

Despite the CPI relief, attention quickly returned to US growth and tariff concerns

US inflation slows, offering some relief ahead of tariffs

Both the headline CPI and the core CPI increased by 0.2% from January, falling short of the expected 0.3% rise. Shelter costs rose by 0.3%, contributing nearly half of the monthly CPI increase, but this was a smaller increase compared to recent years. On an annual basis, the headline inflation dropped to 2.8% from 3% in January, while core inflation fell to 3.1% from 3.3%, marking the slowest pace since April 2021. Core inflation was driven by increases in medical care, used cars, recreation, and apparel, while airline fares and new vehicle prices declined. The decline in airfares pointed to weakening travel demand, a trend recently noted by airlines, but analysts indicated that this drop will not have an impact on the PCE report.

EU plans tariffs on €26 billion of US goods in retaliation

The EU retaliated against US metals tariffs, planning duties on up to €26 billion (\$28.3 billion) of American goods. This followed the US's 25% tariffs on steel and aluminum, escalating the trade conflict. The EU will target goods from Republican-led states, like Louisiana soybeans, and begin consultations to impose additional tariffs on agricultural and industrial products by mid-April.

BoC cuts rates, cautions over tariffs

The Bank of Canada cut rates by 25bps to 2.75%, as expected. Governor Macklem noted that future rate changes will be cautious, balancing inflationary pressures from rising costs and deflationary pressures from weaker demand. The BoC highlighted the impact of US tariffs, which may slow economic activity and increase inflation, with rising short-term inflation expectations. While monetary policy can't offset a trade war, it aims to prevent sustained inflation. During the Q&A, Governor Macklem also mentioned that the neutral rate is estimated around 2.75%, suggesting that the BoC is now at this neutral level. Looking ahead, the next rate cut is not expected until June.

Canada responds to trade war with tariffs on US steel and aluminum

Canada has imposed 25% tariffs on C\$30 billion (\$20.8 billion) of US-made goods, including steel, aluminum, and consumer items like computers and sporting equipment, in response to US tariffs. These tariffs, matching the US levies "dollar for dollar," will take effect at 12:01 a.m. New York time on Thursday.

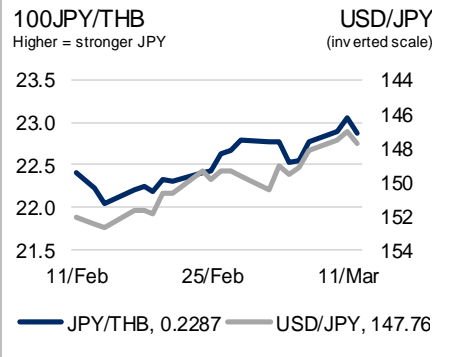
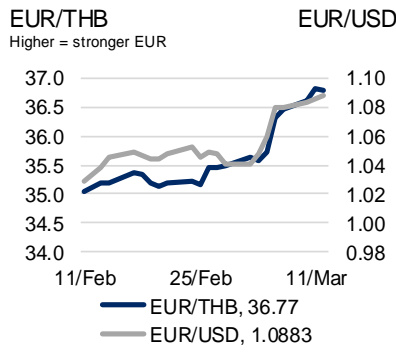
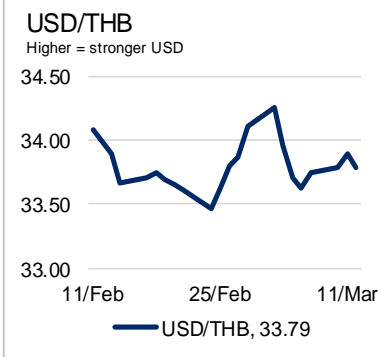
US dollar rises slightly as markets digest CPI data and tariff retaliation

The 10-year government bond yield (interpolated) on the previous trading day was 2.141, -0.94 bps. The benchmark government bond yield (LB353A) was 2.14, -1.0 bps. Meantime, the latest closed US 10-year bond yields was 4.32, +4.0 bps. USDTHB on the previous trading day closed around 33.79, moving in a range of 33.765 – 33.79 this morning. USDTHB could be closed between 33.65 – 33.85 today. The dollar saw volatility but ended with modest gains, despite briefly dropping after the softer CPI data. The greenback's decline was short-lived, as US tariffs on steel and aluminum took effect, and the CPI report is unlikely to change the Fed's stance. The euro softened slightly, fluctuating around 1.0900 after the EU's retaliation against US tariffs, while ECB statements had little impact. The Japanese yen weakened further but recovered after USD/JPY briefly hit 149.00.

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

SET Index	1,160.1	S&P500	5,599.3	10Y UST	4.32%	Brent	70.95	Gold	2,913.5
12-Mar	▼ -2.3%	12-Mar	▲ 0.49%	12-Mar	▲ 4.0 bps	12-Mar	▲ 2.3%	12-Mar	▲ 0.01%

USD/THB 33.79	Daily ▼ -0.30%	EUR/THB 36.77	Daily ▼ -0.09%	JPY/THB 0.2287	Daily ▼ -0.82%
Sideways Trend	Weekly ▲ 0.48%	Sideways Trend	Weekly ▲ 1.26%	Sideways Trend	Weekly ▲ 1.40%
	Monthly ▼ -0.85%		Monthly ▲ 4.79%		Monthly ▲ 2.06%



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		103.66	0.0%	-0.6%	-4.5%	103.69	108.55
EUR/USD		1.0883	0.2%	0.79%	5.8%	1.0285	1.0859
USD/JPY		147.76	0.5%	-0.9%	-2.9%	147.00	154.17
USD/CHF		0.8829	0.5%	-0.8%	-3.3%	0.8782	0.9126
GBP/USD		1.2913	0.1%	0.3%	4.6%	1.2349	1.2913
USD/CAD		1.4448	0.4%	0.6%	0.5%	1.4165	1.4495
AUD/USD		0.6283	0.0%	-0.7%	0.4%	0.6205	0.6390
NZD/USD		0.5698	-0.1%	-0.1%	1.1%	0.5603	0.5771
ASEAN Dollar		106.29	0.0%	0.3%	-0.2%	0.00	107.44
USD/THB		33.79	-0.3%	0.5%	-0.9%	33.47	34.26
USD/SGD		1.3326	0.1%	-0.1%	-1.8%	1.3313	1.3576
USD/MYR		4.4260	0.0%	0.2%	-1.1%	4.3999	4.4757
USD/IDR		16,359	0.2%	0.7%	0.2%	16,176	16,486
USD/PHP		57.48	-0.4%	0.0%	-1.7%	57.47	58.48
USD/CNY		7.2315	-0.19%	-0.1%	-1.2%	7.2325	7.3172
USD/HKD		7.7729	0.1%	0.0%	-0.3%	7.7591	7.7987

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		244,756	-1430
Gold		21,558	-585
SDR		5,437	-21
IMF Reserves		1,050	-16
Foreign Ccy		216,711	-808
Net Fwd Position		23,170	-400

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
12/03/2025	-2,965	8,651	5,685
11/03/2025	-1,020	296	-725
10/03/2025	-3,372	227	-3,146
07/03/2025	1,408	6,359	7,767
06/03/2025	-4,744	5,071	327
Last 5 days	-10,694	20,603	9,909

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -11,722	↑ 16,748	↑ 5,026
QTD	Quarter	↓ -29,724	↑ 8,499	↓ -21,225
YTD	Year	↓ -29,724	↑ 8,499	↓ -21,225

Money Market

Last update: 28/02/2025

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

Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.3200	4.00	16.00	-29.00	4.16	4.78
Gilt 10y		4.6450	4.00	16.15	-1.53	4.44	4.71
Bund 10y		2.9200	5.00	46.00	41.00	2.37	2.92
JGB 10y		1.5270	1.60	11.50	32.00	1.19	1.53
TGB 1y		1.9071	-1.14	-3.88	-15.27	1.92	2.07
TGB 2y		1.8568	-1.02	-5.95	-17.76	1.87	2.06
TGB 5y		1.9241	-1.02	-6.68	-16.58	1.93	2.12
TGB 7y		2.0583	-1.21	-7.77	-13.33	2.07	2.22
TGB 10y		2.1412	-0.94	-7.57	-13.04	2.15	2.31
AAA Spread		72.41	0.21	1.00	2.32	68.38	72.92
AA Spread		63.76	-0.01	-0.17	-3.63	63.67	67.38
A Spread		104.98	0.01	1.15	0.55	102.44	104.98
BBB Spread		313.25	0.06	0.24	-22.14	0.00	335.60

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		70.95	2.4%	2.1%	-5.6%	69.28	77.00
London Gold		2913.6	0.01%	0.4%	1.0%	2,861.4	2,953.1

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)		5,599.3	0.49%	-2.43%	-7.7%	5,572.1	6,144.2
STOXX (EU)		553.72	1.0%	-2.6%	0.7%	544.2	568.5
FTSE All-Share(UK)		4,615.4	0.5%	-1.6%	-3.0%	4,591.0	4,784.8
DAX (DE)		22,676.4	1.6%	-3.2%	2.9%	21,787.0	23,419.5
CAC All-Tradable(FR)		5,915.6	0.6%	-2.5%	-0.2%	5,879.9	6,068.9
TOPIX (JP)		2,694.9	0.9%	-2.1%	-1.4%	2,670.7	2,775.5
Shanghai (CH)		3,534.0	-0.2%	-0.3%	1.6%	3,428.0	3,551.1
Hang Seng (HK)		23,600.3	-0.8%	-3.2%	10.8%	20,891.6	24,369.7
ASX 200 (AU)		7,786.2	-1.3%	-3.8%	-8.2%	7,786.2	8,555.8
SET (TH)		1,160.1	-2.32%	-2.5%	-9.7%	1,160.1	1,284.1
SET50 (TH)		733.0	-2.5%	-2.8%	-12.4%	733.0	839.3
Straits Times (SG)		3,833.1	0.2%	-2.1%	-0.7%	3,825.8	3,934.0
FTSE Malay (MY)		1,484.8	-2.3%	-4.8%	-6.6%	1,484.8	1,592.3
JSX Index (ID)		6,665.0	1.8%	0.7%	2.0%	6,270.6	6,875.5
PSE Index (PH)		6,195.3	-0.2%	-0.4%	3.5%	5,987.8	6,360.8
Vn Index (VN)		1,334.4	0.1%	1.2%	5.2%	1,263.3	1,334.4

Sources: ttb analytics, CEIC

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

Important Disclosures

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