

Dollar falls as US payroll report bolsters the odds for Fed rate cuts

The U.S. added 206,000 jobs, with a slight uptick in the unemployment rate.

In June, the U.S. economy saw more jobs added than expected, although the increase was smaller compared to the previous month, suggesting a potential slowdown in labor demand in the world's largest economy. Nonfarm payrolls rose by 206,000 last month, down from 218,000 in May. Moreover, the initial May figure was significantly revised downward from 272,000 to 218,000, and April's was adjusted down by 57,000 to 108,000. Economists had anticipated a June figure of 191,000 jobs added. The largest gains were in education and health services, which partly offset losses in retail trade, mining, and logging. Meanwhile, the unemployment rate ticked up to 4.1%, the highest since November 2021, surpassing expectations for it to remain at May's rate of 4.0%. Average hourly wage growth for the month slightly slowed to 0.3% from 0.4%, aligning with forecasts.

Left-wing New Popular Front coalition leads French election

France was headed towards a hung parliament following Sunday's election, as a leftist coalition surprisingly emerged as the leading force, overtaking the far-right. This unexpected turn of events was a significant upset that appeared likely to prevent Marine Le Pen's National Rally (RN) from running governmental control. If these early results hold true, parliament will be fragmented into three major groups with significantly divergent agendas and no history of cooperation. Moreover, Pollsters' projections based on initial data indicated that the RN was poised to secure third place.

Thailand's headline inflation eases in June

Thailand's headline inflation moderated as food prices softened and the impact from the low base price of electricity ceased. The consumer price index (CPI) increased by 0.62 percent year-on-year, a decrease from May's 1.54 percent, which was the highest in 13 months. Meanwhile, the core CPI, which excludes volatile food and energy prices, rose by 0.36 percent compared to the previous year, slightly lower than the 0.39 percent increase in May. June's inflation rate fell below the Bank of Thailand's target range of 1-3 percent.

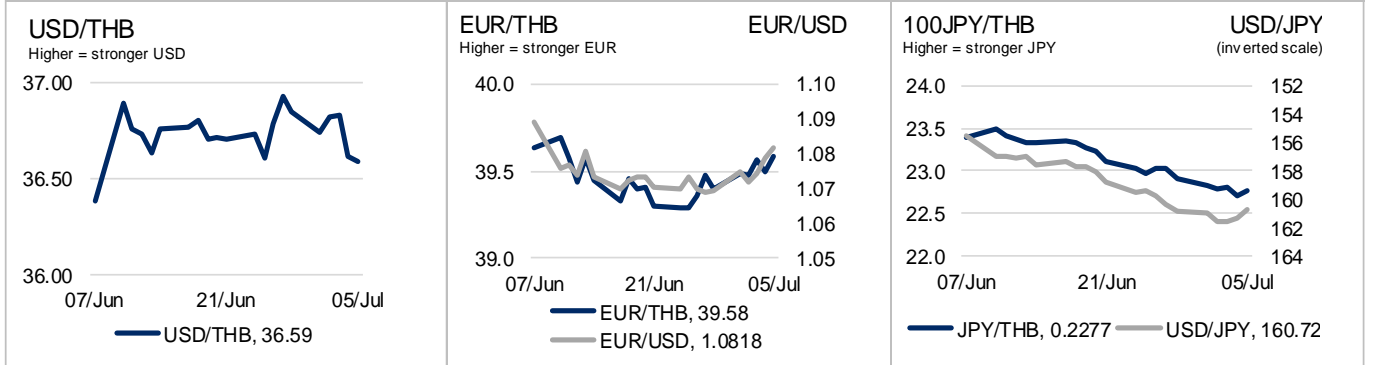
Dollar falls as US payroll report bolsters the odds for Fed rate cuts

The 10-year government bond yield (interpolated) on the previous trading day was 2.68, -1.32 bps. The benchmark government bond yield (LB346A) was 2.695, -2.5 bps. Meantime, the latest closed US 10-year bond yields was 4.28, -8.00 bps. USDTHB on the previous trading day closed around 36.59 moving in a range of 36.425 - 36.48 this morning. USDTHB could be closed between 36.30-36.55 today. The dollar headed into Friday's Non-farms payroll report slightly weaker against its peers, with the DXY breaking below the 105 level. The DXY saw two-way price action on the data but ultimately was lower on the session. There was a choppy reaction due to the headline NFP beat, but overall it was a dovish report. The Euro strengthened against the buck, though underperformed relative to its G10FX peers. For the Japanese yen, USD/JPY hit highs of 161.39 earlier in the session, however, the currency fell back below the 161 level as the session progressed in wake of the dovish NFP report and downside in US yields.

Sources : ttb analytics , Bloomberg, CNBC, Trading economics, Investing, CEIC

SET Index	1,312.0	S&P500	5,567.2	10Y UST	4.28%	Brent	83.9	Gold	2,365.4
5-Jul	▲ 0.84%	5-Jul	▲ 0.54%	5-Jul	▼ -8.0 bps	5-Jul	▼ -4.15%	5-Jul	▲ 0.35%

USD/THB 36.59	Daily ▼ -0.07%	EUR/THB 39.58	Daily ▲ 0.21%	JPY/THB 0.2277	Daily ▲ 0.29%
Weekly ▼ -0.40%	Weekly ▲ 0.25%	Weekly ▲ 0.27%	Monthly ▲ 0.56%	Monthly ▼ -0.12%	Monthly ▼ -2.74%
Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend



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

Main Contributor

Wajarawij Ramindra
wajarawij.ram@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbank.com

ttb analytics | ttbanalytics@ttbank.com
Naris Sathapholdejaj | naris.sat@ttbank.com
Kasem Harnchanpanich | kasem.har@ttbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		105.03	-0.3%	-0.6%	0.9%	104.07	106.03
EUR/USD		1.0818	0.3%	0.6%	-0.7%	1.0690	1.0902
USD/JPY		160.72	-0.4%	-0.1%	3.4%	155.43	161.63
USD/CHF		0.8987	-0.2%	-0.1%	1.0%	0.8841	0.9043
GBP/USD		1.2772	0.2%	0.9%	-0.2%	1.2629	1.2803
USD/CAD		1.3608	-0.2%	-0.5%	-0.4%	1.3632	1.3777
AUD/USD		0.6731	0.3%	1.0%	0.9%	0.6583	0.6712
NZD/USD		0.6121	0.1%	0.4%	-1.2%	0.6050	0.6205
ASEAN Dollar		107.67	0.0%	-0.1%	0.8%	106.62	107.76
USD/THB		36.59	-0.1%	-0.4%	0.6%	36.38	36.93
USD/SGD		1.3500	-0.2%	-0.4%	0.4%	1.3446	1.3586
USD/MYR		4.7065	-0.1%	-0.2%	0.3%	4.6916	4.7210
USD/IDR		16,232	-0.2%	-0.2%	0.4%	16,149	16,383
USD/PHP		58.79	-0.2%	0.1%	0.0%	58.75	59.15
USD/CNY		7.2766	-0.13%	-0.1%	0.5%	7.2395	7.2894
USD/HKD		7.8068	-0.01%	-0.1%	0.0%	7.7975	7.8194

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.15	0.15
3-month		0.70	-0.05
6-month		1.50	-0.20

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		224,329	-405
Gold		17,548	40
SDR		5,437	0
IMF Reserves		1,116	0
Foreign Ccy		200,228	-446
Net Fwd Position		28,315	90

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
05/07/2024	1,688	1,612	3,300
04/07/2024	-1,369	-911	-2,280
03/07/2024	1,319	-3,588	-2,269
02/07/2024	-2,821	-2,917	-5,738
01/07/2024	338	-4,185	-3,847
Last 5 days	-845	-9,989	-10,834

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -845	↓ -9,989	↓ -10,834
QTD	Quarter	↓ -845	↓ -9,989	↓ -10,834
YTD	Year	↓ -117,877	↓ -55,975	↓ -173,851

Money Market

Last update: 28/06/2024

THB BIBOR	1M Hist	Last	1M Range		THBFIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		2.50	0.00	2.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		2.60	0.00	2.61	2M					2M		0.00	0.00	0.00
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.84	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49













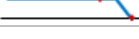
Last Updated: 29/06/2023

Last Updated: 09/03/2022

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



Sources: ttb analytics, CEIC

Fixed Income Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2800	-8.00	-8.00	-1.00	4.20	4.51
Gilt 10y		4.1377	-8.72	3.23	-0.78	4.02	4.29
Bund 10y		2.5900	-1.00	1.00	2.00	2.37	2.66
JGB 10y		1.0720	-1.40	-1.10	8.60	0.95	1.10
TGB 1y		2.3735	0.05	1.63	4.05	2.32	2.37
TGB 2y		2.3559	-0.29	0.66	-1.59	2.35	2.38
TGB 5y		2.4656	-2.12	-0.86	-4.50	2.45	2.53
TGB 7y		2.5773	-1.60	0.62	-6.02	2.56	2.67
TGB 10y		2.6818	-1.32	0.38	-9.59	2.68	2.80
AAA Spread		55.04	-2.89	-7.64	-15.42	55.04	73.91
AA Spread		77.63	1.85	1.37	-7.05	67.11	84.68
A Spread		105.66	-3.75	-5.67	-17.20	105.66	124.29
BBB Spread		0.00	-235.78	-236.09	-237.53	0.00	239.70

















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		83.88	-4.06%	-3.1%	5.7%	77.27	87.43
London Gold		2365.4	0.35%	1.6%	1.2%	2,297.7	2,365.4

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)		5,567.2	0.5%	1.7%	4.1%	5,291.3	5,567.2
STOXX (EU)		511.3	-0.1%	1.2%	-1.9%	499.0	523.1
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,475.5	0.1%	1.0%	-0.4%	18,002.0	18,652.7
CAC All-Tradable(FR)		5,680.8	-0.2%	1.6%	-4.4%	5,528.3	5,972.1
TOPIX (JP)		2,884.2	-0.5%	2.1%	4.7%	2,700.0	2,898.5
Shanghai (CH)		3,092.4	-0.3%	-1.5%	-3.3%	3,088.3	3,240.6
Hang Seng (HK)		17,799.6	-1.3%	0.5%	-3.4%	17,716.5	18,476.8
ASX 200 (AU)		7,822.3	-0.1%	0.9%	0.0%	7,700.3	7,860.0
SET (TH)		1,312.0	0.8%	1.0%	-1.6%	1,288.6	1,338.3
SET50 (TH)		814.0	0.7%	1.0%	-0.7%	800.1	822.9
Straits Times (SG)		3,410.8	-0.8%	2.2%	2.4%	3,297.6	3,439.9
FTSE Malay (MY)		1,611.0	-0.4%	0.8%	-0.2%	1,584.9	1,617.9
JSX Index (ID)		7,253.4	0.4%	1.6%	4.4%	6,726.9	7,253.4
PSE Index (PH)		6,492.8	-0.2%	1.5%	0.8%	6,158.5	6,518.8
Vn Index (VN)		1,283.0	0.2%	2.3%	-0.4%	1,245.3	1,301.5

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.