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Dallas Fed President said on Monday that it is possible the U.S. central bank could raise interest rates before the end of 2022, reaffirming the projection he made during the March policy-setting meeting. The U.S. labor market has a "good chance" of being at full employment by then and of having inflation at the central bank's 2% target, Kaplan said. Kaplan repeated his view that he would support trimming back the central bank's asset purchases sooner rather than later, and said the Fed would want to "telegraph" those plans in advance to give the market plenty of notice. Inflation readings, which increased in recent months because of imbalances caused by the pandemic, should decline in the fall, Kaplan said. But some measures could remain elevated by year-end if some of the disruptions persist, he said.

China to relax birth policy but wary of social risks, sources say

China will tread carefully in relaxing its birth policies for fear of harming social stability, even as the latest census highlights the urgency to address the country's declining birth trends and ageing population, policy sources said. Expectations for birth policy reforms are rising after the 2020 census last week showed China's population grew at its slowest in the last decade since the 1950s as births declined and ageing accelerated. A fertility rate of 1.3 children per woman in 2020, on par with ageing societies like Japan and Italy, underscores the risk for China: the world's second-biggest economy may already be in irreversible population decline without having first accumulated the household wealth of G7 nations.

EU eyes another go at more unified European business taxation

The European Commission wants to propose in 2023 a more unified way of taxing companies in the European Union, hoping that such rules, which have failed to win support in the past, will stand a better chance if they follow global OECD solutions expected this year. The Organisation for Economic Cooperation and Development (OECD) is to agree in June on global rules on where to tax large multinational corporations like Google, Amazon, Facebook, Apple or Microsoft and at what effective minimum rate. The deal is aimed at stopping governments competing with each other through lowering tax rates to attract investment and at creating a way to tax profits in countries where the customers are rather than where a company sets up its office for tax purposes.

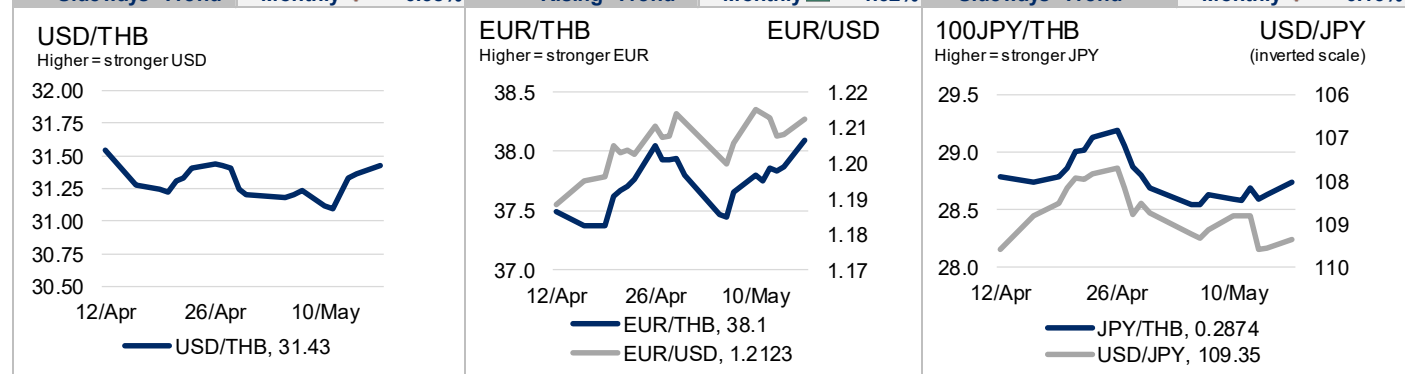
Dollar inches lower as Treasury yields hold firm

The 10-year government bond yield (interpolated) on the previous trading day was 1.77, -1.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.78, -2.00 bps. LB29DA could be between 1.76-1.80. Meantime, the latest closed US 10-year bond yields was 1.64%, +1.00bps. USDTHB on the previous trading day closed around 31.45 Moving in a range from 31.45-31.51 this morning. USDTHB could be closed between 31.47-31.54 today. Meantime, The dollar edged lower on Monday as inflation jitters, exacerbated by record high prices paid in a regional U.S. manufacturing survey, benefited riskier currencies at the greenback's expense.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,549.2	S&P500	4,163.3	10Y UST	1.64%	Brent	67.8	Gold	1,848.5
17-May	▼ -0.02%	17-May	▼ -0.25%	17-May	▲ 1.0 bps	14-May	▲ 1.13%	17-May	▲ 0.81%

USD/THB	31.43	Daily	▲ 0.23%	EUR/THB	38.10	Daily	▲ 0.59%	JPY/THB	0.2874	Daily	▲ 0.40%
		Weekly	▲ 1.06%			Weekly	▲ 0.92%			Weekly	▲ 0.56%
Sideways	Trend	Monthly	▼ -0.38%	Rising	Trend	Monthly	▲ 1.62%	Sideways	Trend	Monthly	▼ -0.16%



















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		90.45	-0.3%	0.2%	-1.9%	90.25	92.44
EUR/USD		1.2123	0.4%	-0.2%	2.0%	1.1862	1.2149
USD/JPY		109.35	-0.2%	0.5%	0.0%	107.71	109.71
USD/CHF		0.9027	-0.3%	0.1%	-2.5%	0.9005	0.9315
GBP/USD		1.4079	0.3%	0.3%	2.6%	1.3693	1.4124
USD/CAD		1.2134	-0.3%	0.1%	-3.6%	1.2099	1.2623
AUD/USD		0.7748	0.4%	-1.2%	1.6%	0.7603	0.7845
NZD/USD		0.7216	0.6%	-0.8%	2.6%	0.7014	0.7275
ASEAN Dollar		108.80	0.2%	0.6%	-0.7%	108.11	109.72
USD/THB		31.43	0.2%	1.0%	-0.1%	31.10	31.55
USD/SGD		1.3355	0.0%	0.7%	-0.4%	1.3239	1.3427
USD/MYR		4.1351	0.2%	0.7%	-0.1%	4.0974	4.1385
USD/IDR		14,218	0.3%	0.2%	-2.1%	14,154	14,551
USD/PHP		47.83	-0.1%	0.0%	-1.6%	47.83	48.63
USD/CNY		6.4332	-0.1%	0.2%	-1.8%	6.4102	6.5515
USD/HKD		7.7693	0.0%	0.1%	-0.1%	7.7557	7.7828

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.65	-0.05
3-month		1.35	-0.20
6-month		2.38	-0.25






















Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		252,088	1716
Gold		12,115	887
SDR		1,427	9
IMF Reserves		1,277	8
Foreign Ccy		237,269	813
Net Fwd Position		31,001	330

Last update: 07/05/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
17/05/2021	-382	-3,903	-4,284	
14/05/2021	-2,259	-2,948	-5,207	
13/05/2021	-2,458	-2,489	-4,947	
12/05/2021	-3,256	6,711	3,455	
11/05/2021	-2,024	140	-1,884	
Last 5 days	-10,379	-2,489	-12,868	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -19,627	↑ 4,439	↓ -15,188
QTD	Quarter	↓ -22,986	↑ 37,353	↑ 14,367
YTD	Year	↓ -52,656	↑ 41,366	↓ -11,290

Money Market

THB BIBOR	1M Hist	Last	1M Range		THBFI X	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		0.50	0.50	0.50	ON		0.39	0.33	0.54	ON		0.06	0.06	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.07	0.07	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.10	0.10	0.12
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.13	0.13	0.15
3M		0.62	0.62	0.62	3M		0.36	0.28	0.42	3M		0.17	0.16	0.20
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.19	0.19	0.22
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.27	0.27	0.29

Last Updated: 23/02/2021

Last Updated: 10/05/2021

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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		1.6400	1.00	1.00	5.00	1.56	1.69
Gilt 10y		1.0004	1.36	12.31	12.47	0.82	1.00
Bund 10y		-0.1300	-2.00	9.00	14.00	-0.30	-0.11
JGB 10y		0.0820	-0.50	-0.50	-2.60	0.07	0.11
TGB 1y		0.4577	-0.37	1.18	0.37	0.44	0.46
TGB 2y		0.5198	-0.40	0.33	2.31	0.46	0.54
TGB 5y		1.0301	-0.86	-0.55	-2.11	1.00	1.09
TGB 7y		1.3910	-2.18	-2.88	-9.66	1.37	1.50
TGB 10y		1.7685	-1.25	-0.03	-14.50	1.75	1.94
AAA Spread		74.46	-1.34	-3.15	-12.25	74.46	86.72
AA Spread		73.24	0.04	-1.73	0.80	70.88	75.90
A Spread		185.31	4.27	-2.43	11.02	171.05	187.74
BBB Spread		0.00	0.00	0.00	0.00	0.00	0.00

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		60.75	-1.2%	-5.6%	-0.3%	58.31	67.93
London Gold		1848.5	0.8%	0.8%	5.7%	1,728.1	1,848.5

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)		4,163.3	-0.3%	-0.6%	-0.5%	2,467.4	4,232.6
STOXX (EU)		438.0	-1.5%	-1.9%	-1.4%	328.0	446.9
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,396.6	-0.1%	0.0%	-0.4%	14,856.5	15,459.8
CAC All-Tradable(FR)		4,901.0	-0.3%	-0.5%	0.9%	4,768.5	4,926.9
TOPIX (JP)		1,878.9	-0.2%	-3.8%	-3.9%	1,849.0	1,960.9
Shanghai (CH)		3,687.1	0.8%	2.6%	3.6%	3,560.0	3,687.1
Hang Seng (HK)		28,194.1	0.6%	-1.4%	-2.7%	27,718.7	29,303.3
ASX 200 (AU)		7,023.6	0.1%	-2.1%	-0.6%	6,982.7	7,172.8
SET (TH)		1,549.2	0.0%	-2.5%	-1.1%	1,541.1	1,590.5
SET50 (TH)		939.0	0.0%	-2.1%	-1.8%	929.6	964.6
Straits Times (SG)		3,079.7	0.8%	-3.8%	-3.3%	3,055.0	3,221.6
FTSE Malay (MY)		1,583.5	0.1%	0.3%	-0.9%	1,575.7	1,623.5
JSX Index (ID)		5,833.9	-1.8%	-2.4%	-1.6%	5,833.9	6,086.3
PSE Index (PH)		6,283.6	0.2%	0.4%	-3.9%	6,236.4	6,540.0
Vn Index (VN)		1,258.7	-0.6%	-0.1%	0.8%	1,215.8	1,269.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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