

ECB keeps rates steady, seeks more data before next cut

Biden Faces Rising Pressure to Withdraw

President Joe Biden's grip on the Democratic nomination appeared to weaken as he faced growing party warnings while isolating at his Delaware beach house with Covid-19. Despite assurances from his team that he remains committed, pressure mounted. Speculation about his potential withdrawal overshadowed the lead-up to Donald Trump's Republican nomination acceptance, with senior Democrats hoping he might drop out as soon as this weekend.

US Initial Jobless Claims surge most since May

Initial Jobless Claims rose to 243k from 223k, above the 230k forecast. The four-week average increased to 234.75k. Continued Claims reached 1.867 million, exceeding the 1.855 million forecast. Analysts noted that the increase in claims is significant, partly due to seasonal adjustments that typically reduce the headline number, and also due to a sharp rise in claims in Texas related to Hurricane Beryl. They suggested that the increase aligns with a cooling labor market, characterized by slower hiring rather than higher layoffs.

ECB keeps rates steady, seeks more data before next cut

The ECB chose to keep interest rates unchanged after the 25bps reduction in June. The Governing Council stated it will maintain a tight policy stance as needed to meet its goals and will continue to base decisions on data without committing to a specific path. President Lagarde highlighted that the economy grew in Q2, but slower than in Q1, and inflation is expected to stay steady until it declines toward the target in the latter half of 2025 due to falling unit labor costs. Lagarde suggested that the September meeting remains open to different outcomes.

Japan's CPI inflation rises slightly below expectations in June

In June, Japan's consumer price index inflation increased slightly less than anticipated, with consumer spending showing only a modest rise. This adds to the uncertainty about when the Bank of Japan might decide to raise interest rates further. Headline CPI inflation stayed at 2.8%. National core CPI rose 2.6% year-on-year in June, missing the 2.7% forecast but up from 2.5% in May. The core CPI excluding fresh food and fuel increased 2.2%, up from 2.1% in May, but remains near two-year lows.

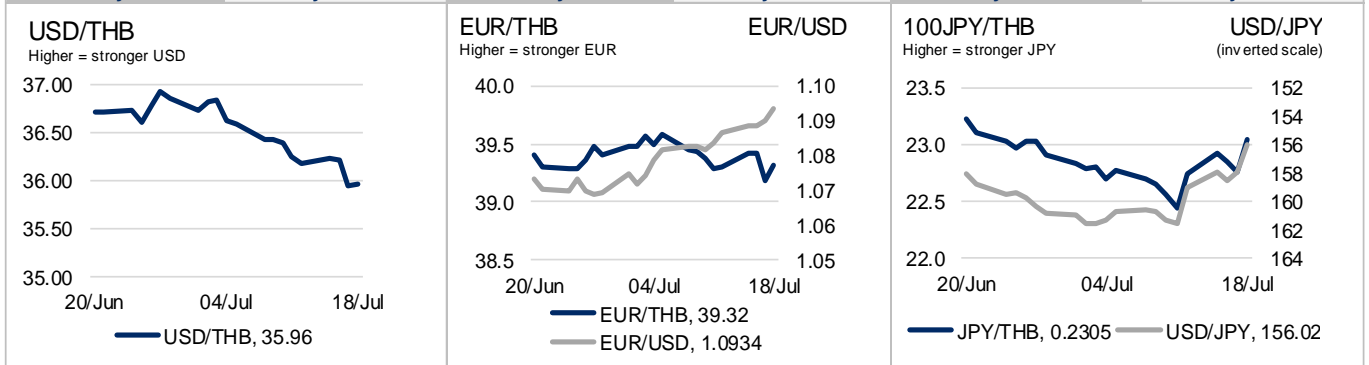
Euro steady as ECB keeps September cut option open

The 10-year government bond yield (interpolated) on the previous trading day was 2.62, +1.47 bps. The benchmark government bond yield (LB346A) was 2.62, +1.00 bps. Meantime, the latest closed US 10-year bond yields was 4.20, +4.0 bps. USDTHB on the previous trading day closed around 35.96 moving in a range of 36.155 – 36.20 this morning. USDTHB could be closed between 36.10 - 36.30 today. The Dollar strengthened with the DXY back above 104.00 as risk-off sentiment was sparked amid a further diminishing of Biden's re-election chances. The Euro held steady on Thursday, following the European Central Bank's decision to leave interest rates unchanged. The Japanese yen underperformed to give back some of its recent advances after the latest BoJ data did not immediately show evidence of intervention.

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

SET Index	1,324.8	S&P500	5,544.6	10Y UST	4.20%	Brent	85.2	Gold	2,467.0
18-Jul	▲ 0.38%	18-Jul	▼ -0.78%	18-Jul	▲ 4.0 bps	17-Jul	▲ 1.7%	18-Jul	▼ -0.14%

USD/THB 35.96	Daily ▲ 0.05%	EUR/THB 39.32	Daily ▲ 0.36%	JPY/THB 0.2305	Daily ▲ 1.26%
Sideways Trend	Weekly ▼ -0.58%	Sideways Trend	Weekly ▲ 0.04%	Sideways Trend	Weekly ▲ 1.37%
	Monthly ▼ -2.06%		Monthly ▼ -0.23%		Monthly ▼ -0.77%



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

Main Contributor

Wajarawij Ramindra | Pimchatr Ekkachan
 Wajarawij.ram@ttbbank.com | pimchatr.ekk@ttbbank.com

ttb analytics | ttbanalytics@ttbbank.com
 Naris Sathapholdeja | naris.sat@ttbbank.com
 Kasem Harnchanpanich | kasem.har@ttbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		103.75	-0.4%	-0.7%	-1.5%	104.18	105.99
EUR/USD		1.0934	0.3%	0.6%	1.9%	1.0690	1.0900
USD/JPY		156.02	-1.2%	-1.9%	-1.3%	157.38	161.63
USD/CHF		0.8838	-1.0%	-1.4%	-0.1%	0.8841	0.9043
GBP/USD		1.3005	0.2%	0.7%	2.3%	1.2629	1.2984
USD/CAD		1.3681	0.0%	0.4%	-0.3%	1.3608	1.3758
AUD/USD		0.6731	-0.1%	-0.4%	1.0%	0.6600	0.6766
NZD/USD		0.6074	0.0%	-0.3%	-0.9%	0.6050	0.6148
ASEAN Dollar		105.47	0.1%	-0.4%	-0.9%	105.30	106.78
USD/THB		35.96	0.1%	-0.6%	-2.0%	35.94	36.93
USD/SGD		1.3396	-0.2%	-0.2%	-0.9%	1.3422	1.3586
USD/MYR		4.6630	-0.2%	-0.1%	-1.0%	4.6681	4.7210
USD/IDR		16,074	0.0%	0.0%	-1.4%	16,078	16,383
USD/PHP		58.48	-0.3%	-0.3%	-0.9%	58.44	59.10
USD/CNY		7.2587	-0.17%	0.0%	-0.2%	7.2582	7.2894
USD/HKD		7.8037	0.01%	0.0%	0.0%	7.7975	7.8156

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

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

Date	Equity	Bond	Total
18/07/2024	1,292	-583	710
17/07/2024	695	7,958	8,653
16/07/2024	-68	-1,495	-1,564
15/07/2024	-443	-4,041	-4,484
12/07/2024	14	4,031	4,045
Last 5 days	1,491	5,869	7,360

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		225,682	1354
Gold		18,036	489
SDR		5,461	25
IMF Reserves		1,121	5
Foreign Ccy		201,063	835
Net Fwd Position		28,445	130

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,518	↑ 2,197	↓ -321
QTD	Quarter	↓ -2,518	↑ 2,197	↓ -321
YTD	Year	↓ -119,550	↓ -43,788	↓ -163,338

Last update: 05/07/2024

Money Market

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	4.00	2.00	-2.00	4.16	4.48
Gilt 10y		4.0528	-2.73	-5.78	2.14	4.02	4.25
Bund 10y		2.4400	3.00	-7.00	1.00	2.37	2.63
JGB 10y		1.0420	1.00	-5.10	7.90	0.95	1.10
TGB 1y		2.3830	0.24	0.82	3.04	2.34	2.38
TGB 2y		2.3424	0.09	0.41	-2.49	2.34	2.37
TGB 5y		2.3742	0.46	0.69	-12.11	2.36	2.51
TGB 7y		2.4979	1.41	0.81	-9.83	2.48	2.63
TGB 10y		2.6248	1.47	2.06	-10.70	2.60	2.77
AAA Spread		56.89	1.88	-4.58	-14.94	55.01	73.29
AA Spread		75.68	-1.88	-2.95	-4.05	67.07	84.68
A Spread		101.72	-4.36	-10.23	-21.11	101.72	124.29
BBB Spread		0.00	0.00	-236.12	-237.69	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		85.20	1.76%	-0.2%	0.2%	82.08	87.43
London Gold		2467.0	-0.14%	2.6%	5.7%	2,310.6	2,470.4

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)		5,544.6	-0.8%	-1.3%	1.3%	5,447.9	5,667.2
STOXX (EU)		504.4	-0.2%	-2.6%	-0.9%	501.6	517.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,354.8	-0.4%	-2.1%	0.6%	18,067.9	18,748.2
CAC All-Tradable(FR)		5,625.8	0.2%	-1.6%	-1.0%	5,528.3	5,718.5
TOPIX (JP)		2,868.6	-1.6%	-2.1%	5.1%	2,700.0	2,929.2
Shanghai (CH)		3,120.9	0.5%	0.2%	-0.9%	3,063.6	3,176.6
Hang Seng (HK)		17,778.4	0.2%	-2.8%	-3.5%	17,471.7	18,430.4
ASX 200 (AU)		8,036.5	-0.3%	1.0%	3.4%	7,700.3	8,057.9
SET (TH)		1,324.8	0.4%	-0.5%	2.0%	1,288.6	1,332.0
SET50 (TH)		827.9	0.4%	0.1%	2.6%	800.1	827.9
Straits Times (SG)		3,471.2	-0.5%	-0.8%	5.2%	3,297.6	3,499.9
FTSE Malay (MY)		1,633.8	0.0%	0.9%	2.1%	1,584.9	1,633.8
JSX Index (ID)		7,321.1	1.3%	-0.1%	7.4%	6,726.9	7,327.6
PSE Index (PH)		6,705.0	0.3%	0.9%	5.7%	6,158.5	6,705.0
Vn Index (VN)		1,274.4	0.5%	-0.5%	-0.6%	1,245.3	1,293.7

Sources: ttb analytics, CEIC

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

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