

Bessent and Trump focus on 10-year yields, not the Fed

**US services index weakens as order growth slows**

The US ISM Services PMI for January fell to 52.8 from 54.0, below the expected 54.3. Nonetheless, the latest figure is slightly firmer than the average for last year. Business activity and new orders dropped, while employment rose to its highest level since 2023, indicating a strong labor market. The inflation measure of prices paid decreased. Economists see the drop as supporting slower GDP growth, although past surveys haven't been reliable for predicting GDP. The report also noted poor weather affecting business and production, with some concerns over potential US tariffs, but no significant current impacts.

**U.S. private payrolls rise by more than expected in January**

Private payrolls rose more than expected in January, signaling strong job growth despite growing uncertainty. ADP employment increased by 183,000, following a revised 176,000 rise in December, surpassing the forecasted 150,000. Growth was driven by the service sector, particularly in trade, transportation, and leisure/hospitality. In goods-producing industries, construction and mining saw gains, while manufacturing employment dropped. The data shows the labor market continues to grow at a healthy pace, with the six-month average payroll increase reaching its fastest rate since early 2023. Despite a drop in job vacancies and slowing wage growth, hiring remains strong, and layoffs are low.

**China's services index unexpectedly weakens despite holiday spending**

China's services sector growth slowed unexpectedly in January, though it continued its expansion streak, supported by Lunar New Year demand. The Caixin China services PMI fell to 51 from 52.2, missing the forecast of 52.4. While business activity and new orders grew, their pace slowed to the weakest in four months. New export business resumed growth. This follows a government survey showing a similar slowdown in services, while construction and manufacturing contracted.

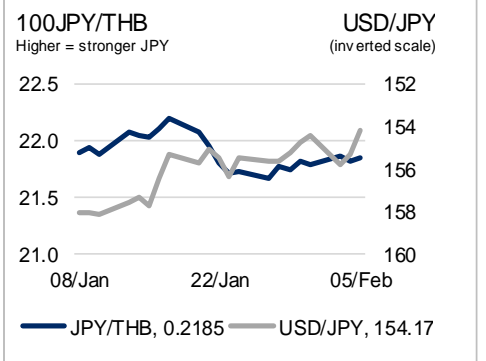
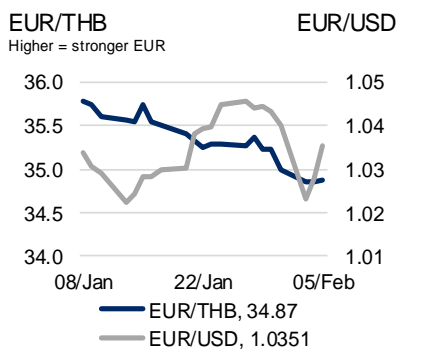
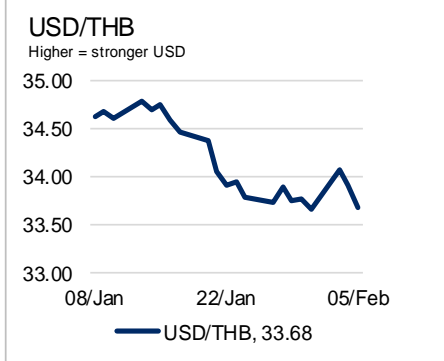
**The dollar weakened for a third day as trade tensions eased and data mixed**

The 10-year government bond yield (interpolated) on the previous trading day was 2.273, -3.55 bps. The benchmark government bond yield (LB346A) was 2.29, -3.0 bps. Meantime, the latest closed US 10-year bond yields was 4.43, -9.0 bps. USDTHB on the previous trading day closed around 33.68, moving in a range of 33.58 – 33.59 this morning. USDTHB could be closed between 33.50 – 33.80 today. The dollar weakened on the day, with the index dropping further below the 108.00 mark due to lower yields, optimism about trade relations, and mixed economic data. There were several comments from Federal Reserve officials, including Barkin, who favored a wait-and-see approach but indicated a tendency toward further rate cuts this year. The euro gained from dollar weakness, reaching the 1.0400 level. ECB statements were somewhat mixed, with Lane emphasizing a data-driven, meeting-by-meeting approach and avoiding commitment to any specific rate path, while Centeno expressed hopes for reaching a 2% deposit rate sooner rather than later. The Japanese yen strengthened as USD/JPY fell below the 153.00 level, driven by lower US yields and a recent increase in Japanese wage data.

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

<b>SET Index</b>	<b>1,286.7</b>	<b>S&amp;P500</b>	<b>6,061.5</b>	<b>10Y UST</b>	<b>4.43%</b>	<b>Brent</b>	<b>76.12</b>	<b>Gold</b>	<b>2,873.8</b>
5-Feb	▼ -1.10%	5-Feb	▲ 0.39%	5-Feb	▼ -9.0 bps	4-Feb	▲ 0.2%	5-Feb	▲ 2.1%

<b>USD/THB 33.68</b>	Daily ▼ -0.64%	<b>EUR/THB 34.87</b>	Daily ▲ 0.06%	<b>JPY/THB 0.2185</b>	Daily ▲ 0.11%
Falling Trend	Weekly ▼ -0.24%	Sideways Trend	Weekly ▼ -1.01%	Sideways Trend	Weekly ▲ 0.14%
Monthly ▼ -2.72%	Monthly ▼ -2.59%	Monthly ▼ -2.59%	Monthly ▼ -2.59%	Monthly ▼ -0.23%	Monthly ▼ -0.23%



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		108.27	-0.8%	0.4%	-0.4%	107.76	109.81
EUR/USD		1.0351	0.71%	-0.8%	0.1%	1.0225	1.0456
USD/JPY		154.17	-0.8%	-0.4%	-2.5%	154.43	158.17
USD/CHF		0.9080	-0.6%	0.3%	-0.2%	0.9029	0.9172
GBP/USD		1.2451	0.77%	0.0%	-0.2%	1.2171	1.2525
USD/CAD		1.4394	-1.45%	0.1%	0.2%	1.4334	1.4742
AUD/USD		0.6231	1.01%	-0.1%	0.2%	0.6116	0.6304
NZD/USD		0.5631	1.0%	-0.6%	0.0%	0.5546	0.5698
ASEAN Dollar		106.00	-0.6%	0.3%	-1.0%	0.00	107.48
USD/THB		33.68	-0.6%	-0.2%	-2.7%	33.65	34.77
USD/SGD		1.3547	-0.6%	0.4%	-0.8%	1.3484	1.3724
USD/MYR		4.4232	-0.7%	0.8%	-1.7%	4.3745	4.5066
USD/IDR		16,248	-0.4%	0.5%	0.9%	16,075	16,340
USD/PHP		58.31	-0.6%	-0.4%	-0.6%	58.05	58.96
USD/CNY		7.2833	-0.27%	0.4%	-0.7%	7.2480	7.3460
USD/HKD		7.7883	-0.1%	0.0%	0.1%	7.7513	7.7933

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		241,778	4448
Gold		20,900	524
SDR		5,433	53
IMF Reserves		1,063	10
Foreign Ccy		214,384	3861
Net Fwd Position		24,110	165

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
05/02/2025	554	6,820	7,374
04/02/2025	684	-2,653	-1,969
03/02/2025	-363	-4,622	-4,985
31/01/2025	-3,165	-9,201	-12,365
30/01/2025	126	-5,279	-5,153
Last 5 days	-2,164	-14,934	-17,098

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 875	↓ -455	↑ 420
QTD	Quarter	↓ -10,459	↓ -12,900	↓ -23,359
YTD	Year	↓ -10,459	↓ -12,900	↓ -23,359

Money Market

Last update: 24/01/2025

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	2.70	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		4.4300	-9.00	-10.00	11.00	4.20	4.78
Gilt 10y		4.5374	4.11	-8.98	23.72	4.25	4.89
Bund 10y		2.3500	-7.00	-17.00	23.00	2.07	2.63
JGB 10y		1.2820	2.80	4.40	22.80	1.05	1.28
TGB 1y		2.0606	-0.11	0.29	13.38	1.92	2.06
TGB 2y		2.0399	-0.67	0.09	3.16	1.99	2.08
TGB 5y		2.0898	-1.85	-0.60	-2.55	2.08	2.18
TGB 7y		2.2016	-2.70	0.71	0.09	2.18	2.28
TGB 10y		2.2733	-3.55	0.24	-7.31	2.27	2.42
AAA Spread		70.28	3.52	16.00	-0.95	0.00	71.82
AA Spread		64.09	-0.68	-18.38	-17.47	0.00	82.46
A Spread		103.04	-1.18	4.41	-18.88	0.00	122.83
BBB Spread		0.00	0.00	0.00	-239.68	0.00	239.75

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		76.12	0.2%	-0.6%	-1.2%	75.93	82.03
London Gold		2873.8	2.2%	3.4%	8.3%	2,631.8	2,873.8

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)		6,061.5	0.4%	0.4%	0.2%	5,836.2	6,084.2
STOXX (EU)		539.04	0.2%	-0.4%	5.2%	500.6	541.4
FTSE All-Share(UK)		4,076.1	0.2%	0.9%	1.6%	3,954.4	4,128.5
DAX (DE)		21,505.7	0.4%	0.5%	5.7%	19,848.8	21,732.1
CAC All-Tradable(FR)		5,828.2	-0.2%	0.0%	6.0%	5,388.2	5,837.8
TOPIX (JP)		2,745.4	0.3%	-0.5%	0.1%	2,679.4	2,786.6
Shanghai (CH)		3,384.9	-0.6%	-0.4%	-5.1%	3,312.9	3,628.3
Hang Seng (HK)		20,597.1	-0.9%	4.1%	0.9%	19,064.3	20,790.0
ASX 200 (AU)		8,416.9	0.5%	0.1%	0.8%	8,159.1	8,447.0
SET (TH)		1,286.7	-1.1%	-4.0%	-10.1%	1,286.7	1,447.5
SET50 (TH)		838.1	-1.2%	-4.1%	-9.2%	838.1	934.8
Straits Times (SG)		3,815.4	-0.2%	0.2%	0.6%	3,752.3	3,862.6
FTSE Malay (MY)		1,574.5	0.6%	-0.2%	-1.8%	1,553.6	1,637.7
JSX Index (ID)		7,024.2	-0.7%	-3.2%	-4.9%	6,956.7	7,464.8
PSE Index (PH)		6,281.1	3.2%	-0.2%	-6.0%	5,883.0	6,730.0
Vn Index (VN)		1,269.6	0.4%	1.6%	-0.3%	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.