

Japan's inflation hits 3%, boosting rate-hike prospects

Trump at Davos: Pushes NATO 5%, lower oil prices, and EU tariff warnings

President Trump spoke virtually at Davos, covering various topics. He said he'd ask OPEC to lower oil prices, noting the US has the largest oil and gas reserves. On tariffs, he urged businesses to manufacture in the US or face penalties. Trump criticized the EU for its tariffs on US products and targeting major tech companies like Apple, Meta, and Google. He called for NATO members to raise defense spending to 5% of GDP and promised a 15% corporate tax rate for US-made products. He also stressed demanding respect from other nations, praised US-China relations, and highlighted positive dealings with Mexico.

US jobless claims edge up, while ongoing applications soar

Initial jobless claims rose to 223k, slightly above the 220k forecast, while the 4-week average increased to 213.5k. Continued claims surged to 1.899 million, surpassing expectations. The rise was mainly driven by a 6.7k increase in California claims due to recent wildfires. Overall, unadjusted claims fell by 68k, less than the expected 75.7k seasonal decline. Analysts notes that continued claims remain high, indicating difficulty for jobseekers to find new employment.

Japan's inflation hits 3%, boosting rate-hike prospects

Japan's main inflation measure reached 3% for the first time in 16 months, highlighting ongoing price pressures just hours before the central bank is expected to raise rates for the third time under Governor Kazuo Ueda. The CPI excluding fresh food increased by 3% year-on-year in December, up from 2.7% the previous month, driven by higher energy costs. This reading aligned with expectations and marked the first 3% rise since August 2023. Meanwhile, an index excluding energy and fresh food prices rose by 2.4%, consistent with November's rate.

Thai exports beat forecasts in December, with January growth expected despite trade uncertainty

Thailand's exports grew 8.7% in December, marking the sixth consecutive month of growth and surpassing expectations, while imports rose 14.9%, leading to a trade deficit of \$10.6 million. For 2024, exports increased by 5.4%, and imports rose 6.3%, resulting in a \$6.3 billion trade deficit. The commerce ministry targets 2%-3% export growth in 2025 and expects further increases in January, despite concerns over U.S. trade policies. The commerce minister plans to visit the U.S. next month to discuss trade and tariffs.

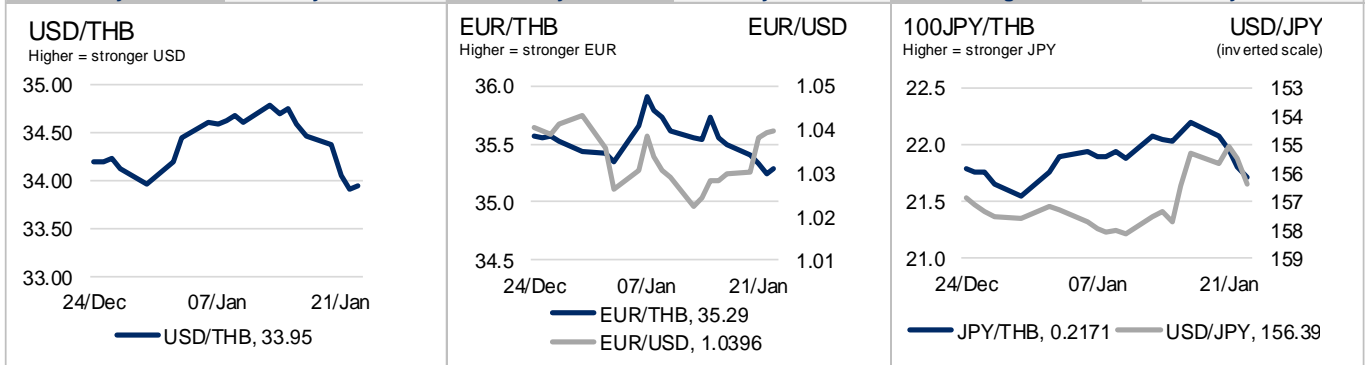
US Dollar remains stuck and shows little progress

The 10-year government bond yield (interpolated) on the previous trading day was 2.313, -3.47 bps. The benchmark government bond yield (LB346A) was 2.32, -2.0 bps. Meantime, the latest closed US 10-year bond yields was 4.65, +5.0 bps. USDTHB on the previous trading day closed around 33.95, moving in a range of 33.95 – 33.97 this morning. USDTHB could be closed between 33.80 – 34.10 today. The dollar slightly weakened, with a brief rise after Trump's Davos appearance, where he stated businesses must make products in America or face tariffs. However, support for the dollar faded due to the lack of details on tariffs, and recent data releases had a minimal impact. The euro fluctuated around the 1.0400 mark against the dollar but managed small gains. The Japanese yen steadily strengthened as the BoJ policy decision approached, with reports suggesting a potential rate hike.

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

SET Index	1,344.2	S&P500	6,118.7	10Y UST	4.65%	Brent	78.29	Gold	2,747.2
23-Jan	▼ -1.30%	23-Jan	▲ 0.53%	23-Jan	▲ 5.0 bps	23-Jan	▼ -0.9%	23-Jan	▼ -0.5%

USD/THB 33.95	Daily ▲ 0.12%	EUR/THB 35.29	Daily ▲ 0.14%	JPY/THB 0.2171	Daily ▼ -0.46%
Sideways Trend	Weekly ▼ -1.51%	Sideways Trend	Weekly ▼ -0.58%	Falling Trend	Weekly ▼ -2.21%
	Monthly ▼ -0.71%		Monthly ▼ -0.79%		Monthly ▼ -0.39%



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		108.35	0.1%	-0.6%	0.3%	106.96	109.81
EUR/USD		1.0396	0.02%	0.9%	-0.1%	1.0225	1.0494
USD/JPY		156.39	0.6%	0.7%	-0.3%	153.53	158.17
USD/CHF		0.9070	0.1%	-0.4%	1.0%	0.8926	0.9172
GBP/USD		1.2306	0.03%	0.6%	-1.9%	1.2171	1.2702
USD/CAD		1.4391	0.18%	0.1%	0.1%	1.4324	1.4455
AUD/USD		0.6256	0.02%	0.7%	0.3%	0.6146	0.6318
NZD/USD		0.5656	0.1%	0.8%	0.1%	0.5561	0.5746
ASEAN Dollar		107.12	0.0%	-0.8%	-0.8%	0.00	108.26
USD/THB		33.95	0.1%	-1.5%	-0.7%	33.91	34.77
USD/SGD		1.3564	0.1%	-0.7%	0.0%	1.3502	1.3724
USD/MYR		4.4420	-0.2%	-1.2%	-0.9%	4.4506	4.5066
USD/IDR		16,230	-0.3%	-0.3%	0.7%	16,031	16,289
USD/PHP		58.81	0.1%	0.2%	0.3%	58.05	59.25
USD/CNY		7.2829	0.36%	-0.6%	-0.1%	7.2516	7.3460
USD/HKD		7.7914	0.2%	0.1%	0.4%	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
23/01/2025	-4,388	2,712	-1,676
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
Last 5 days	-3,336	8,172	4,836

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -9,768	↓ -11,681	↓ -21,449
QTD	Quarter	↓ -9,768	↓ -11,681	↓ -21,449
YTD	Year	↓ -9,768	↓ -11,681	↓ -21,449

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	2.52	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		4.6500	5.00	-14.00	47.00	4.17	4.79
Gilt 10y		4.5995	0.62	-27.30	34.12	4.21	4.87
Bund 10y		2.5400	4.00	-8.00	39.00	2.06	2.62
JGB 10y		1.2050	1.10	0.30	13.10	1.06	1.26
TGB 1y		2.0400	1.20	6.60	3.78	1.92	2.04
TGB 2y		2.0692	-0.73	1.04	7.39	1.99	2.08
TGB 5y		2.1197	-3.17	-4.81	4.11	2.06	2.18
TGB 7y		2.2255	-3.99	-5.33	8.18	2.14	2.28
TGB 10y		2.3133	-3.47	-9.59	4.71	2.26	2.42
AAA Spread		70.91	2.55	14.03	-3.02	0.00	73.93
AA Spread		66.10	-0.97	-14.52	-13.54	0.00	84.68
A Spread		104.19	-0.74	3.25	-18.86	0.00	123.17
BBB Spread		0.00	0.00	0.00	-237.53	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		78.29	-0.9%	-3.1%	6.0%	72.63	82.03
London Gold		2747.2	-0.5%	1.6%	4.8%	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)		6,118.7	0.5%	3.1%	1.2%	5,868.6	6,118.7
STOXX (EU)		533.89	0.3%	1.2%	6.4%	492.5	533.9
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)		5,818.9	0.6%	6.0%	8.4%	5,302.0	5,818.9
TOPIX (JP)		2,751.7	0.5%	2.6%	3.2%	2,665.3	2,786.6
Shanghai (CH)		3,385.5	0.5%	-0.3%	-4.4%	3,321.1	3,597.9
Hang Seng (HK)		19,700.6	-0.4%	2.5%	1.4%	19,064.3	20,414.1
ASX 200 (AU)		8,378.7	-0.6%	1.8%	-0.7%	8,168.2	8,495.2
SET (TH)		1,344.2	-1.3%	0.3%	-5.9%	1,340.3	1,454.8
SET50 (TH)		877.6	-1.5%	0.4%	-4.7%	874.3	939.6
Straits Times (SG)		3,806.6	0.7%	0.5%	1.5%	3,708.1	3,887.0
FTSE Malay (MY)		1,577.2	-0.7%	0.0%	-1.1%	1,555.5	1,637.7
JSX Index (ID)		7,232.6	-0.3%	4.0%	0.5%	6,956.7	7,453.3
PSE Index (PH)		6,378.9	0.5%	1.3%	-4.8%	6,265.5	6,850.0
Vn Index (VN)		1,259.6	1.4%	2.5%	0.8%	1,229.1	1,274.0

Sources: ttb analytics, CEIC

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

Important Disclosures

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