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The coming reduction in the Federal Reserve's bond purchases may bear little resemblance to the "automatic pilot" tapering exercise the U.S. central bank conducted seven years ago, as officials grapple with volatile data - on inflation in particular - during the rebound from the COVID-19 pandemic, a Fed official said on Friday. "In the 2013-2014 taper we went on automatic pilot and didn't do much," St. Louis Fed President James Bullard said in an interview on CNBC. "This time around, I mean look at this data," he said. "Look at how outsized all these numbers are and how volatile everything has been. I think we're going to have to be more state-contingent than we have been in the past."

**U.S. senators haggle over funding of \$1 trillion infrastructure compromise**

A bipartisan infrastructure plan costing a little over \$1 trillion, only about a fourth of what President Joe Biden initially proposed, has been gaining support in the U.S. Senate, but disputes continued on Sunday over how it should be funded. Biden told reporters last week that he will have a response to the plan as soon as Monday after reviewing it. Twenty-one of the 100 U.S. senators - including 11 Republicans, nine Democrats and one independent who caucuses with Democrats - are working on the framework to rebuild roads, bridges and other traditional infrastructure that sources said would cost \$1.2 trillion over eight years. Biden had initially proposed about \$4 trillion be spent on a broader definition of infrastructure, including fighting climate change and providing care for children and the elderly. But the White House trimmed the offer to about \$1.7 trillion in talks with senators.

**ECB makes good progress on new strategy, Lagarde says**

European Central Bank policymakers meeting this weekend made "good progress" in reshaping the ECB's strategic goals, including the role it plays in fighting climate change and a revised approach to inflation, President Christine Lagarde said on Sunday. Lagarde gave no detail of the outcome of the talks, saying only that they covered the ECB's inflation goal and time horizon, links between climate change and monetary policy and the modernization of central bank communications. The ECB's elusive inflation goal, currently set "below but close to 2%", seems almost certain to get a facelift and be set at 2%, with a tolerance for overshooting after periods of sluggish price growth.

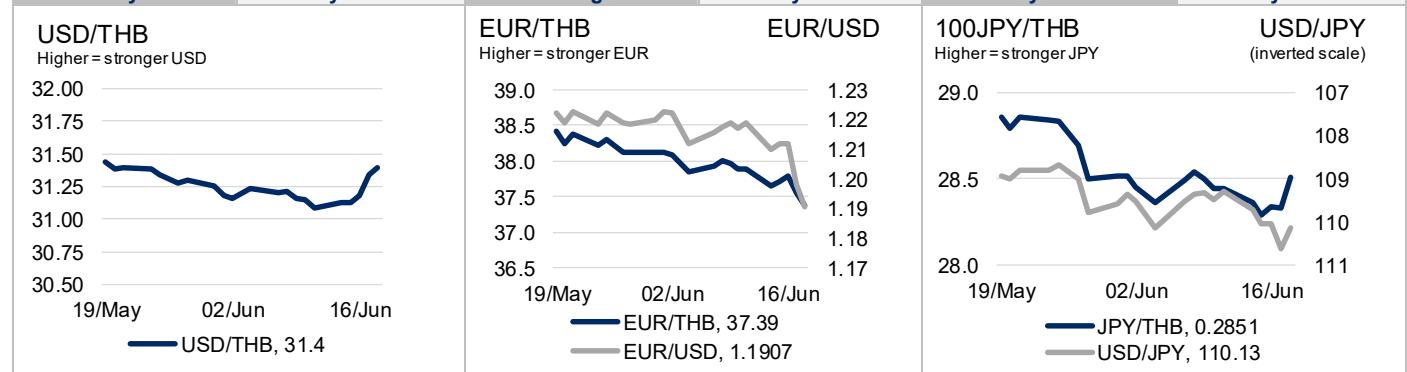
**Dollar holds near multi-month high after Fed's hawkish tilt**

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 1.83, -3.50 bps. LB31DA could be between 1.80-1.86. Meantime, the latest closed US 10-year bond yields was 1.47%, -7.00bps. USDTHB on the previous trading day closed around 31.43 Moving in a range from 31.45-31.56 this morning. USDTHB could be closed between 31.48-31.60 today. Meantime, The dollar held near multi-month peaks against other major currencies on Monday, after the U.S. Federal Reserve surprised markets last week by signaling it would raise interest rates and end emergency bond-buying sooner than expected.

Sources : Bloomberg, CNBC, Investing, CEIC

<b>SET Index</b>	<b>1,613.0</b>	<b>S&amp;P500</b>	<b>4,166.5</b>	<b>10Y UST</b>	<b>1.45%</b>	<b>Brent</b>	<b>73.5</b>	<b>Gold</b>	<b>1,792.4</b>
18-Jun	▼ -0.29%	18-Jun	▼ -1.32%	18-Jun	▼ -7.0 bps	18-Jun	▲ 0.60%	18-Jun	▼ -0.80%

<b>USD/THB</b>	<b>31.40</b>	<b>Daily</b>	<b>▲ 0.19%</b>	<b>EUR/THB</b>	<b>37.39</b>	<b>Daily</b>	<b>▼ -0.43%</b>	<b>JPY/THB</b>	<b>0.2851</b>	<b>Daily</b>	<b>▲ 0.64%</b>
		<b>Weekly</b>	<b>▲ 0.89%</b>			<b>Weekly</b>	<b>▼ -0.71%</b>			<b>Weekly</b>	<b>▲ 0.50%</b>
<b>Sideways</b>	<b>Trend</b>	<b>Monthly</b>	<b>▼ -0.12%</b>	<b>Falling</b>	<b>Trend</b>	<b>Monthly</b>	<b>▼ -2.75%</b>	<b>Sideways</b>	<b>Trend</b>	<b>Monthly</b>	<b>▼ -1.20%</b>



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		91.90	0.5%	2.2%	2.0%	89.78	91.90
EUR/USD		1.1907	-0.6%	-2.3%	-2.1%	1.1907	1.2228
USD/JPY		110.13	-0.4%	0.8%	1.0%	108.69	110.62
USD/CHF		0.9177	0.9%	2.7%	1.8%	0.8934	0.9177
GBP/USD		1.3921	-0.5%	-1.8%	-1.8%	1.3921	1.4238
USD/CAD		1.2358	0.6%	2.3%	2.6%	1.2045	1.2358
AUD/USD		0.7548	-0.9%	-2.7%	-3.1%	0.7548	0.7787
NZD/USD		0.6997	-1.2%	-2.8%	-3.3%	0.6997	0.7281
ASEAN Dollar		109.69	0.3%	1.2%	0.5%	108.41	109.69
USD/THB		31.40	0.2%	1.0%	-0.2%	31.09	31.47
USD/SGD		1.3412	0.4%	1.5%	0.7%	1.3191	1.3412
USD/MYR		4.1411	0.2%	0.7%	0.4%	4.1117	4.1420
USD/IDR		14,380	0.7%	1.3%	0.8%	14,138	14,380
USD/PHP		48.39	0.1%	1.5%	1.1%	47.66	48.39
USD/CNY		6.4406	0.4%	1.1%	0.3%	6.3524	6.4406
USD/HKD		7.7585	-0.1%	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		0.05	-0.15
3-month		0.88	0.18
6-month		2.00	0.25

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		250,378	-1183
Gold		14,734	-105
SDR		1,426	-3
IMF Reserves		1,276	-3
Foreign Ccy		232,942	-1073
Net Fwd Position		32,931	1090

Last update: 11/06/2021

**Foreign Fund Flows (THB.mn)**

Date	Equity	Bond	Total
18/06/2021	-2,250	2,149	-101
17/06/2021	-2,888	-965	-3,853
16/06/2021	40	2,463	2,503
15/06/2021	-1,964	1,820	-144
14/06/2021	-325	1,313	988
Last 5 days	-7,386	6,780	-607

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 61	↑ 28,289	↑ 28,350
QTD	Quarter	↓ -36,484	↑ 61,329	↑ 24,845
YTD	Year	↓ -66,153	↑ 65,342	↓ -811














**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	0.05	0.06
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.06	0.06	0.07
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.07	0.07	0.10
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.10	0.10	0.13
3M		0.63	0.62	0.63	3M		0.36	0.28	0.42	3M		0.12	0.12	0.17
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.15	0.15	0.19
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.24	0.24	0.27

Last Updated: 23/02/2021



Last Updated: 11/06/2021

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		1.4500	-7.00	-2.00	-23.00	1.45	1.68
Gilt 10y		0.8480	-1.41	1.14	-11.97	0.81	1.00
Bund 10y		-0.1700	2.00	7.00	-6.00	-0.29	-0.09
JGB 10y		0.0660	-0.40	2.60	-2.20	0.04	0.09
TGB 1y		0.4794	0.00	0.25	2.10	0.46	0.48
TGB 2y		0.5209	-0.11	0.50	0.31	0.52	0.53
TGB 5y		0.9168	-2.53	-6.74	-11.88	0.92	1.10
TGB 7y		1.3746	-2.66	-2.07	-1.90	1.37	1.50
TGB 10y		1.8628	-0.63	5.51	9.13	1.77	1.88
AAA Spread		71.51	0.04	-0.12	-2.84	69.75	75.81
AA Spread		83.94	-0.69	6.97	12.11	67.99	84.63
A Spread		183.16	-0.05	-0.54	2.87	177.53	185.31
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		1792.4	-0.8%	-5.3%	-3.6%	1,792.4	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)		4,166.5	-1.3%	-1.9%	0.2%	2,467.4	4,255.2
STOXX (EU)		459.0	-0.2%	0.3%	3.5%	328.0	459.8
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,448.0	-1.8%	-1.6%	2.2%	15,113.6	15,729.5
CAC All-Tradable(FR)		5,043.9	-1.4%	-0.7%	3.4%	4,823.7	5,115.6
TOPIX (JP)		1,946.6	-0.9%	-0.4%	2.7%	1,895.2	1,975.9
Shanghai (CH)		3,694.9	0.0%	-2.4%	0.4%	3,654.5	3,799.5
Hang Seng (HK)		28,801.3	0.8%	0.2%	0.7%	28,027.6	29,468.0
ASX 200 (AU)		7,368.9	0.1%	0.9%	6.3%	6,931.7	7,386.2
SET (TH)		1,613.0	-0.3%	-1.4%	2.9%	1,549.2	1,636.6
SET50 (TH)		971.2	-0.3%	-2.0%	2.4%	934.8	990.8
Straits Times (SG)		3,144.2	0.2%	-0.4%	1.3%	3,079.7	3,187.2
FTSE Malay (MY)		1,589.1	1.2%	0.9%	-0.1%	1,562.2	1,597.9
JSX Index (ID)		6,007.1	-1.0%	-1.4%	3.0%	5,760.6	6,107.5
PSE Index (PH)		6,851.4	-0.5%	-0.8%	10.5%	6,164.9	6,976.7
Vn Index (VN)		1,377.8	1.3%	1.9%	7.8%	1,252.7	1,377.8

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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