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U.S. inflation slowed marginally in June on an annual basis, with a key measure of core prices monitored by the Federal Reserve also indicating a reduction in pricing pressures. The U.S. Consumer Price Index (CPI) rose by 3.0% in June compared to a year earlier. Economists had anticipated a decrease to 3.1% from 3.3% in May. On a monthly basis, the CPI fell by 0.1%, a decline from the previous unchanged figure. The core CPI, which excludes volatile categories like food and energy, increased by 3.3% year-over-year, slightly down from the 3.4% rise in May. On a monthly basis, the core CPI rose by 0.1%, less than the 0.2% gain observed the previous month. Following the CPI report, Treasury yields surged, and traders nearly fully anticipated rate cuts in September and December, while also increasing the likelihood of a November rate cut to better than even odds.

US weekly jobless claims fall more than expected

The number of Americans filing new unemployment benefit applications fell more than anticipated last week. However, seasonal volatility, particularly due to auto manufacturers temporarily shutting down plants for retooling, complicates the assessment of the labor market. For the week ending July 6, initial claims for state unemployment benefits dropped by 17,000 to a seasonally adjusted 222,000, marking the lowest level since late May. Economists had projected 236,000 claims for the week. Additionally, the number of people receiving benefits after the initial week, which serves as an indicator of hiring trends, decreased by 4,000 to a seasonally adjusted 1.852 million for the week ending June 29.

Stronger UK economic growth benefits new government

Britain's economy grew faster than anticipated in May, offering a boost to Prime Minister Keir Starmer's new government but raising questions about whether the Bank of England will lower interest rates next month. According to the Office for National Statistics, economic output rose by 0.4% in May, following no growth in April. Economists had forecasted a 0.2% monthly increase. The growth in May was broad-based, with gains across services, manufacturing, and construction, the latter increasing by 1.9% due to a surge in house-building. As a result, the likelihood of a rate cut in three weeks fell below 50% in futures markets, compared to just above 50% on Wednesday.

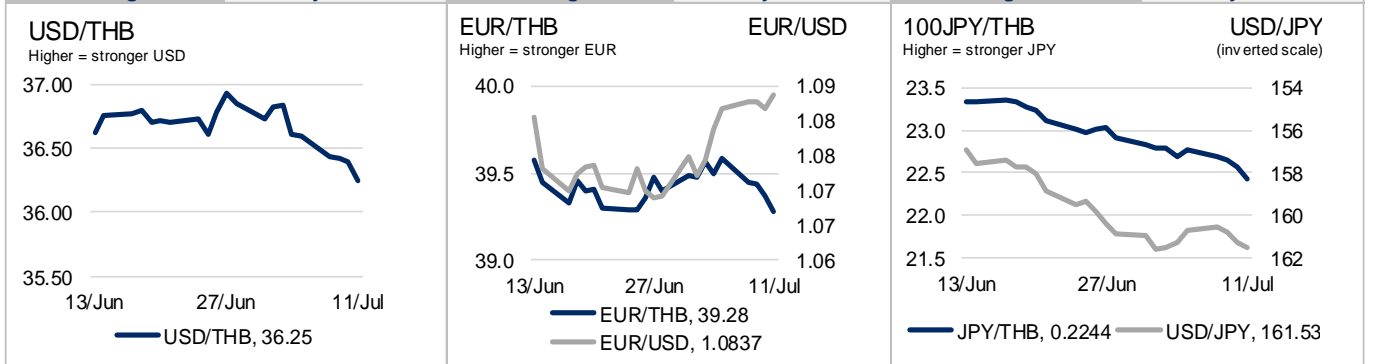
The dollar tumbled on a cooler-than-expected US CPI report

The 10-year government bond yield (interpolated) on the previous trading day was 2.62, -1.18 bps. The benchmark government bond yield (LB346A) was 2.63, -2.00 bps. Meantime, the latest closed US 10-year bond yields was 4.20, -8.0 bps. USDTHB on the previous trading day closed around 36.25 moving in a range of 36.08 - 36.14 this morning. USDTHB could be closed between 36.00-36.20 today. The dollar dropped sharply following a US CPI report that was cooler than anticipated, with all components coming in below forecasts. Additionally, the data increased expectations for a rate cut by the Fed, with money markets now fully anticipating a 25-basis point reduction in September. The British pound benefitted from the broad weakness in the dollar, while monthly UK GDP data topped forecasts but had little impact. The Japanese yen surged on reported FX intervention which saw USD/JPY slide from the 161.00 handle to briefly below the 158.00 level.

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

SET Index	1,329.4	S&P500	5,584.5	10Y UST	4.20%	Brent	85.4	Gold	2,383.6
11-Jul	▲ 0.46%	11-Jul	▼ -0.88%	11-Jul	▼ -8.0 bps	10-Jul	▲ 0.9%	11-Jul	▲ 0.45%

USD/THB 36.25	Daily ▼ -0.41%	EUR/THB 39.28	Daily ▼ -0.23%	JPY/THB 0.2244	Daily ▼ -0.56%
Falling Trend	Weekly ▼ -0.94%	Falling Trend	Weekly ▼ -0.77%	Falling Trend	Weekly ▼ -1.45%
	Monthly ▼ -1.05%		Monthly ▼ -0.75%		Monthly ▼ -3.94%



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		104.93	-0.1%	-0.1%	0.1%	104.07	106.03
EUR/USD		1.0837	0.2%	0.2%	0.3%	1.0690	1.0892
USD/JPY		161.53	0.2%	0.5%	2.9%	155.49	161.63
USD/CHF		0.8983	0.1%	0.0%	0.3%	0.8841	0.9043
GBP/USD		1.2861	0.5%	0.7%	0.6%	1.2629	1.2816
USD/CAD		1.3619	-0.1%	0.1%	-0.9%	1.3608	1.3777
AUD/USD		0.6758	0.3%	0.4%	1.6%	0.6583	0.6746
NZD/USD		0.6092	-0.3%	-0.5%	-1.3%	0.6050	0.6197
ASEAN Dollar		106.22	0.0%	-0.7%	-0.4%	106.07	107.06
USD/THB		36.25	-0.4%	-0.9%	-1.0%	36.38	36.93
USD/SGD		1.3471	-0.2%	-0.2%	-0.1%	1.3446	1.3586
USD/MYR		4.6884	-0.3%	-0.4%	-0.4%	4.6917	4.7210
USD/IDR		16,130	-0.4%	-0.6%	-0.5%	16,171	16,383
USD/PHP		58.44	-0.2%	-0.6%	-0.9%	58.55	59.15
USD/CNY		7.2767	0.02%	0.0%	0.3%	7.2426	7.2894
USD/HKD		7.8059	0.01%	0.0%	0.0%	7.7975	7.8156

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
11/07/2024	-584	1,536	952
10/07/2024	-2,048	3,136	1,088
09/07/2024	-916	1,738	822
08/07/2024	384	-92	291
05/07/2024	1,688	1,612	3,300
Last 5 days	-1,476	7,930	6,453

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -4,010	↓ -3,672	↓ -7,681
QTD	Quarter	↓ -4,010	↓ -3,672	↓ -7,681
YTD	Year	↓ -121,041	↓ -49,657	↓ -170,698

Money Market

Last update: 28/06/2024

THB BIBOR	1M Hist	Last	1M Range		THB FIX	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		4.2000	-8.00	-8.00	-19.00	4.20	4.48
Gilt 10y		4.1429	5.63	0.52	-8.98	4.02	4.29
Bund 10y		2.5400	0.00	-5.00	-1.00	2.37	2.66
JGB 10y		1.0930	1.40	0.70	9.30	0.95	1.10
TGB 1y		2.3753	0.07	0.19	3.19	2.33	2.38
TGB 2y		2.3421	-0.48	-1.38	-2.86	2.35	2.38
TGB 5y		2.3853	-0.58	-8.03	-12.38	2.39	2.53
TGB 7y		2.5049	-0.96	-7.24	-12.26	2.51	2.65
TGB 10y		2.6215	-1.18	-6.03	-14.73	2.63	2.79
AAA Spread		59.10	0.93	-1.99	-11.39	58.17	73.80
AA Spread		76.77	0.99	0.73	-4.56	67.08	82.00
A Spread		103.98	-1.75	-7.86	-19.22	103.98	124.61
BBB Spread		0.00	-235.89	-236.10	-237.56	0.00	263.02

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		85.42	0.90%	-2.3%	4.0%	79.34	87.43
London Gold		2383.6	0.45%	0.8%	2.9%	2,297.7	2,383.6

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)		5,584.5	-0.9%	0.3%	2.8%	5,360.8	5,633.9
STOXX (EU)		512.2	0.5%	0.2%	0.7%	499.0	518.1
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,534.6	0.7%	0.3%	1.5%	18,002.0	18,630.9
CAC All-Tradable(FR)		5,650.4	0.8%	-0.5%	-1.1%	5,528.3	5,860.5
TOPIX (JP)		2,929.2	0.7%	1.6%	7.2%	2,700.0	2,929.2
Shanghai (CH)		3,113.9	1.1%	0.7%	-1.9%	3,063.6	3,198.8
Hang Seng (HK)		17,832.3	2.1%	0.2%	-0.6%	17,471.7	18,476.8
ASX 200 (AU)		7,889.6	0.9%	0.9%	1.8%	7,700.3	7,889.6
SET (TH)		1,329.4	0.5%	1.3%	1.3%	1,288.6	1,329.4
SET50 (TH)		827.0	0.6%	1.6%	2.0%	800.1	827.0
Straits Times (SG)		3,475.1	0.4%	1.9%	5.1%	3,297.6	3,475.1
FTSE Malay (MY)		1,623.1	0.3%	0.4%	0.7%	1,584.9	1,623.1
JSX Index (ID)		7,300.4	0.2%	0.6%	6.5%	6,726.9	7,300.4
PSE Index (PH)		6,609.2	1.8%	1.8%	3.1%	6,158.5	6,609.2
Vn Index (VN)		1,283.8	-0.2%	0.1%	-1.4%	1,245.3	1,301.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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