

Economic and Financial Outlook

t**t**b analytics

May 2024



Executive Summary



Global Economy

- In April 2024, global economic activities continued to grow, which was supported by faster service activity growth, while manufacturing output also expanded for a fourth consecutive month. The manufacturing sector also benefitted from the tapering off from destocking efforts, thereby leading to a third monthly rise in manufacturing new orders globally.
- US real GDP growth in Q1/24 slightly decelerated, primarily reflected decelerations in consumer spending, exports, and state and local government spending and a downturn in federal government spending. On the other hand, Chinese GDP in Q1/24 grew at a faster-than-expected pace despite weak consumer and business confidence and prolonged downturn in the real estate sector. Meanwhile, consumer price indicators in major countries fell marginally in April 2024.



Thai Economy

- In March 2024, overall Thai economy slowed down, which was attributed to decrease in domestic demand as mainly from well-expanding in preceding month and the end of government stimulus measure (Easy E-receipt). Also, the number of foreign tourist arrivals also dropped considerably from the previous month in several nationalities particularly in Malaysia and Middle East as Ramadan period. The growth of merchandise exports in March slipped considerably for the first-time in eight months, mainly from the high-base effect, while imports value continued to expand from high energy import.
- Headline inflation in April 2024 turned positive in seven month, which was due mainly to energy prices after the end of government subsidy measures, fresh food prices also rose from lower production in unfavorable climate while core inflation remained in this month.
- Thai economic growth in Q1/24 grew better than expected, as mainly from private final consumption expenditure. While government expenditure and gross fixed capital formation continually diminished. Moreover, merchandise export of both agricultural and manufacturing products declined.



Financial Markets

- Major central banks end their hiking cycle, except Bank of Japan with the end of monetary policy easing. Market participants and futures market have pointed out possibilities that the Fed would start cutting interest rates in September 2024 since US economic momentum remained robust.
- USDTHB largely depreciated in April 2024, ending 37.06 level. It could be around 36.50-36.90 in May 2024, as market participants reassess the probabilities for Fed's interest cut to be in 2H2024.

PART 1

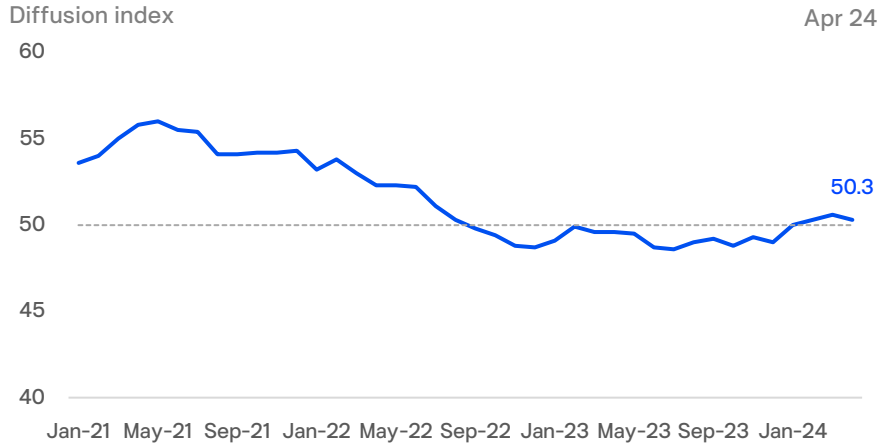
Global Economy



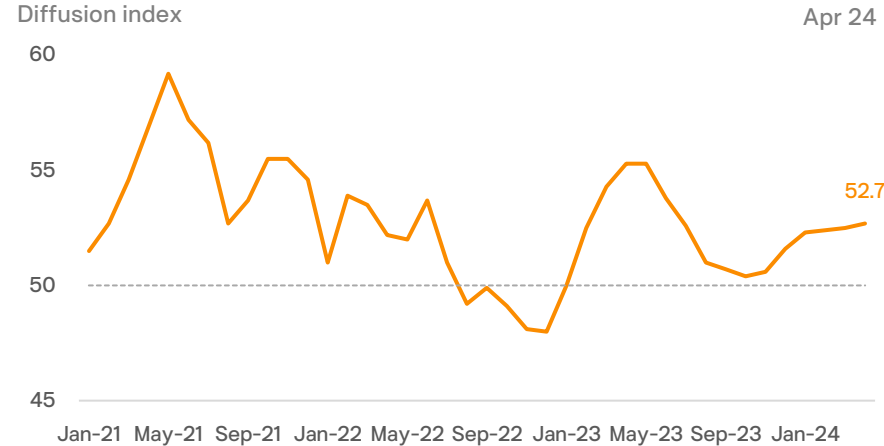
The gap between manufacturing and service sector expansions widened in April 2024



Global Manufacturing PMI



Global Service PMI



- Manufacturing output slightly improved as manufacturing new orders expanded at a slower rate.
- Services activity continued to expand for the 15th straight month but at the slowest rate seen so far this year, reflecting both businesses and households adjusting to higher costs and higher-for-longer interest rates.

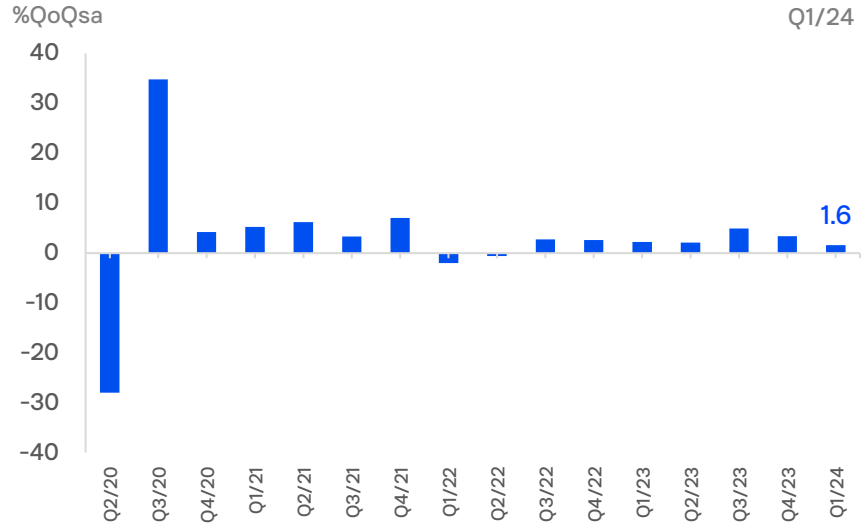
Manufacturing PMI by countries

	Q1/23	Q2/23	Q3/23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Global	49.6	48.7	49.2	48.8	49.3	49.0	50.0	50.3	50.6	50.3
US	49.2	46.3	49.8	50.0	49.4	47.9	50.7	52.2	51.9	49.1
UK	47.9	46.5	44.3	44.8	47.2	46.2	47.0	47.5	50.3	50
EU	47.3	43.4	43.4	43.1	44.2	44.4	46.6	46.5	46.3	45.8
Germany	44.7	40.6	39.6	40.8	42.6	43.3	45.5	42.5	41.9	42.5
France	47.3	46.0	44.2	42.8	42.9	42.1	43.1	47.1	46.2	45.3
Italy	51.1	43.8	46.8	44.9	44.4	45.3	48.5	48.7	50.4	47.3
Asia exc. C	50.2	50.6	50.5	49.8	50.5	50.4	50.7	50.6	51.1	51.4
China	50.0	50.5	50.6	49.5	50.7	50.8	50.8	50.9	51.1	51.4
Australia	49.1	48.2	48.7	48.2	47.7	47.6	50.1	47.8	47.3	49.6
India	56.4	57.8	57.5	55.5	56.0	54.9	56.5	56.9	59.1	58.8
Japan	49.2	49.8	48.5	48.7	48.3	47.9	48.0	47.2	48.2	49.6
Korea	47.6	47.8	49.9	49.8	50.0	49.9	51.2	50.7	49.8	49.4
Indonesia	51.9	52.5	52.3	51.5	51.7	52.2	52.9	52.7	54.2	52.9
Thailand	53.1	53.2	47.8	47.5	47.6	45.1	46.7	45.3	49.1	48.6

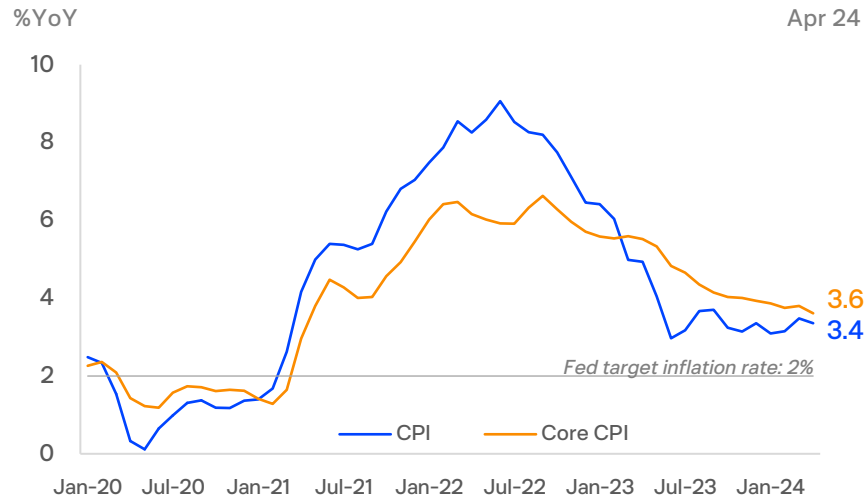
Services PMI by countries

	Q1/23	Q2/23	Q3/23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Global	54.3	53.8	50.7	50.4	50.6	51.6	52.3	52.4	52.5	52.7
US	54.7	54.5	49.2	49.8	51.5	50.4	52.2	54.2	54	54.7
UK	54.3	54.4	51.3	50.8	52.3	53.3	49.8	54.1	55.5	57.5
EU	55.0	52.0	48.7	47.8	48.7	48.8	48.4	50.2	51.5	53.3
Germany	53.7	54.1	50.3	48.2	49.6	49.3	47.7	48.3	50.1	53.2
France	53.9	48.0	44.4	45.2	45.4	45.7	45.4	48.4	48.3	51.3
Italy	55.7	52.2	49.9	47.7	49.5	49.8	51.2	52.2	54.6	54.3
Spain	59.4	53.4	50.5	51.1	51.0	51.5	52.1	54.7	56.1	56.2
Asia exc. C	55.9	55.2	55.6	53.3	52.6	53.5	55.2	55.1	55.7	56
China	57.8	53.9	50.2	50.4	51.5	52.9	52.7	52.5	52.7	52.5
Australia	48.6	50.3	51.8	47.9	46.0	47.1	49.1	53.1	54.4	53.6
India	57.8	58.5	61.0	58.4	56.9	59.0	61.8	60.6	61.2	60.8
Japan	55.0	54.0	53.8	51.6	50.8	51.5	53.1	52.9	54.1	54.3

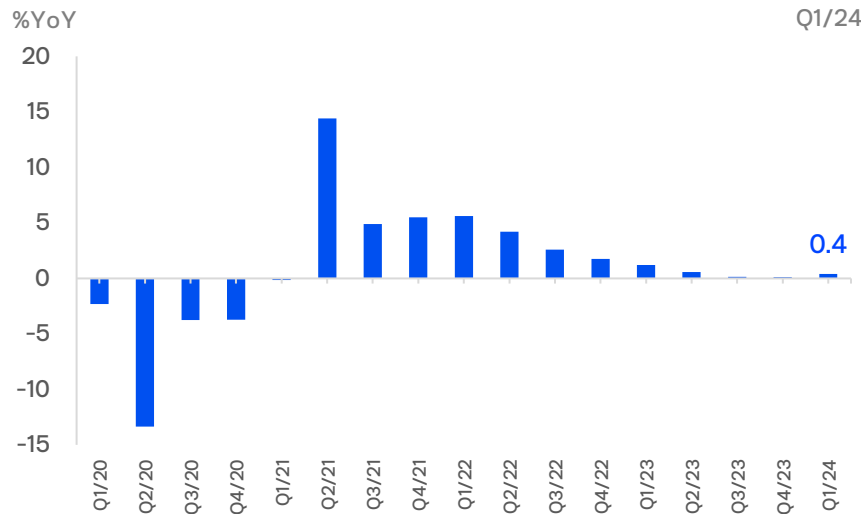
US GDP growth rate



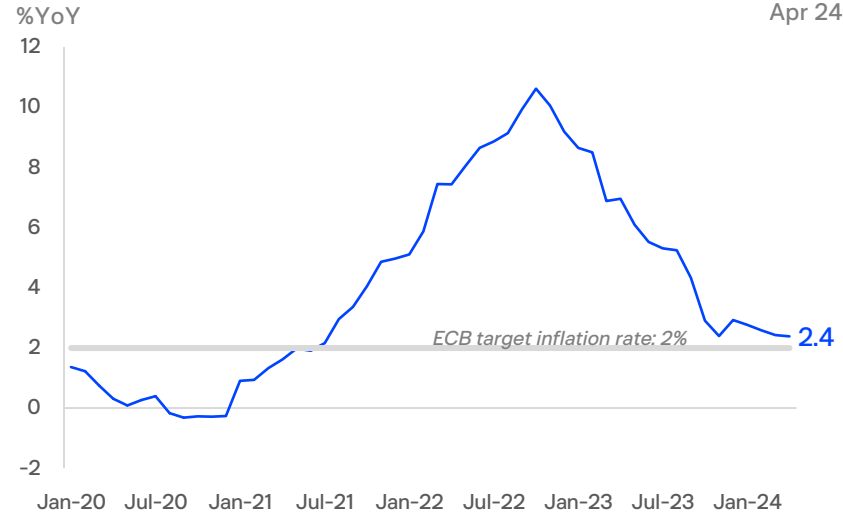
US CPI and core CPI



EU GDP growth rate



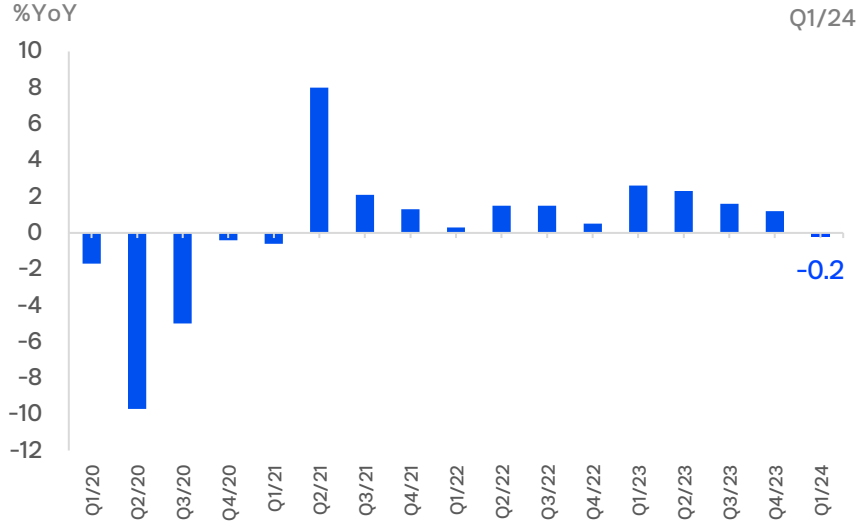
Harmonized CPI



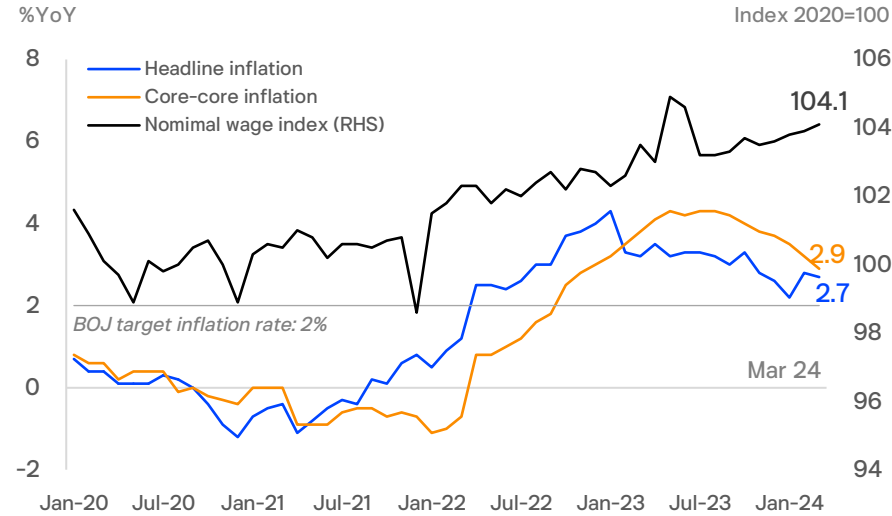
- GDP growth for the US economy increased at a 1.6% QoQsa pace.
- Analysts expect CPI report in April 2024 to rise at 3.4% YoY, which would be the smallest increase in over three years. However, the high-for-longer inflation reading would likely price in smaller and fewer rate cuts for the rest of the year.

- The euro zone economy grew by more than expected in the first quarter of 2024 with GDP increasing by 0.4% YoY, compared with the market expectations of 0.2%YoY.
- Eurozone inflation remained on track to fall back to the target rate of 2%. Hence, the market participants expect that the ECB will likely cut the policy rates from record high in June 2024.

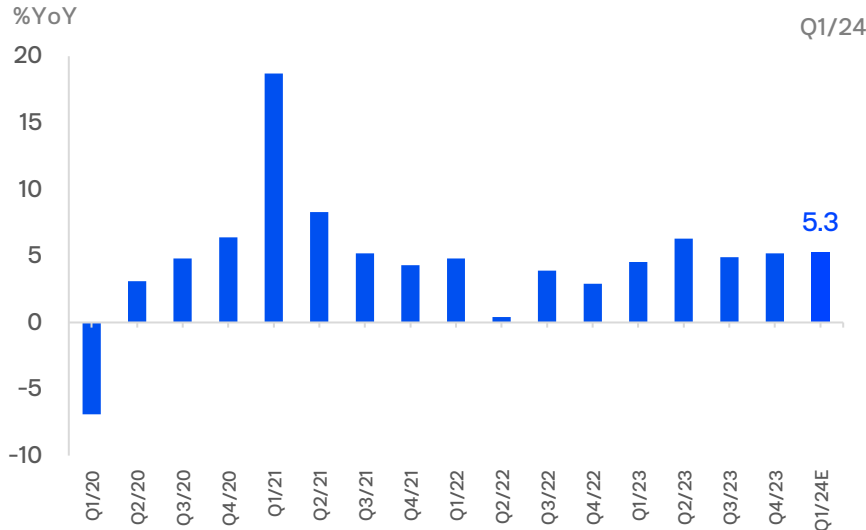
Japan GDP growth rate



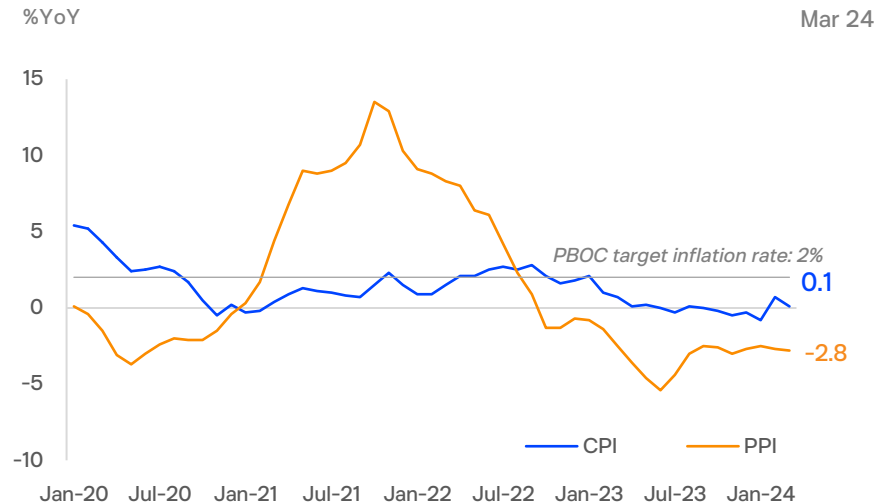
Japan inflation rates and wage index



China GDP growth rate



China consumer and producer price index



- Japan economy contract slightly by 0.2%YoY in the first quarter of 2024 as key drivers of growth slumped following uncertain outlook, which will probably set back BOJ to raise interest rates.
- Consumer prices hover higher above the BOJ's inflation target with slowing wage gains.

- Chinese GDP in 1Q2024 grew at a faster-than-expected pace despite weak consumer and business confidence and prolonged downturn in the real estate sector.
- Consumer prices rose for a third straight month in April 2024 while producer prices extended declines but extending more than a year-long stretch of contraction.

PART 2

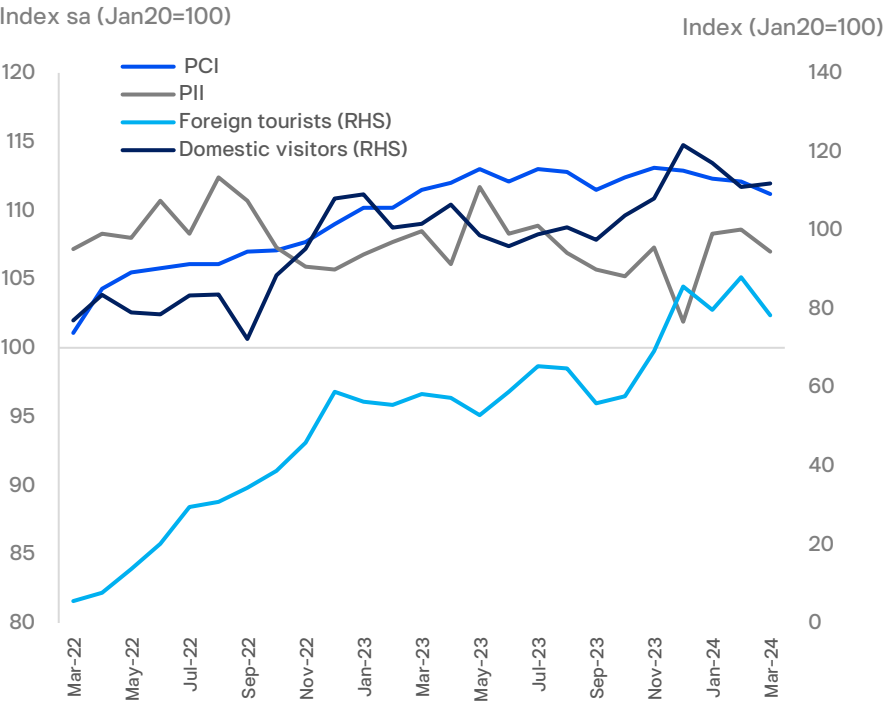
Thai Economy



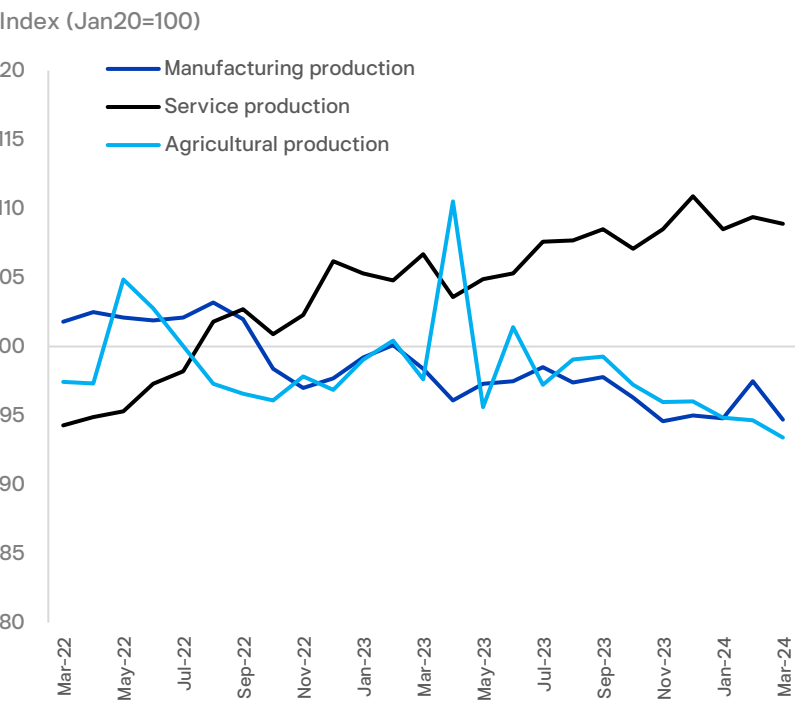
In Mar24, overall economic recovery slowed down in both domestic and external demand



Demand-side indicators



Supply-side indicators



- In Mar24, Thai economy slowed down from previous month, as domestic demands and tourism sectors softened after expanding well in the preceding periods. Private consumption declined, particularly in durable goods, as well as private investment dropped from acceleration in preceding month.
- Exports and manufacturing production remained stagnant due to weak global demand and structural factors that suppressed production

Leading Economic Index (sa) (Jan2020=100)

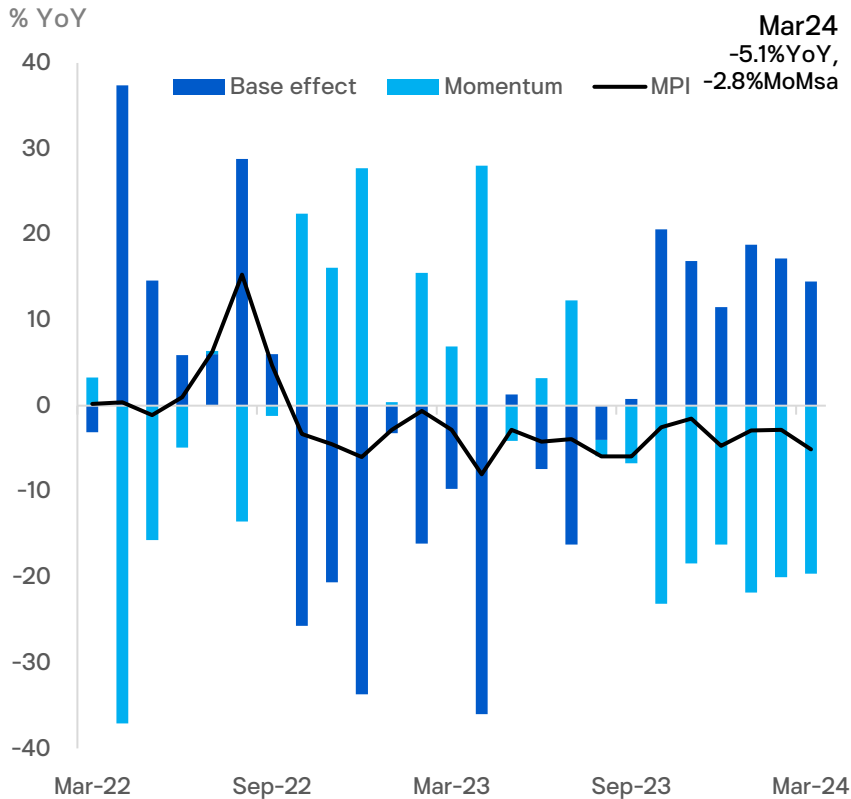
Leading Economic Index and Components (SA)	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Authorized Capital of Newly Registered Companies (Million Baht)	109.0	1,708.2	119.2	163.2	227.6	95.2	141.8	138.2	156.1	144.9	89.6	146.1	116.8	126.9
Construction Areas Permitted (1000 sq. m)	96.9	103.9	94.7	98.2	102.5	115.2	96.4	125.4	98.7	102.3	104.6	122.4	113.1	125.3
Export Volume index (exclude Gold)	111.9	111.0	108.2	110.6	113.9	110.0	107.5	112.3	110.6	109.8	109.7	109.8	106.3	108.2
Business Sentiment Index (3 months)	107.4	108.9	108.8	108.3	108.2	106.3	105.4	106.0	104.6	101.9	102.5	102.4	102.0	103.8
SET index	107.1	106.3	101.0	101.3	99.3	102.8	103.4	97.2	91.3	91.2	93.5	90.1	90.5	91.0
Oil Price Inverse Index (Dubai)	1.2	1.3	1.2	1.3	1.3	1.3	1.2	1.1	1.1	1.2	1.3	1.3	1.2	1.2

Source: Bank of Thailand and ttb analytics.

Manufacturing production declined continuously, particularly in automotive production



Manufacturing Production Index (MPI)



MPI by sector (base year 2021)

Contribution	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Food products (16.8%)	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0	5.5	6.0	6.5
Beverages (3.8%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Tobacco products (0.7%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Textiles (1.9%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Wearing apparel (1.6%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Leather products (0.8%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Paper products (2.1%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Coke and refined petroleum products (10.8%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Chemicals (8.8%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Pharmaceutical products (1.2%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Rubber and plastics products (8.9%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Other non-metallic mineral products (5.4%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Basic metals (3.5%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Fabricated metal products (2.3%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Computer and electronic products (8.8%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Electrical equipment (3.5%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Machinery and equipment (2.9%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Motor vehicles (11.3%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Other transport equipment (1.1%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Furniture (0.9%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Others (2.3%)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
MPI (%YoY)	-2.8	-8.0	-2.8	-4.2	-3.9	-5.9	-5.9	-2.5	-1.5	-4.7	-2.9	-2.8	-5.1

- As of Mar24, Manufacturing Production Index (MPI) was contracted at 5.1%YoY, compared to the month earlier at 2.8% contraction. Several products decreased after an acceleration in the previous periods. Particularly, automotive and construction material production continued to decline due to subdued domestic demand. Sugar production fell because of the drought led to a lower sugarcane harvest. On the other hand, production of electronic circuits and components was steady compared to the previous month.

Thailand export growth dropped significantly as mainly from high-base effect

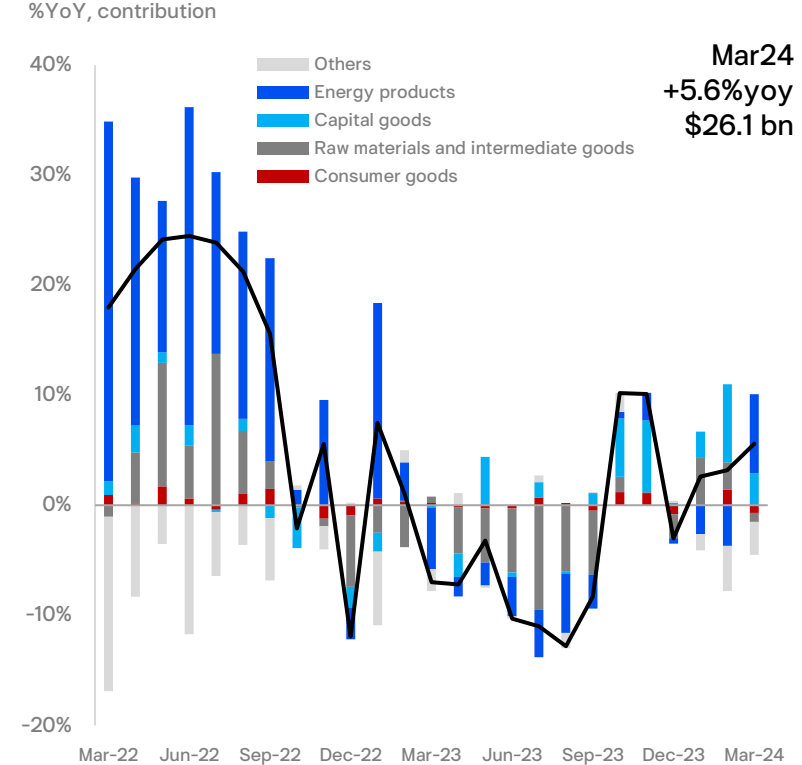
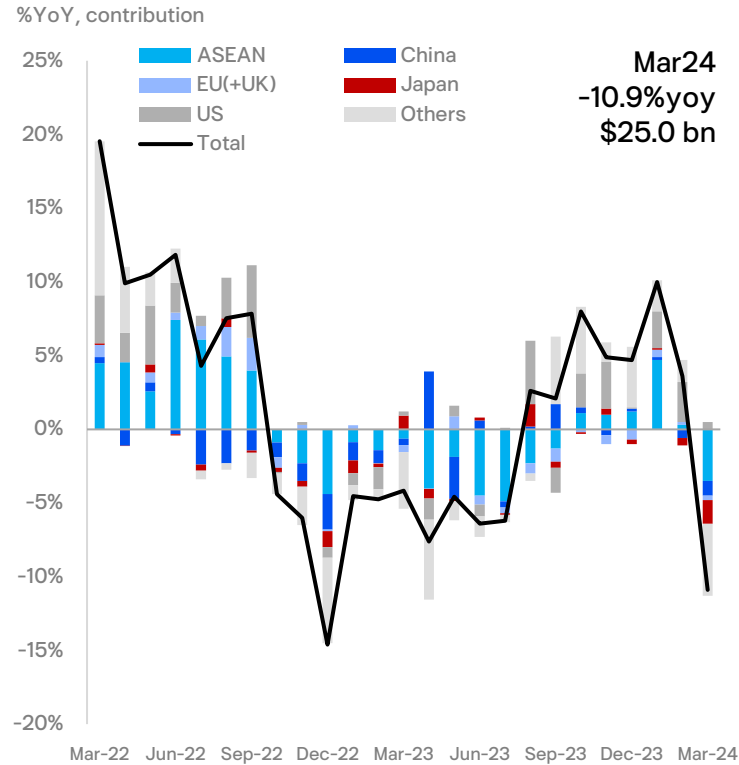


Exports value by product and destination*

Imports value by groups*

Unit: %YoY

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Agri-agro products														
Rice	7.7%	7.1%	5.8%	84.7%	-15.0%	18.8%	10.8%	51.4%	37.7%	67.9%	27.4%	45.9%	53.6%	30.6%
Rubber	-34.0%	-41.1%	-40.2%	-37.2%	-43.0%	-37.8%	-32.9%	-30.3%	-5.4%	14.5%	13.2%	5.5%	31.7%	36.9%
Tapioca products	5.2%	5.6%	-40.3%	-41.7%	-16.7%	-7.7%	-12.8%	3.7%	4.8%	-12.8%	-51.2%	-27.0%	-20.4%	-16.7%
Fresh, Frozen & Dried vegetable and Fruit	23.2%	32.6%	102.8%	-46.0%	7.4%	3.0%	58.9%	86.8%	27.6%	-12.4%	-13.5%	27.2%	-10.0%	-20.0%
Poultry	10.3%	5.2%	2.7%	14.0%	-4.8%	-9.6%	-8.0%	-8.9%	1.5%	-2.6%	0.3%	5.0%	-0.5%	1.2%
Sugar	22.5%	67.0%	-0.7%	43.7%	31.3%	-30.5%	-23.3%	16.0%	-25.4%	-9.9%	43.0%	-16.6%	-35.2%	-45.4%
Animal feeding	-23.4%	-26.2%	-33.6%	-23.8%	-16.1%	-12.3%	-10.6%	-7.9%	0.8%	3.3%	8.5%	9.1%	21.5%	29.6%
Industrial products														
Motor Cars, Parts, Accessories	12.3%	7.7%	1.1%	10.5%	11.4%	18.8%	24.2%	-0.8%	3.6%	-5.1%	2.1%	-4.7%	-8.2%	-6.7%
Computer and parts	-22.9%	-6.1%	-19.0%	-4.8%	-20.1%	-24.2%	-26.9%	-24.3%	-4.1%	10.3%	2.5%	32.2%	24.9%	-11.8%
HDD	-45.1%	-13.8%	-49.7%	-28.8%	-36.5%	-46.3%	-48.4%	-33.7%	-29.0%	-0.9%	1.9%	39.7%	21.4%	-36.2%
Integrated Circuits	4.1%	-1.3%	-1.6%	4.5%	5.3%	3.2%	39.8%	5.0%	-4.6%	-6.6%	3.1%	-1.9%	-13.2%	-18.2%
Air Conditioning Machine	8.3%	16.6%	-2.6%	10.1%	-4.9%	-24.7%	-23.4%	-27.6%	-34.2%	-26.1%	-12.2%	-10.5%	-14.3%	-12.7%
Refrigerating	17.2%	23.6%	4.2%	17.7%	-5.3%	-27.6%	-8.0%	-12.1%	34.7%	48.1%	71.0%	30.4%	-0.2%	-13.4%
Electronic Machines	-4.7%	4.9%	5.7%	5.5%	0.2%	2.5%	9.3%	-4.7%	5.5%	10.9%	0.5%	18.0%	12.5%	-8.4%
Plastic pallet	-29.2%	-20.7%	-24.3%	-21.4%	-22.3%	-15.8%	-9.9%	-5.3%	3.1%	-10.7%	0.0%	-0.3%	-2.7%	-13.7%
Chemical Products	-19.9%	-19.6%	-30.4%	-4.9%	-14.3%	-30.5%	-11.1%	-18.1%	-10.6%	-0.6%	-6.5%	-1.6%	-14.2%	-10.9%
Machinery & Parts	-1.0%	-13.1%	-11.6%	-7.6%	0.2%	6.0%	6.4%	4.1%	7.8%	15.3%	2.9%	7.6%	-2.5%	1.3%
Rubber Products	-3.7%	-2.4%	-12.6%	-6.4%	-7.0%	-6.2%	-4.7%	-5.5%	0.1%	0.7%	3.9%	3.7%	-4.1%	-6.9%
Refined oil	-3.8%	1.2%	-18.3%	-41.8%	-26.1%	-38.0%	21.2%	27.3%	65.1%	55.4%	42.6%	5.3%	-9.6%	-6.1%
Jewelry ex gold	81.8%	-3.6%	-27.0%	5.0%	31.2%	-2.8%	-10.4%	27.2%	8.7%	2.9%	6.8%	21.5%	6.5%	-3.1%
Total export	-4.0%	-3.0%	-7.4%	-4.2%	-4.2%	-6.2%	2.6%	2.1%	8.0%	4.9%	4.7%	10.0%	3.6%	-10.9%

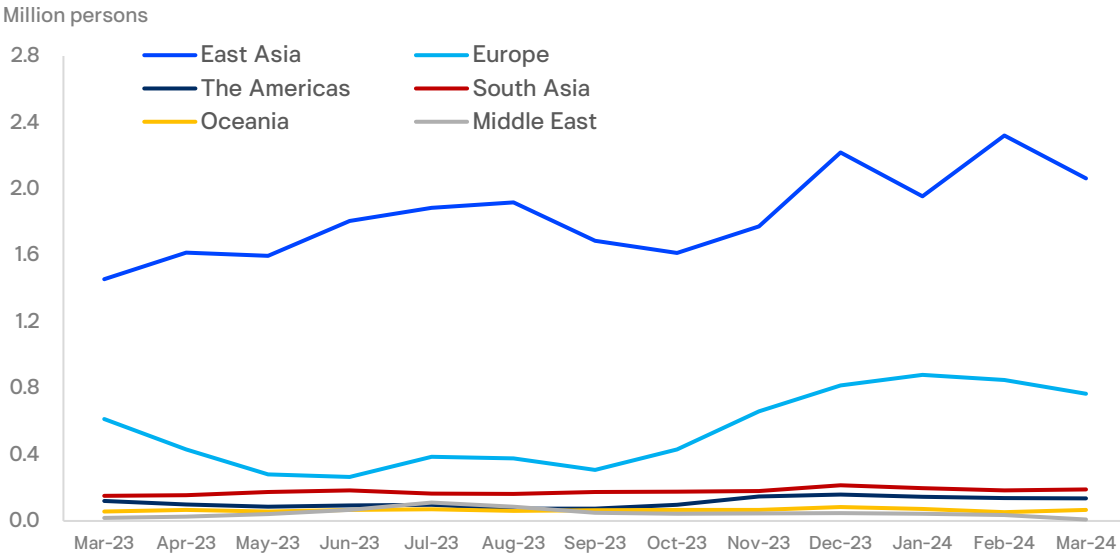
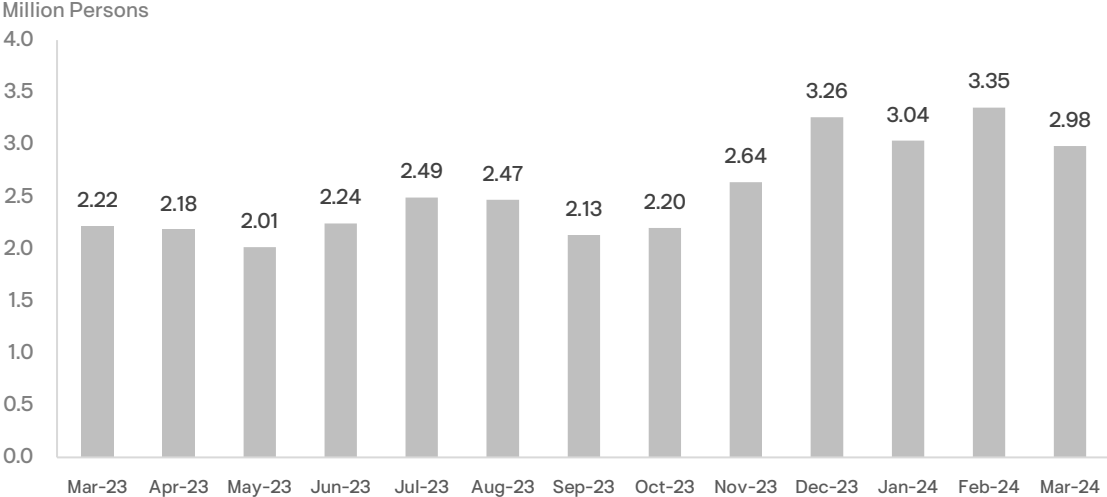


- Export value in Mar24 dropped 10.9%YoY, for the first-time in eight months, as mainly from the high-base effect. Industrial products declined remarkably in automobiles, equipment and parts, oil-related products, computers, equipment, and parts, air conditioners and components, as well as semiconductors, transistors, and diodes, in addition, cassava, vegetable and fruit products also declined in this month.
- Import value in Mar24 grew 5.6%YoY, which was mainly attributed to the growth of energy products resulting in a trade deficit of USD 1.16 billion.

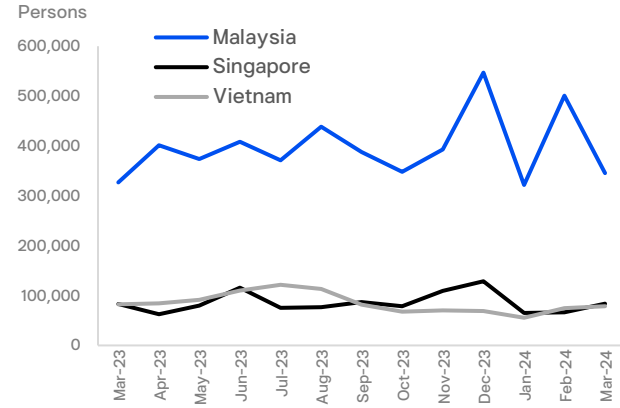
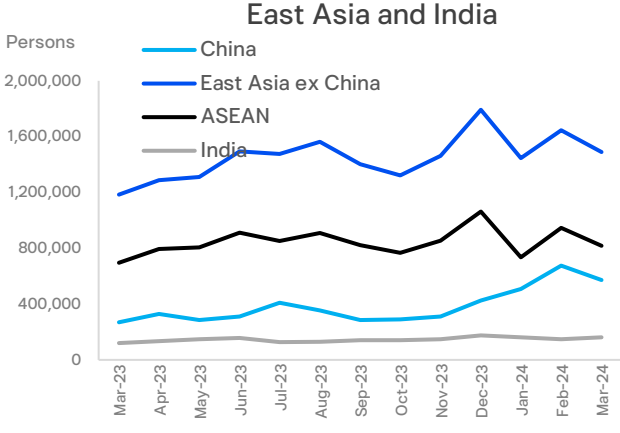
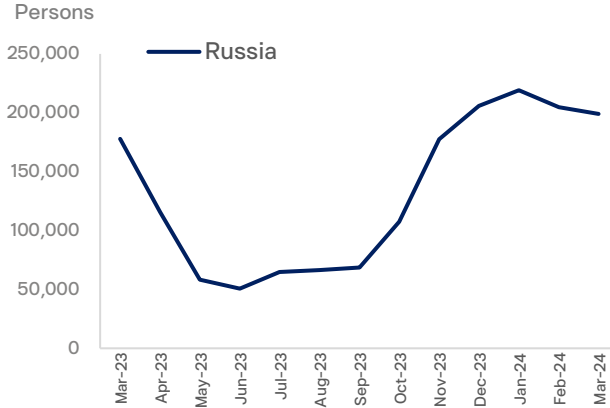
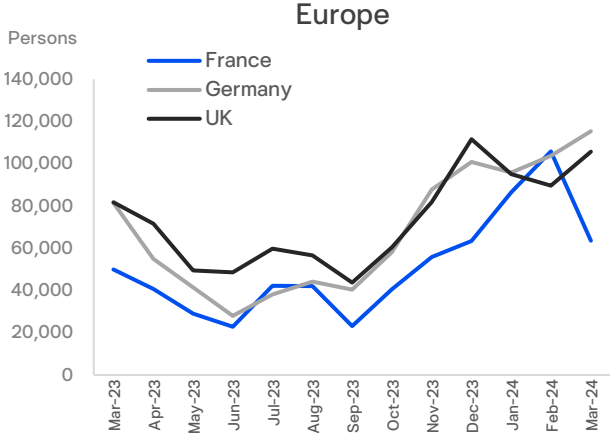
Foreign arrivals declined remarkably after acceleration in previous month



Total Foreign Tourist Inbounds



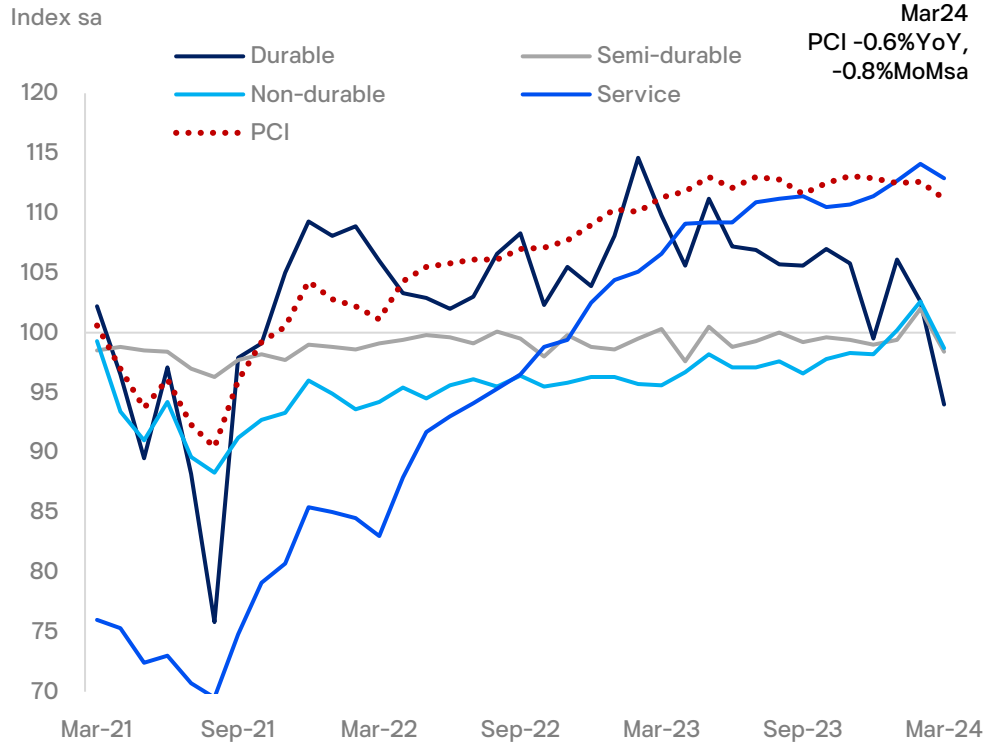
Foreign Tourist Inbounds by key regions



As of Mar24, foreign tourist arrivals was at 2.98 million, dropped remarkably from the previous month in several nationalities, especially the tourists from Muslim-base countries as Ramadan season, while tourists from China also decreased after acceleration in previous month.

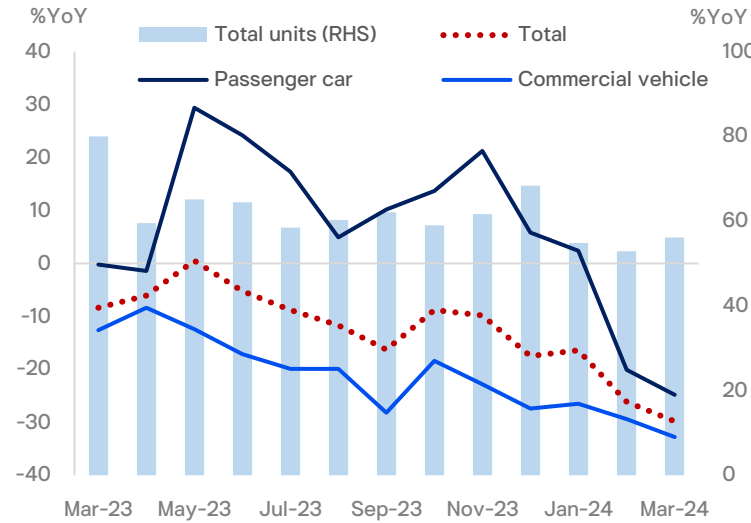
Private consumption indicators decreased from preceding month after government stimulus campaign to end, while spending on durable goods continued to decline

Private Consumption Indicators (SA)

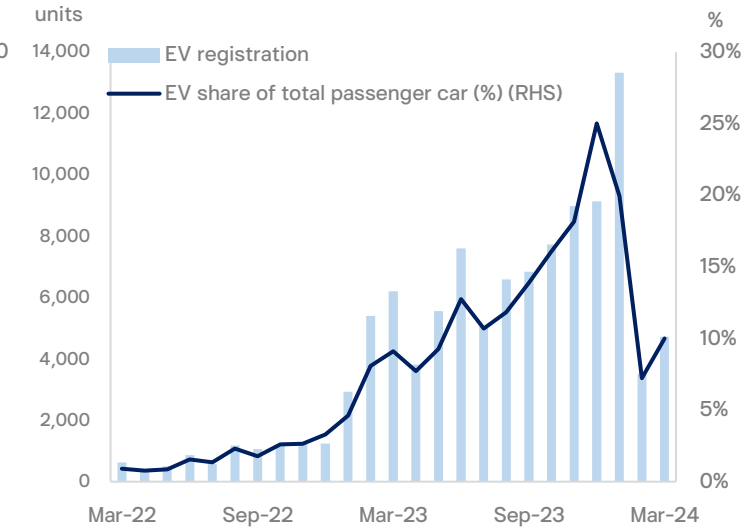


- Private consumption indicators declined from the previous month. Spending on non-durable goods softened as the Easy E-Receipt campaign came to end. Spending on durable goods, especially vehicles, deteriorated partly due to a vigilant lending by financial institutions. Spending on services also declined following acceleration in the preceding periods.

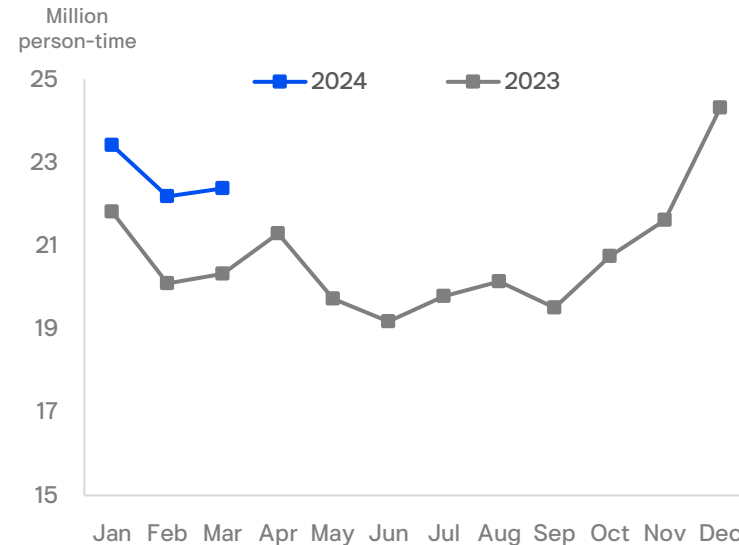
Domestic car sales**



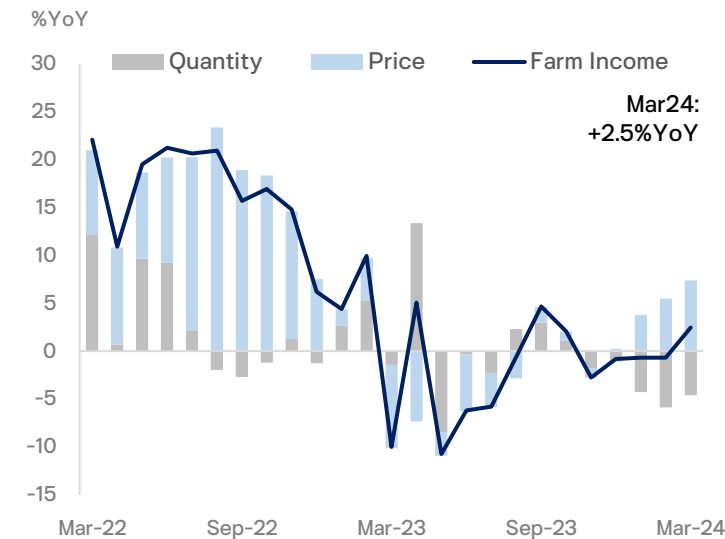
EV new registration



Thai domestic visitors*



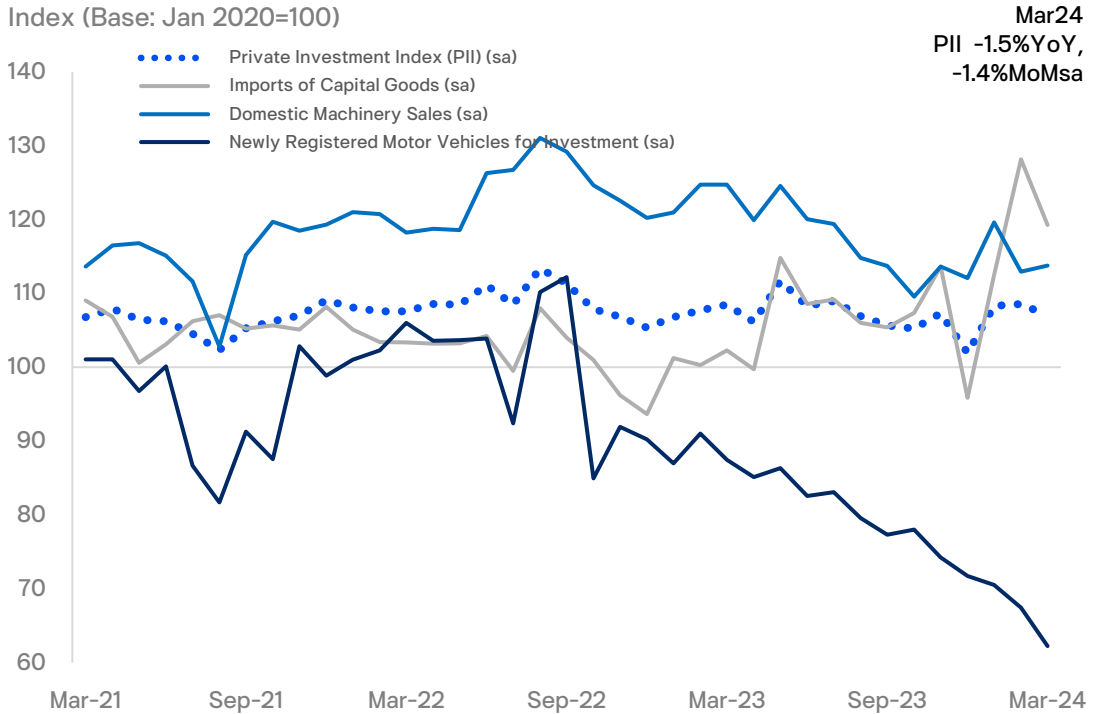
Farm Incomes



Private investment decreased from previous month in several components

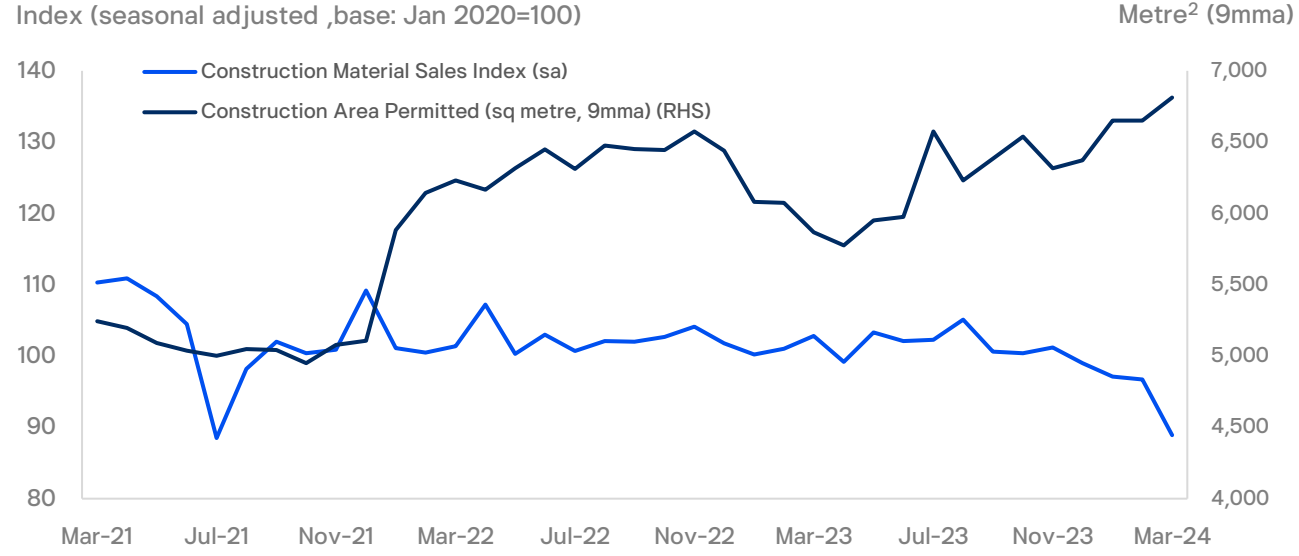


Private Investment Indicators (SA)

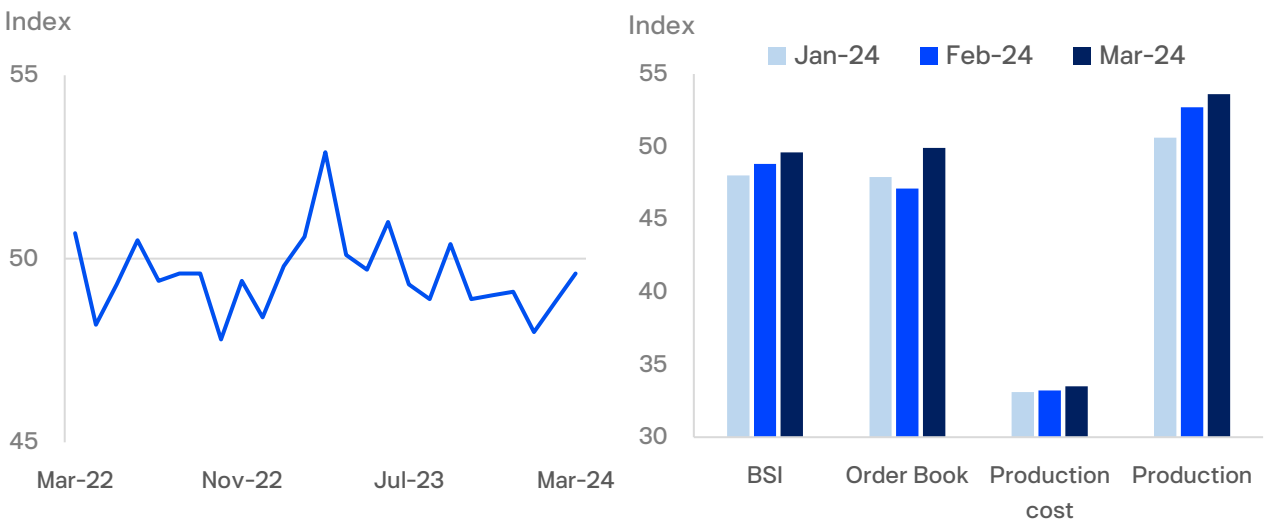


- Private investment indicators decreased from the previous month. Investment in machinery and equipment declined, due to lower capital goods imports and numbers of registered commercial vehicles.
- Investment in construction continued to decrease, attributed to lower sales of construction materials. Permitted areas for construction, however, increased in all categories, especially permitted areas for industries and factories, as well as commercial buildings.

Construction sector (SA)

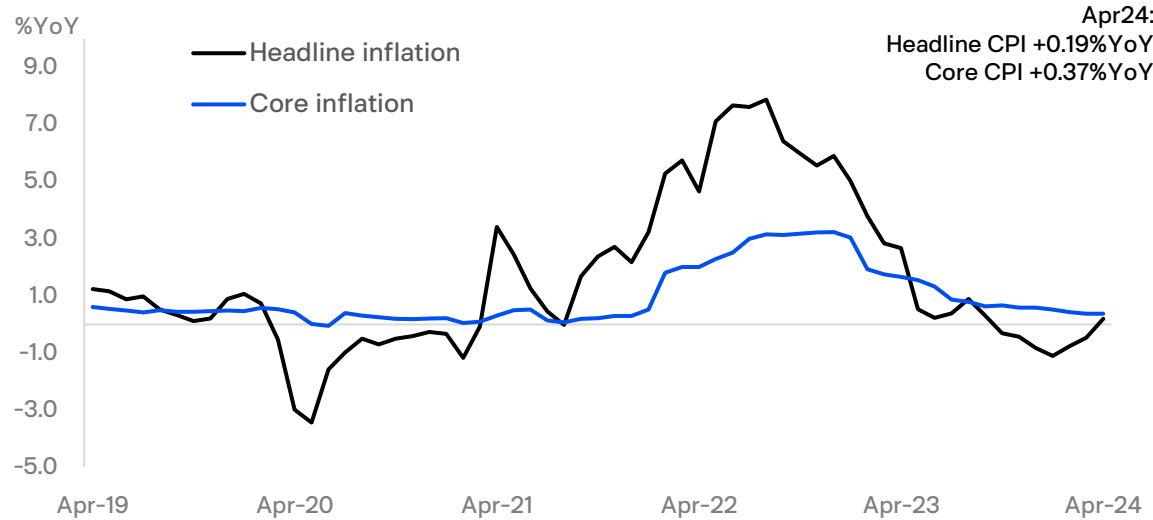


Business Sentiment Index

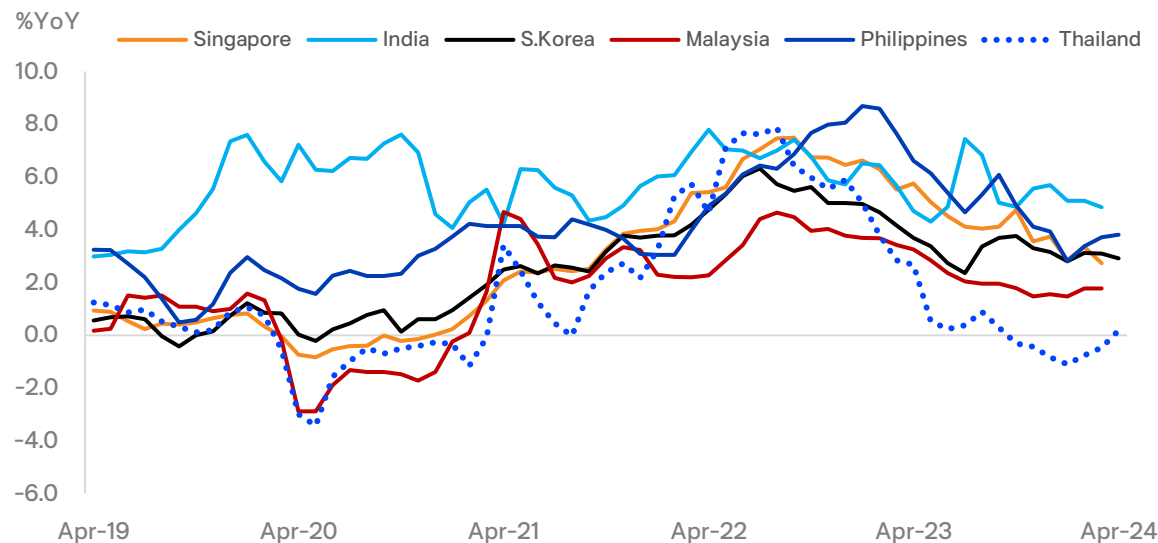


Source: Bank of Thailand and ttb analytics.

Thailand's headline and core inflation



Headline inflation in Asia countries



Price change in top categories

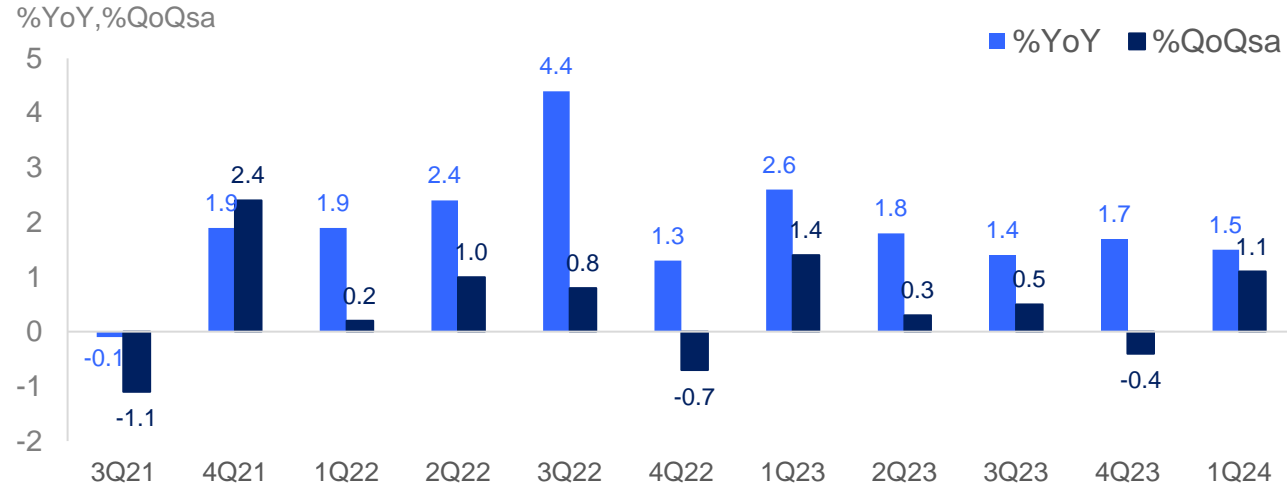
%YoY	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
Headline inflation	2.67	0.53	0.23	0.38	0.88	0.30	-0.31	-0.44	-0.83	-1.11	-0.77	-0.47	0.19
Raw food	5.50	4.70	3.92	1.37	0.00	-1.30	-2.45	-0.76	-2.30	-3.07	-2.71	-1.91	-0.04
Prepared food	3.98	3.83	3.42	1.88	1.76	1.33	1.44	1.30	1.18	1.02	0.75	0.69	-0.20
Poultry	7.73	7.55	7.27	4.55	1.22	0.86	0.13	1.00	2.83	1.74	0.98	1.16	0.64
Eggs and dairy products	4.97	5.13	8.87	10.41	8.47	6.93	6.70	6.65	6.97	4.85	2.88	3.81	1.27
Meats	0.49	-7.42	-11.29	-13.70	-15.98	-16.47	-17.85	-17.69	-16.32	-15.39	-14.55	-12.32	2.64
Utilities	11.13	-3.98	7.26	6.91	6.62	-3.13	-3.15	-3.15	-3.14	-3.13	-3.11	-3.43	-11.29
Energy	3.30	-9.55	-9.11	-3.12	2.58	1.21	-1.55	-4.52	-5.12	-5.53	-3.33	-2.25	-0.09
Core inflation	1.66	1.55	1.32	0.86	0.79	0.63	0.66	0.58	0.58	0.52	0.43	0.37	0.37

- The headline inflation (CPI) rose 0.19%YoY in Apr24, turning positive territory for first time in seven months, from the increase of oil price in world market as well as the end of government subsidies, while raw food prices also increased regarding to lower production. Besides, core inflation remained the same of 0.37%YoY
- During Jan-Apr24, headline and core inflation stood at -0.55%YoY and 0.42%YoY respectively.

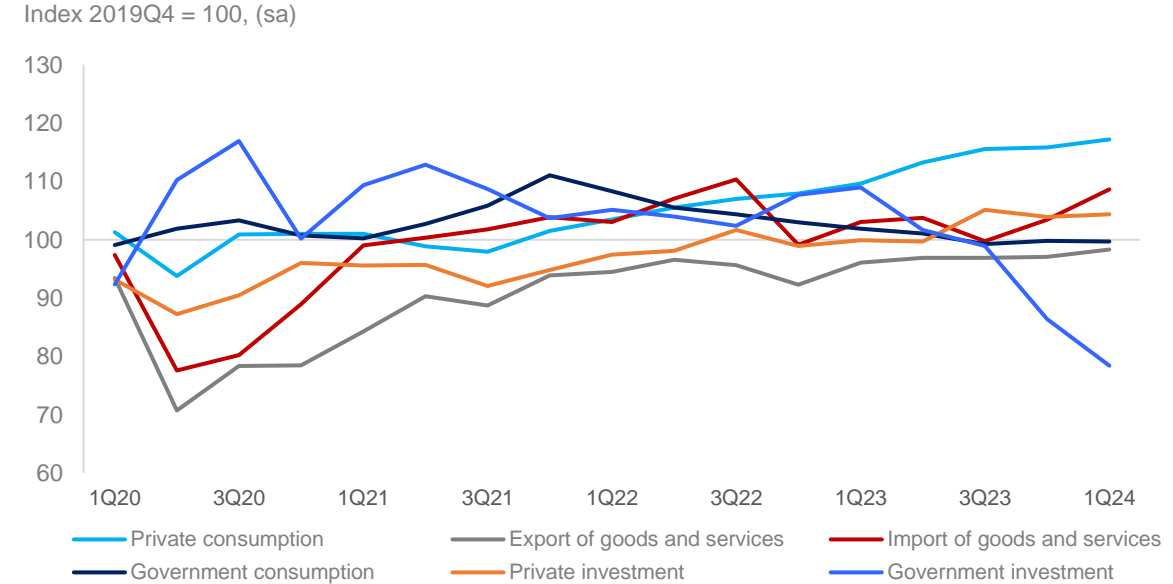
GDP in Q1/2024 expanded 1.5%yoy, accelerated from previous quarter (QoQsa), due to increase in private spending while government investment dropped consecutively



Real GDP growth



Growth path development from pre-covid level



GDP growth composition (%yoy)

% compared to previous year	2022	2023	2022r		2023r				2024
			Q3	Q4	Q1	Q2	Q3	Q4	Q1
GDP	2.5	1.9	4.4	1.3	2.6	1.8	1.4	1.7	1.5
Private consumption (59%)	6.2	7.1	9.1	6.4	5.9	7.3	7.9	7.4	6.9
Private investment (18%)	4.7	3.2	10.7	4.3	2.8	1.4	3.5	5.0	4.6
Government consumption (17%)	0.1	-4.6	-1.5	-7.1	-6.0	-4.3	-5.0	-3.0	-2.1
Public investment (8%)	-3.9	-4.6	-5.6	2.7	4.2	-2.1	-3.4	-20.1	-27.7
Export of goods (54%)	1.1	-2.8	1.8	-10.5	-5.6	-5.3	-3.0	3.4	-2.0
Import of goods (50%)	1.2	-3.8	5.7	-10.2	-3.6	-4.8	-10.4	5.0	4.3
Export of Service (5%)	59.9	38.3	69.7	78.1	66.9	53.7	30.6	14.9	24.8
Import of Service (9%)	13.6	4.2	18.2	13.6	14.5	6.4	-5.2	2.1	9.6

- Thai economy in Q1/24 rose by 1.5%yoy, compared to a rise of 1.7%yoy in Q4/23 or +1.1%QoQsa. Private final consumption expenditure continued to expand which was attributed from the government measures to ease the cost of living. Government expenditure and gross fixed capital formation continually diminished. Moreover, merchandise export of both agricultural and manufacturing products declined.
- In addition, NESDC revised down GDP growth projection in 2024 to 2.0-3.0% (mid-range of 2.5%), compared to latest forecast of 2.2-3.2% (mid-range of 2.7%).

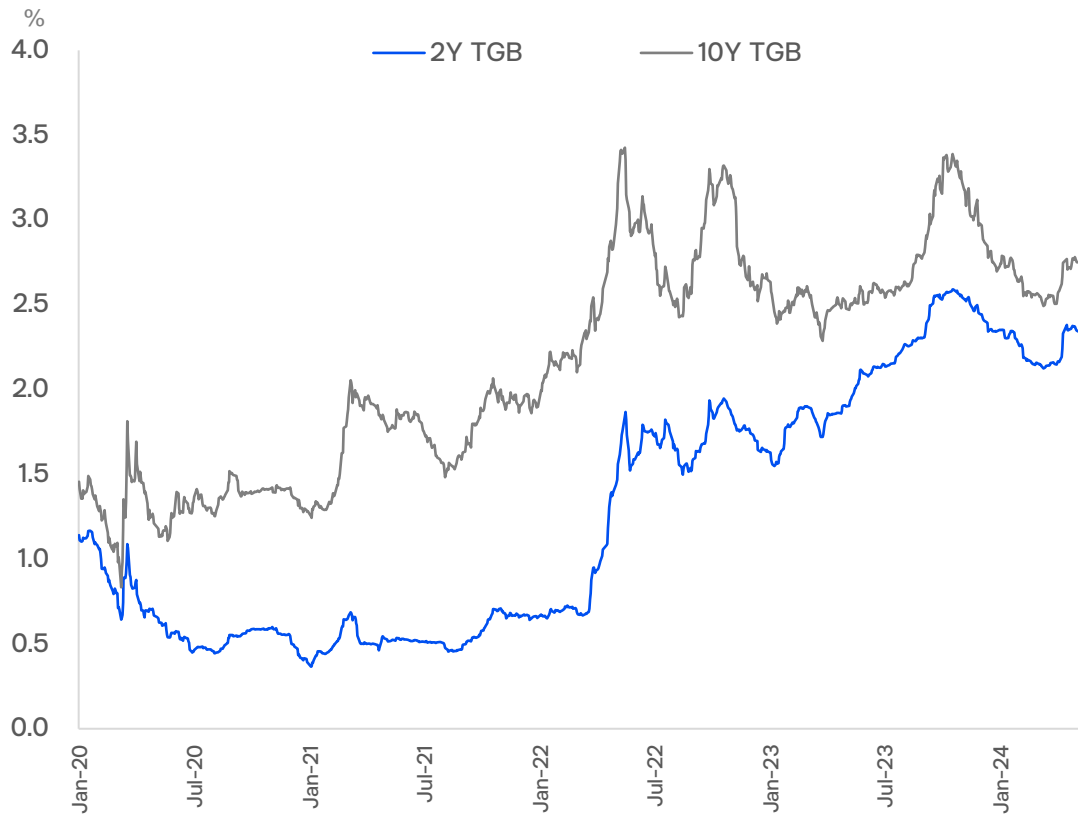
Source: NESDC, ttb analytics
Remark: (.) indicates share to GDP

PART 3

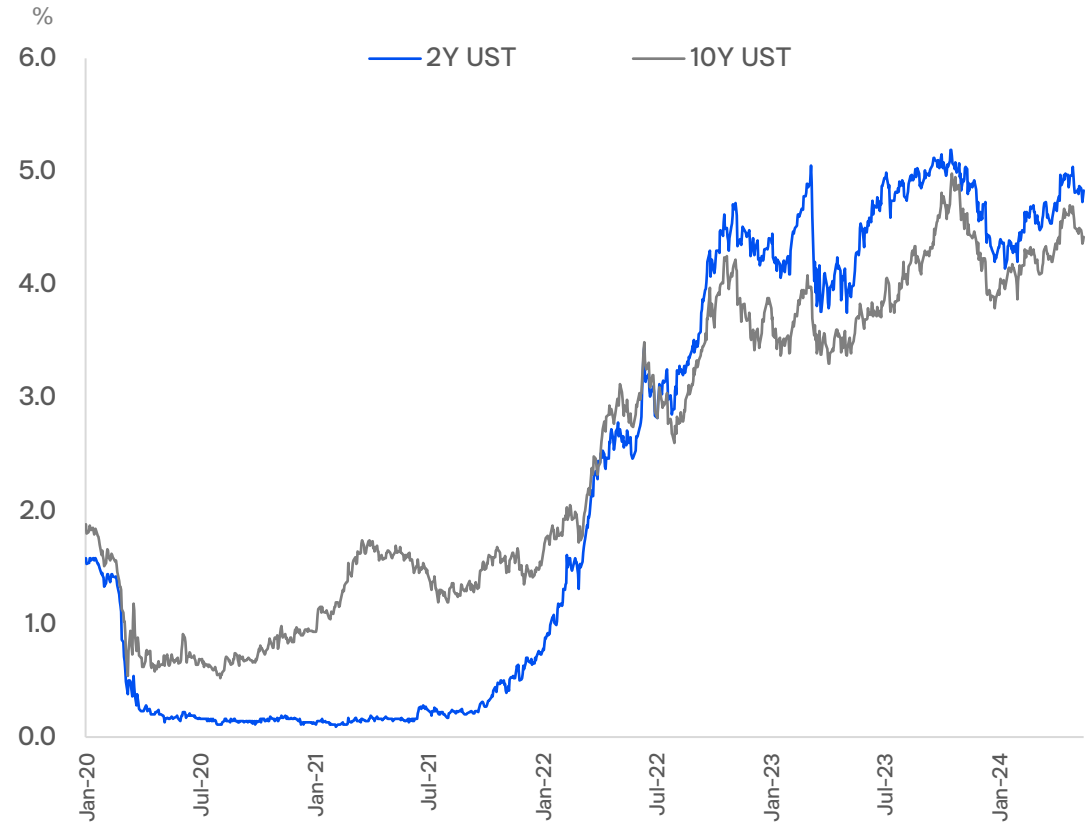
Financial Market



Thailand 2-yr and 10-yr government bond yield

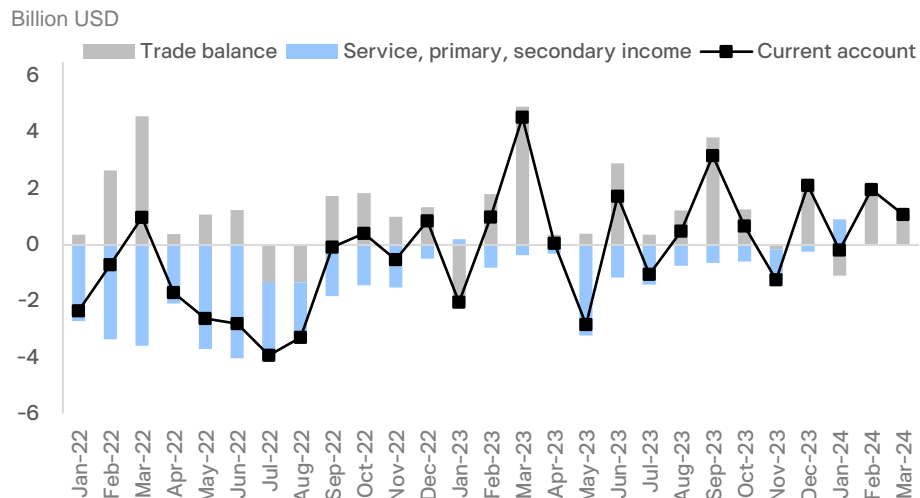


US 2-yr and 10-yr government bond yield

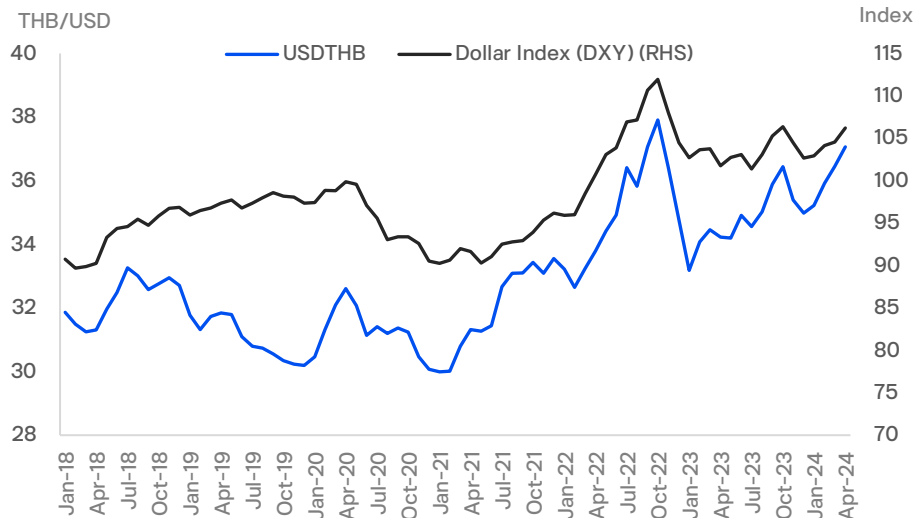


- US 10-year government bond yields declined further after reaching 4.5% mark earlier this month as market expectations toward Fed policy rate cuts during late of 2024 while Thailand 10-year government bond yields flatted accordingly. Meanwhile Thailand 2-year government bond yield also remained.
- With respect to financial market, Monetary Policy Committee (MPC) would lower the policy rate in case of weak economic growth and significantly low inflation pressure

Thailand's current account, 2022-2024

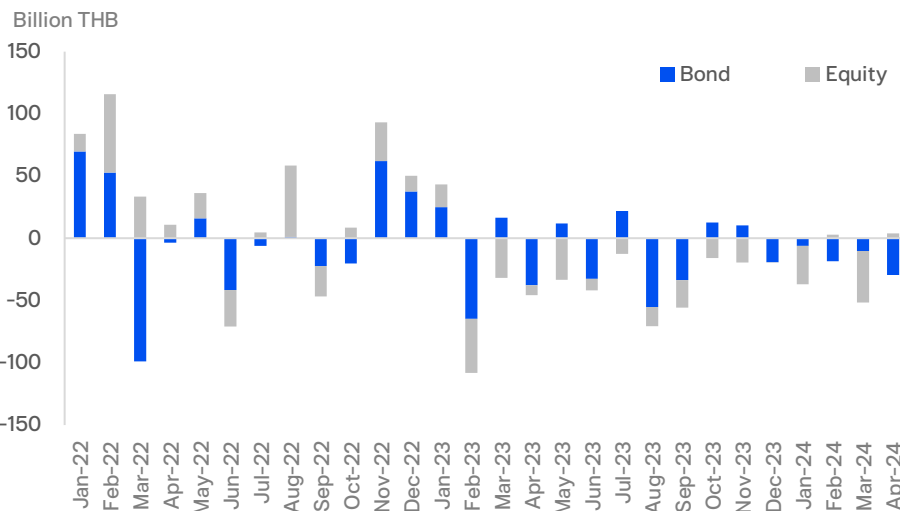


Thai Baht and Dollar Index movement

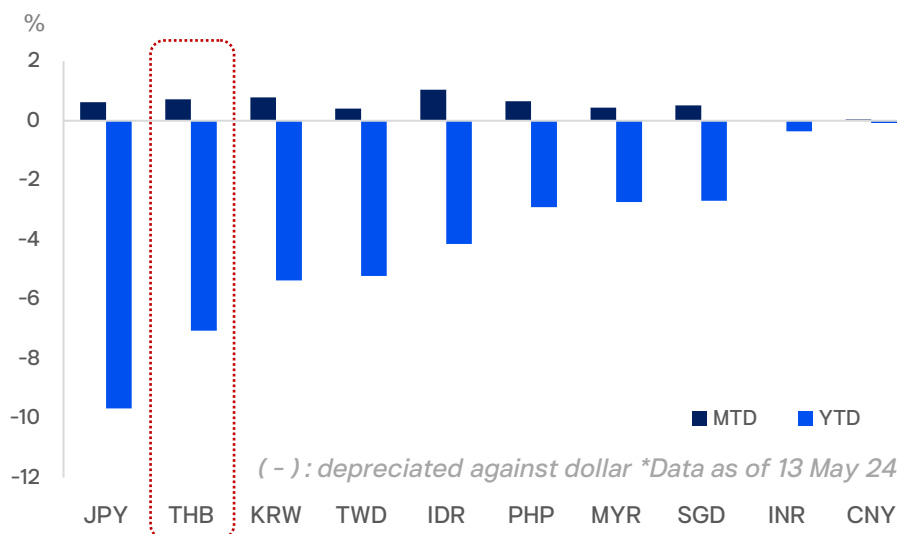


- Short bets on most Asian currencies firmed to touch high levels as growing expectations of U.S. interest rates staying high for longer dampened appetite for riskier assets.

Monthly net foreign flow, 2022-2024



Asian FX spot return against US dollar



- Net foreign outflows persisted in both bond and equity markets of Thailand despite being less evident in 2024. This also attributes to weaknesses in Thai baht against the US dollar. Nevertheless, depreciation of Thai baht is still in consistent with regional peers where Japanese yen is the most affected one.

The logo features the lowercase letters 'ttb' in a bold, sans-serif font. The first 't' is blue, the second 't' is orange, and the 'b' is dark blue. To the right of the 'ttb' is a vertical line, followed by the word 'a.n.a.l.y.t.i.c.s' in a dark blue, sans-serif font with dots between each letter.