecast. Year-on-year, the economy rose 1.2%, below the expected 1.4%. For 2024, the economy expanded by 2%, slower than the anticipated 2.1%.

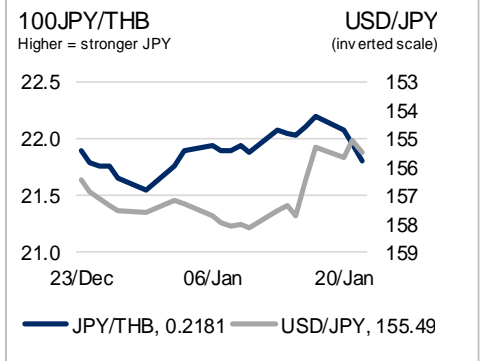
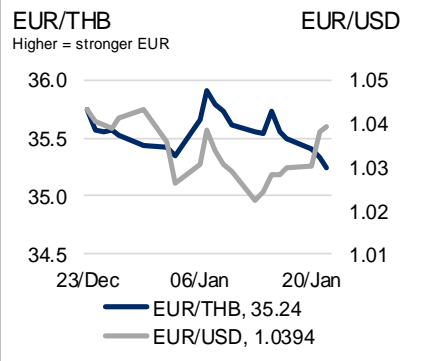
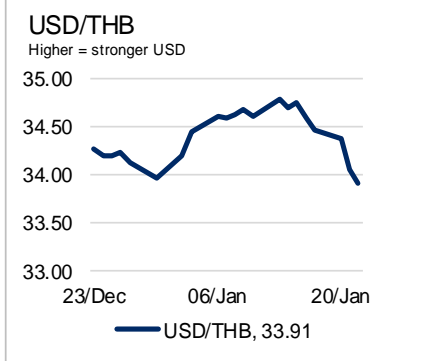
The US dollar traded sideways awaiting direction

The 10-year government bond yield (interpolated) on the previous trading day was 2.348, -6.64 bps. The benchmark government bond yield (LB346A) was 2.34, -6.0 bps. Meantime, the latest closed US 10-year bond yields was 4.60, +3.0 bps. USDTHB on the previous trading day closed around 33.91, moving in a range of 33.865 – 33.90 this morning. USDTHB could be closed between 33.70 – 34.00 today. The dollar remained mostly unchanged on the day, following a recovery in the index after dipping below the 108.00 mark, in a session with little economic data and while market participants considered President Trump's recent tariff threats. Attention now shifts to Trump's pre-recorded interview. The euro eventually lost ground after struggling to maintain the gains seen earlier in the European session, with the currency weighed down by Trump's tariff threat against the EU and a series of comments from the ECB. The Japanese yen weakened despite expectations of an upcoming rate hike from the BoJ on Friday, as USD/JPY advanced after rising above the 156.00 level, supported by stock market gains and a modest increase in US yields.

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

SET Index	1,361.8	S&P500	6,086.4	10Y UST	4.60%	Brent	79.00	Gold	2,760.2
22-Jan ▲	0.68%	22-Jan ▲	0.61%	22-Jan ▲	3.0 bps	22-Jan ▼	-0.4%	22-Jan ▲	1.4%

USD/THB 33.91	Daily ▼ -0.40%	EUR/THB 35.24	Daily ▼ -0.27%	JPY/THB 0.2181	Daily ▼ -0.66%
Falling Trend	Weekly ▼ -1.96%	Falling Trend	Weekly ▼ -0.87%	Falling Trend	Weekly ▼ -1.34%
	Monthly ▼ -1.04%		Monthly ▼ -1.42%		Monthly ▼ -0.42%



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		108.27	-0.1%	-0.9%	0.5%	106.96	109.81
EUR/USD		1.0394	0.14%	1.1%	-0.4%	1.0225	1.0496
USD/JPY		155.49	0.3%	-0.6%	-0.6%	153.53	158.17
USD/CHF		0.9062	-0.1%	-0.7%	1.5%	0.8926	0.9172
GBP/USD		1.2302	0.18%	0.8%	-2.2%	1.2171	1.2702
USD/CAD		1.4366	-0.09%	0.0%	0.0%	1.4273	1.4455
AUD/USD		0.6254	0.04%	0.8%	0.0%	0.6146	0.6353
NZD/USD		0.5650	0.2%	0.8%	-0.1%	0.5561	0.5768
ASEAN Dollar		107.56	-0.2%	-0.9%	0.1%	0.00	108.65
USD/THB		33.91	-0.4%	-1.9%	-1.0%	33.97	34.77
USD/SGD		1.3551	-0.1%	-1.0%	0.1%	1.3502	1.3724
USD/MYR		4.4506	-0.3%	-1.0%	-1.0%	4.4484	4.5066
USD/IDR		16,278	0.0%	0.0%	1.0%	15,980	16,289
USD/PHP		58.75	0.3%	0.1%	-0.1%	58.05	59.25
USD/CNY		7.2569	0.07%	-1.2%	-0.5%	7.2516	7.3460
USD/HKD		7.7730	0.3%	-0.2%	0.1%	7.7513	7.7908

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		235,358	-1087
Gold		20,285	381
SDR		5,374	-19
IMF Reserves		1,054	-4
Foreign Ccy		208,645	-1445
Net Fwd Position		24,350	-560

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
22/01/2025	1,705	908	2,612
21/01/2025	170	4,155	4,325
20/01/2025	446	140	586
17/01/2025	-1,268	258	-1,011
16/01/2025	-1,240	-690	-1,930
Last 5 days	-187	4,770	4,583

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -5,380	↓ -14,392	↓ -19,773
QTD	Quarter	↓ -5,380	↓ -14,392	↓ -19,773
YTD	Year	↓ -5,380	↓ -14,392	↓ -19,773

Money Market

Last update: 10/01/2025

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	2.53	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		2.45	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

Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.6000	3.00	-17.00	35.00	4.15	4.78
Gilt 10y		4.5933	-6.70	-25.35	30.79	4.21	4.89
Bund 10y		2.5000	-1.00	-12.00	30.00	2.06	2.63
JGB 10y		1.2050	1.10	0.30	13.10	1.06	1.26
TGB 1y		2.0280	1.05	6.78	1.19	1.92	2.03
TGB 2y		2.0765	-0.39	2.41	8.06	1.99	2.08
TGB 5y		2.1514	-1.17	-1.94	7.91	2.06	2.18
TGB 7y		2.2654	-1.37	-1.63	12.54	2.14	2.28
TGB 10y		2.3479	-6.64	-6.95	8.67	2.26	2.42
AAA Spread		69.17	-0.41	12.51	-1.30	0.00	71.23
AA Spread		66.21	-0.60	-14.37	-13.67	0.00	85.02
A Spread		104.34	-0.20	2.92	-18.84	0.00	123.20
BBB Spread		0.00	0.00	0.00	-237.50	0.00	239.68

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		79.00	-0.4%	-2.8%	7.4%	72.63	82.03
London Gold		2760.2	1.4%	1.9%	5.9%	2,606.2	2,760.2

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)		6,086.4	0.6%	2.3%	0.9%	5,842.9	6,086.5
STOXX (EU)		532.12	0.5%	1.8%	6.7%	492.5	532.1
FTSE All-Share(UK)		4,076.1	0.2%	0.9%	1.6%	3,954.4	4,128.5
DAX (DE)		21,254.3	1.0%	5.6%	10.1%	19,146.2	21,254.3
CAC All-Tradable(FR)		5,782.6	0.7%	5.5%	8.5%	5,302.0	5,782.6
TOPIX (JP)		2,737.2	0.9%	0.8%	1.8%	2,665.3	2,801.7
Shanghai (CH)		3,368.1	-0.9%	1.7%	-4.5%	3,312.9	3,628.3
Hang Seng (HK)		19,778.8	-1.6%	4.8%	2.1%	18,874.1	20,397.1
ASX 200 (AU)		8,429.8	0.3%	2.9%	-0.2%	8,067.0	8,495.2
SET (TH)		1,361.8	0.7%	0.5%	-4.8%	1,340.5	1,454.8
SET50 (TH)		890.7	0.8%	1.0%	-3.5%	876.0	939.6
Straits Times (SG)		3,781.2	-0.4%	-0.3%	1.1%	3,708.1	3,862.6
FTSE Malay (MY)		1,587.8	0.5%	0.1%	-0.4%	1,562.1	1,642.3
JSX Index (ID)		7,257.1	1.0%	3.4%	0.2%	6,977.2	7,464.8
PSE Index (PH)		6,348.3	0.1%	0.1%	-6.7%	6,330.5	6,863.0
Vn Index (VN)		1,242.5	-0.3%	0.6%	-0.7%	1,235.7	1,275.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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