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Several top U.S. Senate Republicans on Monday rejected Treasury Secretary Janet Yellen's G7 deal to impose a global minimum corporate tax and allow more countries to tax big multinational firms, raising questions about the U.S. ability to implement a broader global agreement. The opposition from Republicans may push President Joe Biden to attempt to use budget procedures to pass the initiatives with only Democratic votes. It left lawyers and tax experts in Washington wondering whether it could get done without crafting a new international treaty, which requires approval by a two-thirds majority in the evenly split 100-member Senate. In the landmark agreement, G7 finance ministers agreed to pursue a global minimum tax rate of at least 15% and to allow market countries to tax up to 20% of the excess profits.

Japan upgrades Q1 GDP on smaller hit to domestic demand

Japan's economy shrank at a slower-than-initially reported pace in the first quarter, on smaller cuts to plant and equipment spending, but the coronavirus pandemic still dealt a huge blow to overall demand. Separate data showed growth in bank lending slowed sharply in May, while real wages posted the biggest monthly jump in more than a decade in April. The revised GDP decline was mainly due to a smaller fall in public and capital spending, which both eased less than initially thought, offsetting a slightly larger fall in private consumption. The economy retreated an annualised 3.9% in January-March, not as bad as the preliminary reading of an annualised 5.1% contraction, but still posting the first fall in three quarters.

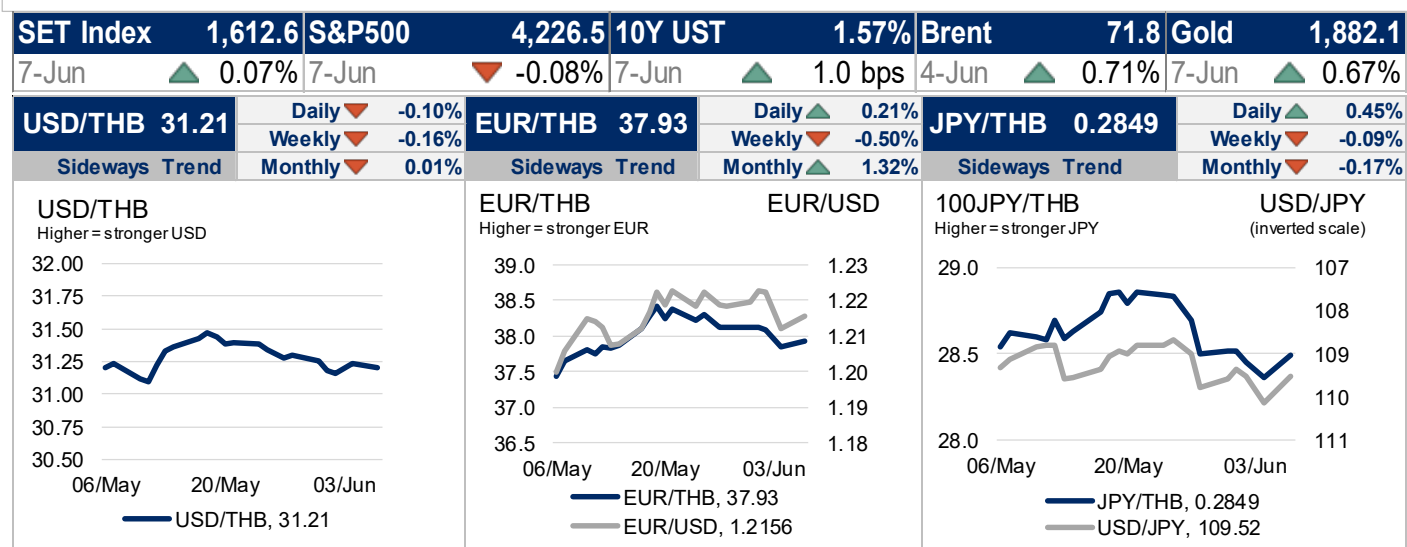
Russian May inflation accelerates to 6.0%, above forecast

Russia's annual consumer inflation accelerated to 6.0% in May, overshooting expectations and adding arguments for tighter monetary policy days before the central bank's rate-setting meeting. Inflation, the central bank's main area of responsibility, accelerated to its highest since October 2016 when the central bank's key interest rate was at 10%. The data from the statistics service Rosstat comes ahead of the bank's board meeting due on Friday where it is expected to raise the key rate for the third time in a row, by 25 or even 50 basis points from 5%. Central bank analysts predicted May inflation at 5.7%-5.9%, warning it was on track to speed up further in the coming months. The central bank targets annual consumer inflation of 4%. It overshoot the target in late 2020 amid global inflation and as the weaker rouble filtered into prices in Russia.

Dollar subdued as investors look to key U.S. inflation gauge

The 10-year government bond yield (interpolated) on the previous trading day was 1.86, +0.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.85, -1.00 bps. LB31DA could be between 1.82-1.87. Meantime, the latest closed US 10-year bond yields was 1.57%, +1.00bps. USDTHB on the previous trading day closed around 31.19 Moving in a range from 31.16-31.21 this morning. USDTHB could be closed between 31.15-31.23 today. Meantime, The U.S. dollar was subdued on Tuesday as investors looked to U.S. inflation data due later in the week after softer-than-expected jobs data quelled expectations of an early tapering in the Federal Reserve's stimulus.

Sources : Bloomberg, CNBC, Investing, CEIC



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@tmbbank.com

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

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		90.20	-0.3%	0.2%	-1.1%	89.78	91.33
EUR/USD		1.2156	0.3%	-0.2%	1.2%	1.1999	1.2228
USD/JPY		109.52	-0.5%	-0.2%	0.3%	108.51	110.12
USD/CHF		0.8993	-0.5%	0.2%	-1.5%	0.8963	0.9138
GBP/USD		1.4145	0.3%	-0.4%	1.7%	1.3898	1.4238
USD/CAD		1.2089	-0.2%	0.0%	-1.6%	1.2045	1.2290
AUD/USD		0.7733	0.9%	-0.1%	0.1%	0.7663	0.7845
NZD/USD		0.7201	0.7%	-1.0%	0.4%	0.7148	0.7281
ASEAN Dollar		108.39	-0.1%	-0.1%	-0.3%	108.07	108.93
USD/THB		31.21	-0.1%	-0.3%	0.1%	31.10	31.47
USD/SGD		1.3243	-0.2%	0.1%	-0.8%	1.3191	1.3361
USD/MYR		4.1275	0.0%	-0.2%	0.3%	4.1003	4.1420
USD/IDR		14,283	0.0%	0.1%	-0.6%	14,154	14,417
USD/PHP		47.71	-0.2%	-0.4%	-0.6%	47.68	48.36
USD/CNY		6.3871	-0.1%	0.4%	-1.3%	6.3524	6.4706
USD/HKD		7.7557	0.0%	0.1%	-0.1%	7.7503	7.7693

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.30	-0.15
3-month		1.13	-0.23
6-month		2.35	-0.05

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		251,882	1205
Gold		14,938	478
SDR		1,430	1
IMF Reserves		1,280	1
Foreign Ccy		234,233	724
Net Fwd Position		31,711	-130

Last update: 28/05/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
07/06/2021	-1,214	1,944	729	
04/06/2021	3,573	1,801	5,374	
02/06/2021	-1,335	-614	-1,949	
01/06/2021	1,641	5,503	7,143	
31/05/2021	1,314	2,534	3,848	
Last 5 days	3,978	11,167	15,145	
	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 2,664	↑ 8,633	↑ 11,297
QTD	Quarter	↓ -33,881	↑ 41,673	↑ 7,793
YTD	Year	↓ -63,550	↑ 45,686	↓ -17,864

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		0.13	0.13	0.19
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.17	0.17	0.21
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.25	0.25	0.28

Last Updated: 23/02/2021

Last Updated: 28/05/2021

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		1.5700	1.00	-1.00	-1.00	1.56	1.69
Gilt 10y		0.9352	3.32	8.43	5.09	0.85	1.00
Bund 10y		-0.1900	-1.00	-2.00	4.00	-0.23	-0.09
JGB 10y		0.0840	-0.80	0.00	-0.20	0.08	0.10
TGB 1y		0.4769	0.34	1.50	3.16	0.44	0.48
TGB 2y		0.5243	-0.12	-0.57	-0.07	0.51	0.54
TGB 5y		1.0494	-1.03	-1.41	1.59	1.00	1.10
TGB 7y		1.4431	-1.70	-0.60	3.63	1.37	1.50
TGB 10y		1.8641	-0.36	1.52	8.73	1.75	1.88
AAA Spread		72.09	0.61	2.35	-5.20	69.75	77.94
AA Spread		71.69	0.00	0.03	-4.21	71.37	75.90
A Spread		183.97	0.04	0.11	6.28	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		1882.1	0.7%	-0.5%	5.0%	1,778.1	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)		4,226.5	-0.1%	#DIV/0!	-0.1%	2,467.4	4,232.6
STOXX (EU)		452.8	-0.2%	1.0%	1.3%	328.0	453.5
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,677.2	-0.1%	1.7%	3.2%	14,856.5	15,692.9
CAC All-Tradable(FR)		5,029.7	0.4%	1.5%	2.1%	4,823.7	5,029.7
TOPIX (JP)		1,960.9	0.1%	2.0%	1.4%	1,849.0	1,960.9
Shanghai (CH)		3,773.0	0.2%	-0.4%	5.3%	3,583.5	3,799.5
Hang Seng (HK)		28,787.3	-0.5%	-1.3%	0.5%	27,718.7	29,468.0
ASX 200 (AU)		7,281.9	-0.2%	1.7%	2.8%	6,931.7	7,295.4
SET (TH)		1,612.6	0.1%	1.9%	4.1%	1,548.1	1,618.6
SET50 (TH)		973.0	0.1%	1.8%	4.7%	929.6	981.2
Straits Times (SG)		3,175.8	0.8%	0.4%	0.7%	3,055.0	3,200.3
FTSE Malay (MY)		1,578.5	-0.8%	-1.0%	-0.8%	1,562.2	1,608.5
JSX Index (ID)		6,069.9	0.1%	3.8%	1.2%	5,760.6	6,091.5
PSE Index (PH)		6,763.9	-0.5%	2.0%	7.7%	6,164.9	6,841.7
Vn Index (VN)		1,358.8	-1.1%	2.3%	9.4%	1,241.8	1,374.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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