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U.S. Treasury Secretary Janet Yellen tried to sell President Joe Biden's \$2.2 trillion corporate tax hike and infrastructure plans to the U.S. Chamber of Commerce on Tuesday, saying that American Jobs Plan -- infrastructure investments would have a direct payoff to the American people, create jobs and simply "return the corporate tax rate toward historical norms. Yellen is taking her pitch for Biden's tax and spending plans directly to an organization that is deeply opposed to raising the corporate tax rate, which was cut to 21% from 35% by the Trump administration and Republicans in Congress in 2017. Biden is proposing to raise the rate to 28%. However, Chamber CEO Suzanne Clark said after Yellen's remarks that tax hikes would erect a barrier to economic recovery from the COVID-19 pandemic.

ECB's Lagarde committed to further support for euro zone economy

The European Central Bank remains committed to shielding the euro zone economy as the path of the coronavirus pandemic remains uncertain, and authorities should not withdraw support too soon, ECB President Christine Lagarde said on Tuesday. Bond yields have been rising in recent weeks as investors factored in higher inflation expectations and the prospect of smaller purchases from the ECB. The ECB bought 80 billion euros (\$97.7 billion) worth of bonds last month and is due to decide at its June 10 meeting whether to maintain or slow that pace. However, cash-rich, inflation-wary Germany are concerned that the ECB may be turning into a source of cheap funding for indebted countries such as Italy, rather than just focusing on keeping prices stable.

U.S. delays trading ban on Chinese-military linked securities

The Biden administration on Tuesday gave investors two extra weeks to buy or sell securities in certain companies it deems are tied to the Chinese military, an extension it said was needed to craft a stronger policy to prohibit such trades. President Joe Biden's administration has been reviewing a number of aspects of U.S.-China policy, including a ban imposed under his predecessor Donald Trump on investments in certain Chinese companies that the United States says are linked to China's armed forces and intelligence agencies. Investors now have until 9:30 a.m. (1330 GMT) on June 11 to complete their transactions, the U.S. Treasury Department said in a notice posted on its website. The previous deadline was May 27.

Dollar steadies before Fed minutes

The 10-year government bond yield (interpolated) on the previous trading day was 1.77, +0.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.785, +0.50 bps. LB29DA could be between 1.76-1.81. Meantime, the latest closed US 10-year bond yields was 1.64%, +0.00bps. USDTHB on the previous trading day closed around 31.45 Moving in a range from 31.42-31.47 this morning. USDTHB could be closed between 31.43-31.50 today. Meantime, The U.S. dollar steadied but remained near a six-year low against its Canadian counterpart and nursed losses against European currencies as expectations that U.S. interest rates will remain low undermined the greenback.

Sources : Bloomberg, CNBC, Investing, CEIC



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		90.08	-0.4%	-0.2%	-2.4%	90.08	92.44
EUR/USD		1.2167	0.4%	0.2%	2.4%	1.1863	1.2167
USD/JPY		109.07	-0.3%	0.2%	-0.5%	107.71	109.68
USD/CHF		0.9014	-0.1%	0.1%	-2.7%	0.9005	0.9297
GBP/USD		1.4171	0.7%	0.3%	3.5%	1.3693	1.4171
USD/CAD		1.2045	-0.7%	-0.5%	-4.1%	1.2045	1.2623
AUD/USD		0.7787	0.5%	-0.6%	2.4%	0.7603	0.7845
NZD/USD		0.7235	0.3%	-0.4%	3.0%	0.7014	0.7275
ASEAN Dollar		108.64	0.0%	0.6%	-0.9%	107.98	109.58
USD/THB		31.47	0.1%	1.2%	-0.3%	31.10	31.55
USD/SGD		1.3320	-0.3%	0.5%	-0.8%	1.3239	1.3427
USD/MYR		4.1234	-0.3%	0.3%	-0.3%	4.0974	4.1385
USD/IDR		14,263	0.3%	0.7%	-1.9%	14,154	14,551
USD/PHP		47.86	0.1%	0.0%	-1.5%	47.83	48.63
USD/CNY		6.4223	-0.2%	0.2%	-2.0%	6.4102	6.5515
USD/HKD		7.7636	-0.1%	0.0%	-0.2%	7.7557	7.7828

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.60	-0.05
3-month		1.35	0.00
6-month		2.38	0.00

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	
18/05/2021	-1,746	-5,312	-7,058	
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	
Last 5 days	-10,101	-7,940	-18,041	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -21,373	↓ -873	↓ -22,246
QTD	Quarter	↓ -24,732	↑ 32,041	↑ 7,309
YTD	Year	↓ -54,402	↑ 36,054	↓ -18,347

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		0.09	0.09	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		0.16	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: 11/05/2021

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	0.00	0.00	3.00	1.56	1.69
Gilt 10y		0.9662	-3.42	10.97	6.88	0.82	1.00
Bund 10y		-0.1300	0.00	7.00	14.00	-0.30	-0.11
JGB 10y		0.0820	0.00	0.50	-2.10	0.07	0.11
TGB 1y		0.4584	0.07	0.49	0.49	0.44	0.46
TGB 2y		0.5178	-0.20	0.07	1.70	0.46	0.54
TGB 5y		1.0357	0.56	0.06	-1.77	1.00	1.09
TGB 7y		1.3936	0.26	-2.16	-9.70	1.37	1.49
TGB 10y		1.7716	0.31	-0.18	-14.35	1.75	1.92
AAA Spread		74.35	-0.11	-3.29	-12.36	74.35	86.72
AA Spread		71.83	-1.41	-3.17	-0.61	70.88	75.90
A Spread		180.29	-5.02	-7.36	6.00	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		1867.4	1.0%	1.6%	5.7%	1,743.3	1,867.4

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)		4,127.8	-0.9%	-0.6%	-0.9%	2,467.4	4,232.6
STOXX (EU)		438.3	-1.3%	0.0%	-1.2%	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)		4,892.7	-0.2%	1.1%	0.6%	4,768.5	4,926.9
TOPIX (JP)		1,907.7	1.5%	0.1%	-2.6%	1,849.0	1,960.9
Shanghai (CH)		3,699.0	0.3%	2.5%	3.3%	3,560.0	3,699.0
Hang Seng (HK)		28,593.8	1.4%	2.1%	-1.8%	27,718.7	29,303.3
ASX 200 (AU)		7,066.0	0.6%	-0.4%	0.0%	6,982.7	7,172.8
SET (TH)		1,566.8	1.1%	-0.8%	1.7%	1,541.1	1,590.5
SET50 (TH)		948.9	1.1%	-0.8%	0.8%	929.6	964.6
Straits Times (SG)		3,142.6	2.0%	-1.2%	-1.8%	3,055.0	3,221.6
FTSE Malay (MY)		1,591.3	0.5%	0.2%	-0.4%	1,575.7	1,623.5
JSX Index (ID)		5,834.4	0.0%	-2.3%	-3.6%	5,833.9	6,086.3
PSE Index (PH)		6,244.7	-0.6%	-1.2%	-3.9%	6,236.4	6,540.0
Vn Index (VN)		1,252.7	-0.5%	-0.3%	-0.3%	1,215.8	1,269.1

Sources: ttb analytics, CEIC

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

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