

Has attention turned to US fiscal policy?

**US consumer sentiment near record low amid inflation worries**

The preliminary University of Michigan consumer sentiment data for May came in below expectations. Sentiment fell sharply to 50.8 from 52.2, with forecasts at 53.4. Current conditions declined to 57.6 from 59.8, and expectations dropped to 46.5 from 47.3, missing the 48.0 forecast and falling below the expected range. Inflation expectations rose significantly, with the 1-year outlook jumping to 7.3 percent from 6.5 percent, and the 5-year outlook increasing to 4.6 percent from 4.4 percent. While most index components held steady, assessments of personal finances dropped nearly 10 percent due to weakening incomes. Mentions of tariffs rose to nearly 75 percent of consumers, up from 60 percent in April, with trade policy uncertainty continuing to weigh on sentiment.

**Moody's downgrades US, ending last top credit rating**

Moody's ratings has downgraded the US credit rating from Aaa to Aa1, pointing to growing concerns over the nation's rising debt and persistent budget deficits. The agency warned that these fiscal challenges could undermine the US's appeal as a global investment hub and lead to higher borrowing costs. The downgrade reflects the impact of policies from successive administrations and Congress, which have contributed to sustained budget shortfalls—currently nearing \$2 trillion annually—and a national debt that now exceeds the size of the economy.

**Japan's economy shrinks for the first time in a year, ahead of tariff impact**

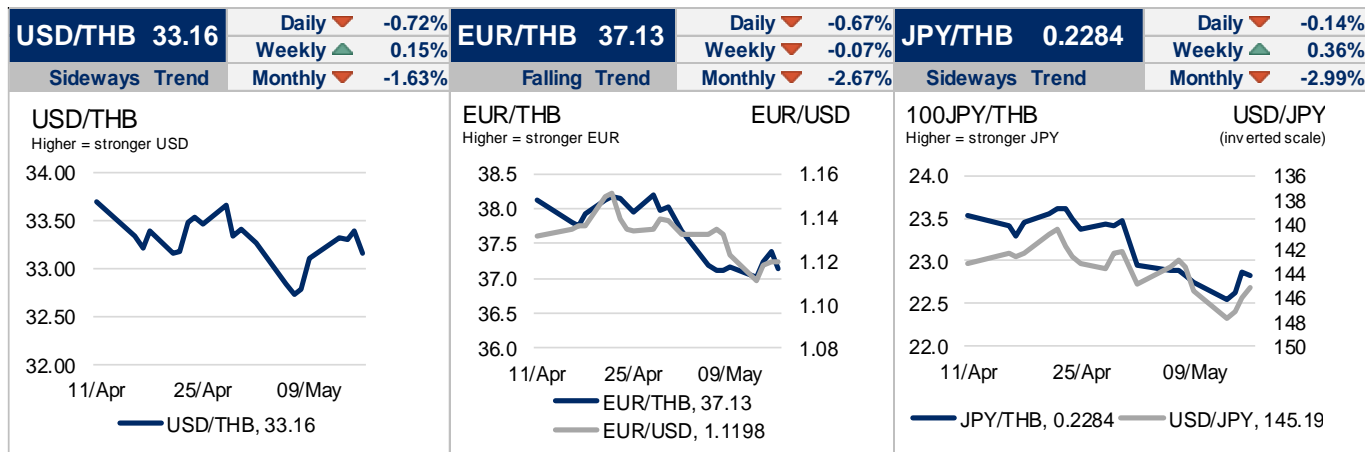
Japan's economy contracted for the first time in a year, highlighting its vulnerability even before feeling the full effects of US President Donald Trump's tariff policies. Real GDP shrank by 0.7% in the first quarter of the year on an annualized basis, slightly worse than the expected 0.3% decline. This leaves the economy at risk of slipping into a technical recession this quarter, depending on the impact of US tariffs. A decline in exports and a surge in imports led to a negative net trade impact on the economy in the first quarter, following a strong boost in the previous quarter. Consumer spending, which represents about half of the economy, remained largely unchanged, as consumption continues to lag behind pre-pandemic levels due to inflation eroding purchasing power.

**The dollar ended the week with strength**

The 10-year government bond yield (interpolated) on the previous trading day was 1.867, -1.59 bps. The benchmark government bond yield (LB353A) was 1.866, -1.20 bps. Meantime, the latest closed US 10-year bond yields was 4.43, -2.0 bps. USDTHB on the previous trading day closed around 33.16, moving in a range of 33.14 – 33.25 this morning. USDTHB could be closed between 33.10 – 33.40 today. The dollar showed slight strength to close the week, despite limited news flow, even with a range of US data, including initial May metrics. Meanwhile, most G10 currencies weakened against the dollar, although the Antipodean currencies remained stable, with the Swiss Franc underperforming.

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

<b>SET Index</b>	<b>1,195.8</b>	<b>S&amp;P500</b>	<b>5,958.4</b>	<b>10Y UST</b>	<b>4.43%</b>	<b>Brent</b>	<b>65.41</b>	<b>Gold</b>	<b>3,210.1</b>
16-May ▲	0.1%	16-May ▲	0.7%	16-May ▼	-2.0 bps	16-May ▲	1.4%	16-May ▲	1.2%



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		100.68	-0.2% 	0.1% 	0.6% 	98.32	103.56
EUR/USD		1.1198	0.0% 	-0.23% 	-1.0% 	1.0897	1.1508
USD/JPY		145.19	-0.6% 	-0.2% 	1.4% 	140.42	148.52
USD/CHF		0.8339	-0.7% 	0.3% 	1.7% 	0.8097	0.8699
GBP/USD		1.3312	0.2% 	0.5% 	2.1% 	1.2820	1.3422
USD/CAD		1.3956	-0.1% 	0.2% 	0.0% 	1.3796	1.4307
AUD/USD		0.6415	-0.3% 	0.3% 	3.0% 	0.5984	0.6483
NZD/USD		0.5895	-0.3% 	0.0% 	2.0% 	0.5545	0.6009
ASEAN Dollar		103.69	-0.5% 	-0.3% 	-3.6% 	103.08	107.58
USD/THB		33.16	-0.7% 	0.2% 	-1.6% 	32.73	34.80
USD/SGD		1.2961	-0.2% 	-0.3% 	-2.2% 	1.2906	1.3502
USD/MYR		4.2704	-0.4% 	-0.9% 	-3.6% 	4.2251	4.4971
USD/IDR		16,382	-0.6% 	-0.3% 	-1.9% 	16,342	16,851
USD/PHP		55.79	-0.3% 	-0.1% 	-2.6% 	55.63	57.77
USD/CNY		7.1969	-0.09% 	-0.6% 	-1.4% 	7.1813	7.3700
USD/HKD		7.8091	0.1% 	0.5% 	0.8% 	7.7270	7.8025

### 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		256,400	331 
Gold		25,075	632 
SDR		5,623	4 
IMF Reserves		1,057	-1 
Foreign Ccy		224,645	-304 
Net Fwd Position		22,960	-365 

### Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
16/05/2025	-1,149 	42 	-1,106 
15/05/2025	-1,172 	-4,776 	-5,948 
14/05/2025	426 	-7,831 	-7,405 
13/05/2025	-2,466 	-6,630 	-9,096 
09/05/2025	-1,452 	-18,097 	-19,548 
Last 5 days	-5,813 	-37,291 	-43,104 
Period-to-date	Equity	Bond	Total
MTD Month	↓ -4,799 	↓ -6,534 	↓ -11,333 
QTD Quarter	↓ -19,523 	↑ 49,906 	↑ 30,384 
YTD Year	↓ -59,390 	↑ 62,476 	↑ 3,086 

### Money Market

Last update: 09/05/2025

THB BIBOR	1M Hist	Last	1M Range		THBFIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		1.75	1.75	2.00	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		1.77	1.77	2.02	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		1.80	1.80	2.04	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.85	1.85	2.09						2M		0.00	0.00	0.00
3M		1.90	1.90	2.14	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		1.94	1.94	2.19	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.04	2.04	2.30	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	-2.00 	17.00 	8.00 	4.06	4.49
Gilt 10y		4.6715	-4.47 	15.01 	-0.45 	4.45	4.77
Bund 10y		2.5700	-11.00 	4.00 	-21.00 	2.45	2.82
JGB 10y		1.4890	2.30 	20.60 	-3.80 	1.18	1.59
TGB 1y		1.5668	0.01 	0.18 	-13.10 	1.56	1.70
TGB 2y		1.5725	-0.37 	2.91 	-0.24 	1.51	1.58
TGB 5y		1.6484	-0.50 	4.00 	-5.53 	1.57	1.70
TGB 7y		1.7902	-0.29 	3.29 	-5.09 	1.73	1.84
TGB 10y		1.8675	-1.59 	1.54 	-11.78 	1.82	1.99
AAA Spread		70.88	0.02 	0.61 	-0.09 	69.05	71.57
AA Spread		66.37	-0.02 	0.04 	0.01 	62.06	66.86
A Spread		108.77	-0.06 	0.19 	-0.23 	107.78	110.47
BBB Spread		324.38	-0.03 	-12.79 	-11.57 	324.38	337.31

































































*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		65.41	1.4% 	0.7% 	-3.8% 	60.23	67.96
London Gold		3210.1	1.2% 	-0.4% 	-0.5% 	3,106.7	3,454.7

*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)		5,958.4	0.7% 	1.95% 	12.8% 	5,158.2	5,958.4
STOXX (EU)		568.61	0.3% 	0.8% 	9.8% 	512.5	568.6
FTSE All-Share(UK)		4,715.6	0.59% 	1.0% 	5.7% 	4,279.9	4,715.6
DAX (DE)		23,767.4	0.3% 	0.9% 	11.8% 	20,374.1	23,767.4
CAC All-Tradable(FR)		5,856.7	0.4% 	0.4% 	7.5% 	5,270.1	5,856.7
TOPIX (JP)		2,740.5	0.1% 	-0.1% 	9.0% 	2,466.9	2,772.1
Shanghai (CH)		3,529.2	-0.4% 	-0.1% 	3.1% 	3,378.6	3,567.6
Hang Seng (HK)		23,345.1	-0.5% 	-0.9% 	9.0% 	20,264.5	23,640.7
ASX 200 (AU)		8,343.7	0.56% 	1.3% 	7.5% 	7,646.5	8,343.7
SET (TH)		1,195.8	0.11% 	-1.3% 	5.9% 	1,074.6	1,220.3
SET50 (TH)		779.2	0.1% 	-1.3% 	7.2% 	683.7	793.9
Straits Times (SG)		3,897.9	0.2% 	0.6% 	7.5% 	3,512.5	3,897.9
FTSE Malay (MY)		1,571.8	-0.1% 	1.6% 	6.4% 	1,454.8	1,583.5
JSX Index (ID)		7,106.5	0.9% 	4.1% 	11.6% 	5,968.0	7,106.5
PSE Index (PH)		6,465.5	0.0% 	0.1% 	5.2% 	6,006.3	6,566.8
Vn Index (VN)		1,301.4	-0.9% 	1.4% 	6.0% 	1,168.3	1,313.2

Sources: ttb analytics, CEIC

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

Important Disclosures

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