US dollar loses gains despite solid CPI data

US inflation beats forecasts, backing Fed's hold
The headline CPI rose by 0.467% in January, exceeding the 0.3% forecast and up from 0.393% the previous month. Year-over-year, it increased 3.0%, surpassing the expected 2.9%. The shelter index rose 0.4%, contributing nearly 30% of the monthly increase, while energy prices climbed 1.1%, with gasoline up 1.8%. Food prices went up 0.4%, driven by a sharp rise in egg prices. Core CPI rose 0.446%, above the forecasted 0.3%, and the year-over-year increase was 3.3%, slightly higher than expected. The data led to a shift in market expectations, with the next rate cut now expected in December instead of September, signaling that the Fed may need to keep rates higher longer to control inflation.

Powell tells Congress the Fed is still in no rush to lower rates
Fed Chair Powell largely reiterated his January FOMC comments, suggesting that recent data hasn't affected his policy views. He noted that uncertainty over the economic impact of Trump's policies may take time to show in the data. Powell emphasized that the Fed could maintain restraint if the economy stays strong and inflation remains below 2%, but could ease policy if the labor market weakens or inflation drops. He also reaffirmed that the inflation target remains 2%. In a political Q&A with the Senate Banking Committee, Powell said it's unclear which tariff policies will be implemented and their effects, while also noting that inflationary pressures from the labor market have eased. He believes the neutral rate has risen from the pandemic's low levels, and overall economic data is very strong. Meanwhile, on his second day of testimony, Powell stated that the Fed bases decisions on economic conditions and is waiting to assess tariff impacts. He highlighted PCE inflation over CPI and noted that rising long-term rates aren't driven by inflation, as the Fed awaits signs of lower inflation.

Trump and Putin agree on Ukraine talks, signaling a change in US policy
President Trump spoke with Russian President Putin and agreed to start negotiations to end the war in Ukraine, reversing three years of US policy and surprising European allies. Trump called the conversation "lengthy and highly productive" and said negotiations would begin immediately. He also hinted at a possible meeting with Putin in Saudi Arabia soon. Afterward, Trump spoke with Ukraine's President Zelensky, who said steps were being taken to stop Russian aggression.
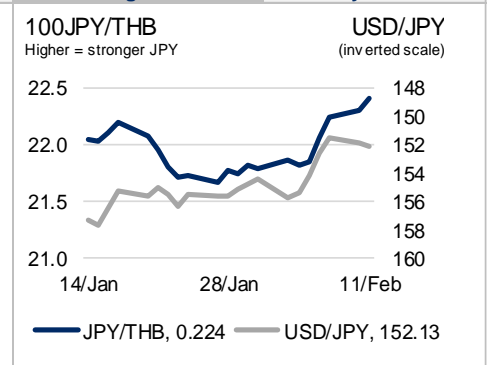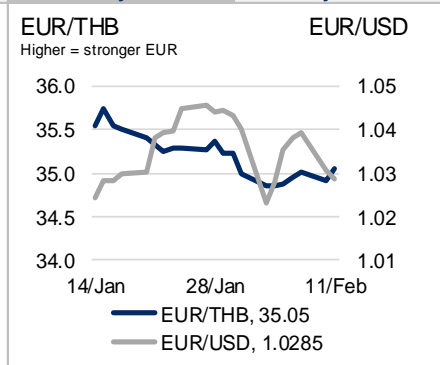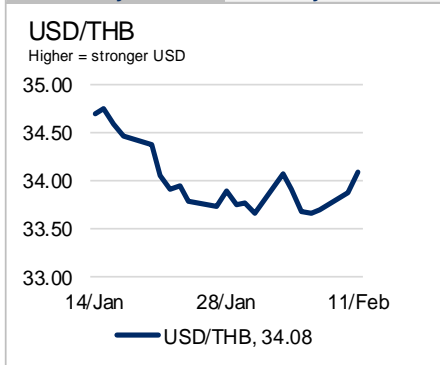
US dollar loses gains despite solid CPI data
The 10-year government bond yield (interpolated) on the previous trading day was 2.272, +0.37 bps. The benchmark government bond yield (LB346A) was 2.285, +0.5 bps. Meantime, the latest closed US 10-year bond yields was 4.62, +8.0 bps. USDTHB on the previous trading day closed around 34.08, moving in a range of 33.965 – 34.02 this morning. USDTHB could be closed between 33.80 – 34.10 today. The dollar traded mixed against its peers, with the index eventually returning to flat after an initial boost from the stronger-than-expected US CPI report. However, gains were pared as markets responded to positive geopolitical updates on Russia and Ukraine. Additionally, Fed Chair Powell's testimony provided little new insight into monetary policy or the economy, though he did comment on January's CPI report, stating that inflation targets have not yet been met. The euro outperformed, briefly reaching 1.0400 against the dollar, supported by optimism about the Russia-Ukraine situation. The Japanese yen underperformed, with USD/JPY rising above 154.00 due to stronger US yields following the CPI data.

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

SET Index	1,284.0	S&P500	6,052.0	10Y UST	4.62%	Brent	74.97	Gold	2,883.4
11-Feb ▲	1.06%	12-Feb ▼	-0.27%	12-Feb ▲	8.0 bps	12-Feb ▼	-2.7%	12-Feb ▼	-0.8%

USD/THB 34.08			EUR/THB 35.05			JPY/THB 0.2240		
	Daily ▲	0.61%		Daily ▲	0.39%		Daily ▲	0.48%
	Weekly ▲	1.18%		Weekly ▲	0.54%		Weekly ▲	2.51%
Sideways Trend	Monthly ▼	-1.78%	Sideways Trend	Monthly ▼	-1.37%	Rising Trend	Monthly ▲	1.60%

USD/THB
Higher = stronger USD
USD/THB, 34.08

EUR/THB — EUR/USD
Higher = stronger EUR
EUR/THB, 35.05
EUR/USD, 1.0285

100JPY/THB — USD/JPY
Higher = stronger JPY (inverted scale)
JPY/THB, 0.224
USD/JPY, 152.13

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range Min	1M Range Max
Dollar Index		108.55	0.2%	0.3%	-1.0%	107.61	109.81
EUR/USD		1.0285	-0.21%	-0.6%	0.4%	1.0225	1.0456
USD/JPY		152.13	0.1%	-1.3%	-3.3%	151.48	158.17
USD/CHF		0.9126	0.2%	0.5%	-0.4%	0.9029	0.9172
GBP/USD		1.2349	-0.36%	-0.8%	1.3%	1.2171	1.2484
USD/CAD		1.4369	0.20%	-0.2%	-0.1%	1.4308	1.4742
AUD/USD		0.6260	-0.13%	0.5%	1.4%	0.6116	0.6304
NZD/USD		0.5635	-0.3%	0.1%	0.9%	0.5546	0.5698
ASEAN Dollar		106.26	0.4%	0.7%	-0.5%	0.00	106.97
USD/THB		34.08	0.6%	1.2%	-1.8%	33.65	34.77
USD/SGD		1.3576	0.2%	0.2%	-0.9%	1.3484	1.3724
USD/MYR		4.4757	0.3%	1.2%	-0.5%	4.3745	4.5048
USD/IDR		16,327	0.4%	0.5%	1.1%	16,094	16,340
USD/PHP		58.48	0.2%	0.3%	-0.6%	58.16	58.96
USD/CNY		7.3172	0.25%	0.5%	-0.3%	7.2480	7.3448
USD/HKD		7.7987	0.1%	0.1%	0.2%	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		242,084	305
Golds		21,124	224
SDR		5,411	-22
IMF Reserves		1,058	-4
Foreign Ccy		214,491	107
Net Fwd Position		23,955	-155

Last update: 31/01/2025

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
11/02/2025	1,008	4,776	5,784
10/02/2025	-1,994	-3,017	-5,011
07/02/2025	1,033	1,012	2,045
06/02/2025	586	5,736	6,321
05/02/2025	554	6,820	7,374
Last 5 days	1,186	15,327	16,513

Period-to-date		Equity	Bond	Total
MTD	Month	1,508	8,052	9,560
QTD	Quarter	-9,826	-4,393	-14,219
YTD	Year	-9,826	-4,393	-14,219

Money Market

THB BIBOR	1M Hist	Last	1M Range Min	1M Range Max
ON		2.25	0.00	2.50
1W		2.27	0.00	2.52
1M		2.30	0.00	2.55
2M		2.35	0.00	2.60
3M		2.40	0.00	2.65
6M		2.45	0.00	2.70
12M		2.55	0.00	2.81

THBFIX	1M Hist	Last	1M Range Min	1M Range Max
ON		1.72	1.14	1.72
1W		1.61	0.22	1.61
1M		1.59	0.88	1.72
3M		1.81	1.09	1.82
6M		1.95	1.31	1.99
12M		2.26	1.59	2.26

Last Updated: 29/06/2023

USD LIBOR	1M Hist	Last	1M Range Min	1M Range Max
ON		0.08	0.07	0.08
1W		0.00	0.00	0.00
1M		0.35	0.12	0.35
2M		0.00	0.00	0.00
3M		0.75	0.34	0.75
6M		1.04	0.56	1.04
12M		1.49	1.00	1.49

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		4.6200	8.00	8.00	5.00	4.39	4.78
Gilt 10y		4.5261	5.83	-1.17	-1.10	4.39	4.89
Bund 10y		2.4500	5.00	5.00	22.00	2.17	2.63
JGB 10y		1.3180	1.10	9.70	26.30	1.06	1.32
TGB 1y		2.0598	0.08	-0.08	11.17	1.92	2.06
TGB 2y		2.0345	-0.19	-0.54	-1.13	1.99	2.08
TGB 5y		2.0899	0.05	0.01	-7.47	2.08	2.18
TGB 7y		2.1916	-0.13	-1.00	-7.51	2.18	2.28
TGB 10y		2.2717	0.37	-0.16	-13.36	2.27	2.42
AAA Spread		70.10	0.01	-0.72	-3.01	70.08	74.44
AA Spread		67.38	0.13	0.16	4.88	62.50	67.38
A Spread		104.43	-0.03	-0.54	1.98	102.19	106.06
BBB Spread		0.00	0.00	0.00	-239.74	0.00	239.83

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		74.97	-2.6%	0.9%	-8.6%	74.29	82.03
London Gold		2883.4	-0.8%	0.8%	7.3%	2,666.4	2,906.9

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)		6,052.0	-0.3%	-0.2%	2.0%	5,836.2	6,101.2
STOXX (EU)		551.96	0.4%	1.0%	10.1%	500.6	552.0
FTSE All-Share(UK)		4,076.1	0.2%	0.9%	1.6%	3,954.4	4,128.5
DAX (DE)		22,148.0	0.5%	3.4%	9.4%	19,848.8	22,148.0
CAC All-Tradable(FR)		5,933.9	0.1%	2.3%	9.9%	5,387.1	5,933.9
TOPIX (JP)		2,733.3	0.0%	-2.0%	-0.2%	2,679.4	2,788.7
Shanghai (CH)		3,507.6	0.9%	2.9%	-1.3%	3,321.1	3,628.3
Hang Seng (HK)		21,857.9	2.6%	8.1%	10.4%	19,064.3	21,857.9
ASX 200 (AU)		8,535.3	0.6%	1.9%	2.7%	8,067.0	8,535.3
SET (TH)		1,284.0	1.1%	-2.3%	-6.8%	1,270.5	1,419.7
SET50 (TH)		837.1	0.9%	-2.3%	-6.0%	829.9	920.0
Straits Times (SG)		3,874.6	0.4%	1.3%	2.5%	3,719.9	3,875.1
FTSE Malay (MY)		1,603.1	0.8%	3.0%	0.4%	1,556.9	1,637.7
JSX Index (ID)		6,645.8	1.7%	-5.5%	-9.3%	6,532.0	7,464.8
PSE Index (PH)		6,044.1	0.9%	2.7%	-8.6%	5,883.0	6,642.7
Vn Index (VN)		1,266.9	-0.1%	1.1%	0.2%	1,235.7	1,272.9

Sources: **ttb** analytics, CEIC

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