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President Joe Biden will announce steps on Tuesday to narrow the large and persistent racial wealth gap that divides Black, Latino and white Americans, although he will stop short of a cancellation of student loan debt demanded by civil rights groups. Biden, a Democrat, will call for billions of dollars in grants and investments to benefit poor minority communities, as well as a big increase in federal procurement from small, disadvantaged businesses, and a crackdown on housing discrimination. He will unveil the measures during a visit to the Greenwood neighborhood of Tulsa, Oklahoma, where hundreds of Black Americans were massacred by a white mob 100 years ago. They are part of a broader push to reverse systemic racism, and build on executive actions.

**China's banks are bursting with dollars, and that's a worry**

A mountain of dollars on deposit in China has grown so large that banks are struggling to loan the currency and traders say it poses a risk to official efforts to control a fast-rising yuan. Boosted by surging export receipts and investment flows, the value of foreign cash deposits in China's banks leapt above \$1 trillion for the first time in April, official data shows. A previous jump, late in 2017, preceded heavy dollar selling which turbocharged a steep yuan rally in early 2018. Market participants say the size of the even bigger hoard this time raises that risk, and leaves policymakers' efforts to restrain the yuan vulnerable to the whims of the exporters and foreign investors who own the cash. The yuan is at risk to past 6.25 or 6.2 per dollar.

**German economy to grow between 3.4% and 3.7% this year – minister**

The German economy, Europe's largest, should grow by between 3.4% and 3.7% this year, Economy Minister Peter Altmaier said on Tuesday, offering a more upbeat outlook than when the government raised its forecast at the end of April. "We expect it to grow by 4% next year," he added. Asked whether he was concerned that a rise in German consumer prices could strengthen, Altmaier said he was "watching this development with inflation very closely" but could not pass judgment on it yet. Germany's annual consumer price inflation accelerated in May, advancing further above the European Central Bank's target of close to but below 2%. In addition, Consumer prices rose by 2.4% in May, up from 2.1% in April. A Reuters forecast had pointed to a May reading of 2.5%.

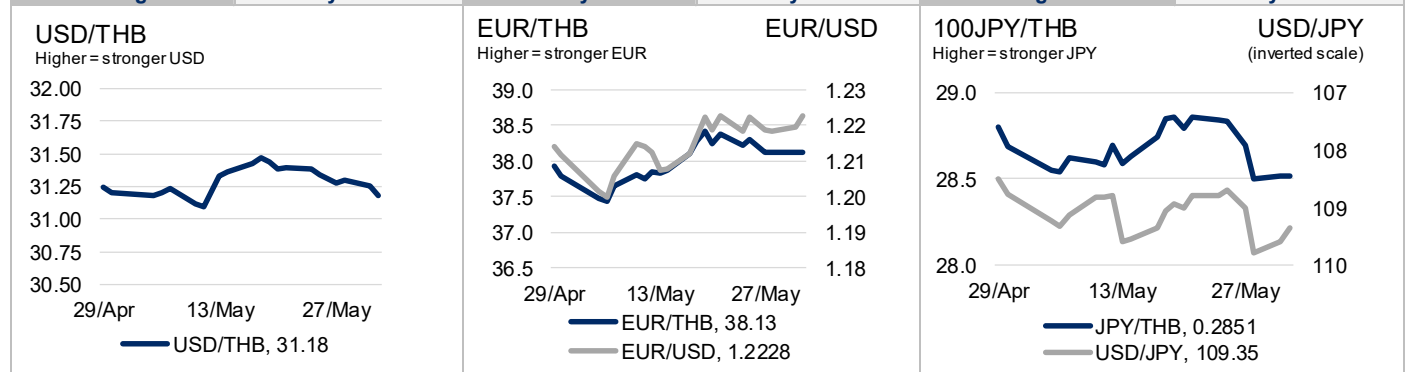
**Dollar in Narrow Range as Fed Officials Continue to Downplay Inflation Fears**

The 10-year government bond yield (interpolated) on the previous trading day was 1.86, +1.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.85, +1.00 bps. LB31DA could be between 1.83-1.88. Meantime, the latest closed US 10-year bond yields was 1.62%, +4.00bps. USDTHB on the previous trading day closed around 31.14 Moving in a range from 31.13-31.18 this morning. USDTHB could be closed between 31.12-31.19 today. Meantime, The dollar continued to trade in a narrow range Tuesday, as Federal Reserve officials continued to downplay inflation fears, suggesting accommodative monetary policy will continue as the economy remains far from its goals.

Sources : Bloomberg, CNBC, Investing, CEIC

<b>SET Index</b>	<b>1,618.6</b>	<b>S&amp;P500</b>	<b>4,202.0</b>	<b>10Y UST</b>	<b>1.62%</b>	<b>Brent</b>	<b>69.3</b>	<b>Gold</b>	<b>1,907.7</b>
1-Jun	▲ 1.56%	1-Jun	▼ -0.05%	1-Jun	▲ 4.0 bps	31-May	▼ -0.45%	1-Jun	▲ 0.80%

<b>USD/THB 31.18</b>	Daily ▼ -0.23%	<b>EUR/THB 38.13</b>	Daily ▲ 0.02%	<b>JPY/THB 0.2851</b>	Daily ▼ -0.01%
	Weekly ▼ -0.51%		Weekly ▼ -0.45%		Weekly ▼ -1.11%
<b>Falling Trend</b>	Monthly ▼ -0.21%	<b>Sideways Trend</b>	Monthly ▲ 0.51%	<b>Falling Trend</b>	Monthly ▼ -0.99%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates

**Main Contributor**  
Kantaphon Amornrat  
(66) 2 991111 ext. 5191,  
kantaphon.amo@tmbank.com

**ttb analytics** ttbanalytics@tmbank.com  
Naris Sathapholdeja (66) 2 299 2494, naris.sat@tmbank.com  
Kasem Hamchanpanich (66) 2 242 3265; kasem.har@tmbank.com  
Supaporn Channarong (66) 2 242 3271, supaporn.cha@tmbank.com

## Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		89.78	-0.2%	-0.3%	-1.3%	89.78	91.33
EUR/USD		1.2228	0.3%	0.4%	1.3%	1.1999	1.2228
USD/JPY		109.35	-0.2%	0.5%	0.5%	107.71	109.79
USD/CHF		0.8984	-0.1%	0.1%	-1.8%	0.8963	0.9155
GBP/USD		1.4238	0.3%	0.6%	2.5%	1.3885	1.4238
USD/CAD		1.2052	-0.2%	-0.1%	-2.9%	1.2045	1.2450
AUD/USD		0.7753	0.4%	0.4%	0.1%	0.7720	0.7845
NZD/USD		0.7278	0.4%	1.5%	1.1%	0.7166	0.7281
ASEAN Dollar		108.18	-0.2%	-0.7%	-0.6%	108.08	108.94
USD/THB		31.18	-0.2%	-0.6%	-0.7%	31.10	31.47
USD/SGD		1.3191	-0.2%	-0.9%	-0.6%	1.3191	1.3361
USD/MYR		4.1197	-0.4%	-0.5%	0.5%	4.0974	4.1420
USD/IDR		14,261	-0.2%	-0.6%	-1.3%	14,154	14,466
USD/PHP		47.68	-0.1%	-0.6%	-1.5%	47.68	48.42
USD/CNY		6.3566	0.1%	-1.0%	-1.8%	6.3524	6.4823
USD/HKD		7.7551	0.0%	-0.1%	0.0%	7.7503	7.7693

## FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.45	0.15
3-month		1.35	0.35
6-month		2.50	0.50

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		250,677	-976
Gold		14,460	1307
SDR		1,429	2
IMF Reserves		1,279	2
Foreign Ccy		233,510	-2287
Net Fwd Position		31,841	1100

Last update: 21/05/2021

## Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
01/06/2021	1,641	5,503	7,143
31/05/2021	1,314	2,534	3,848
28/05/2021	-1,309	1,211	-98
27/05/2021	-2,542	-203	-2,745
25/05/2021	-1,213	1,081	-133
Last 5 days	-2,110	10,125	8,015

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 1,641	↑ 5,503	↑ 7,143
QTD	Quarter	↓ -34,904	↑ 38,543	↑ 3,638
YTD	Year	↓ -64,574	↑ 42,556	↓ -22,018

## 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	0.07
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.06	0.06	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.09	0.09	0.11
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.12	0.12	0.15
3M		0.62	0.62	0.63	3M		0.36	0.28	0.42	3M		0.14	0.14	0.19
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.18	0.18	0.22
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.26	0.26	0.28

Last Updated: 23/02/2021

Last Updated: 25/05/2021

Note: D=d=day; M=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		1.6200	4.00		1.00		-3.00		1.56	1.69
Gilt 10y		0.9099	5.90		-3.41		5.08		0.84	1.00
Bund 10y		-0.1600	1.00		-4.00		6.00		-0.25	-0.09
JGB 10y		0.0850	0.10		0.70		-0.10		0.07	0.10
TGB 1y		0.4692	0.82		1.02		1.90		0.44	0.47
TGB 2y		0.5265	-0.30		-0.58		-1.79		0.51	0.54
TGB 5y		1.0798	0.72		2.45		-1.07		1.00	1.10
TGB 7y		1.4665	1.42		2.72		0.40		1.37	1.50
TGB 10y		1.8590	1.23		0.42		0.97		1.75	1.88
AAA Spread		70.22	0.11		-4.05		-7.14		69.75	81.68
AA Spread		71.72	0.02		0.33		-3.40		71.37	75.90
A Spread		183.98	0.10		3.96		12.91		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		1907.7	0.8%		1.6%		7.5%		1,764.2	1,907.7

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)		4,202.0	0.0%		0.3%		0.2%		2,467.4	4,232.6
STOXX (EU)		448.0	-0.1%		0.1%		1.1%		328.0	451.0
FTSE All-Share(UK)		3,694.0	-1.0%		-0.7%		2.0%		3,571.2	3,746.8
DAX (DE)		15,567.4	0.9%		0.7%		2.9%		14,856.5	15,567.4
CAC All-Tradable(FR)		4,988.8	0.6%		1.6%		2.5%		4,823.7	4,988.8
TOPIX (JP)		1,926.2	0.2%		0.3%		1.2%		1,849.0	1,952.3
Shanghai (CH)		3,799.5	0.3%		1.2%		4.9%		3,583.5	3,799.5
Hang Seng (HK)		29,468.0	1.1%		1.9%		2.6%		27,718.7	29,468.0
ASX 200 (AU)		7,142.6	-0.3%		0.4%		1.6%		6,931.7	7,179.5
SET (TH)		1,618.6	1.6%		4.3%		2.7%		1,548.1	1,618.6
SET50 (TH)		981.2	1.9%		5.0%		2.8%		929.6	981.2
Straits Times (SG)		3,187.2	0.7%		2.0%		-1.1%		3,055.0	3,221.6
FTSE Malay (MY)		1,585.9	0.1%		0.9%		-1.4%		1,562.2	1,623.5
JSX Index (ID)		5,947.5	1.7%		3.0%		-0.3%		5,760.6	6,016.9
PSE Index (PH)		6,627.4	0.0%		7.0%		4.0%		6,164.9	6,674.5
Vn Index (VN)		1,337.8	0.7%		2.2%		7.9%		1,219.8	1,337.8

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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