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Against the dollar, Thai baht was weaker, trading between 31.81-31.94 yesterday and closed around 31.88.

After the Huawei ban was softened as exempted for three months, Huawei CEO said that this move of the US was meaningless, while the US underestimated Huawei's preparedness and 5G advancement. Moreover, President Xi recently visiting a rare-earth factory raised a threat of cutting off rare-earth exports to the US where 80% of the exports are from China and rare-earth elements are crucial in the production of autos, renewable energy, defense, and technology. Additionally, according to Supawut Saichua, one of Thailand's top economists, said that, due to outsized negotiation gaps and merely little trust left between the two superpowers, US-China trade situations already reached a dead end.

As the Fed's QT is to end in September 2019, Wells Fargo estimated that the Fed would recommence large-scale purchases of US treasuries next year, in which the Fed's balance sheet would increase by more than USD 2 trillion in the next decade.

Given UK MPs approving PM May's fourth Brexit deal, inclusive of new agreements on workers' rights, the Irish backstop, and a customs compromise, PM May proposed the MPs a vote on whether to have a second Brexit referendum. In addition, PM May was reportedly to depart the position by 30 June with Former Foreign Secretary Boris Johnson likely to be the next Conservative leader, while JPMorgan besides predicted him to be the next UK PM.

Concerning over the global economic slowdown and geopolitical uncertainties, the OECD has revised down the world growth estimate to 3.2% from 3.3% in March 2019, while 3.5% in November 2018.

Amid reported Thai GDP growth lowest in more than four years and the ongoing US-China trade dispute adversely affecting supply chains, Thai April exports and imports both shrank by 2.52 and 0.72, respectively

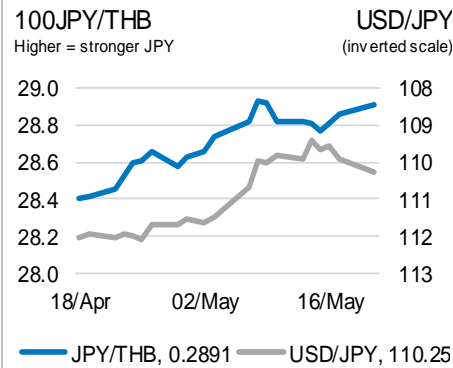
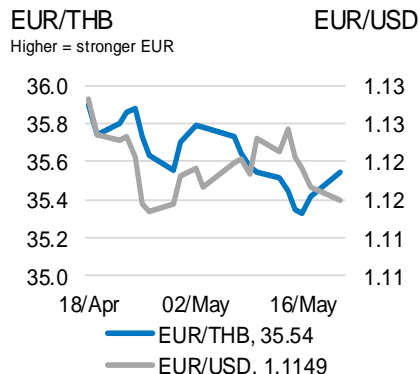
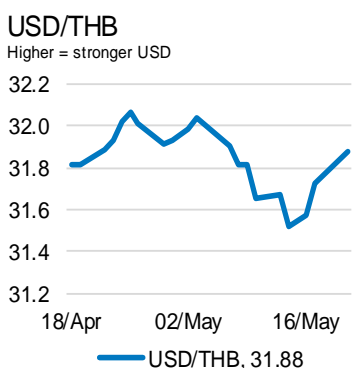
Moving between 31.94-31.99 this morning, USDTHB could be between 31.92-32.02 today.

US treasury yields of 6m and longer tenors keep rising before FOMC minutes

Thai 10-year government bonds (LB28DA) yesterday yielded 2.450%, +0.11 bps. Thai and US 10-year government bond yields yesterday closed at 2.548%, +1.11 bps, and 2.43%, +2.0 bps, respectively.

Before the release of the FOMC minutes, the US treasury yields of 6-month and longer tenors kept rising. Today, Thai 10-year government bonds (LB28DA) could yield between 2.44-2.46%.

SET Index	1,610.5	S&P500	2,864.4	10Y UST	2.43%	Brent	72.0	Gold	1,276.0
21-May	▲ 0.15%	21-May	▲ 0.85%	21-May	▲ 2.0 bps	21-May	▼ -0.10%	21-May	▲ 0.06%
USD/THB 31.88	Daily ▲ 0.49%	EUR/THB 35.54	Daily ▲ 0.34%	JPY/THB 0.2891	Daily ▲ 0.19%				
	Weekly ▲ 1.12%		Weekly ▲ 0.27%		Weekly ▲ 0.36%				
Rising Trend	Monthly ▲ 0.19%	Sideways Trend	Monthly ▼ -1.00%	Rising Trend	Monthly ▲ 1.78%				



Sources: TMB Analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates with changes on daily basis

Currency Market

Currency	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range	
						Min	Max
Dollar Index		98.09	0.2%	0.6%	1.1%	96.98	98.16
EUR/USD		1.1149	-0.1%	-0.6%	-1.3%	1.1133	1.1295
USD/JPY		110.25	0.3%	0.3%	-1.5%	109.42	112.08
USD/CHF		1.0106	0.0%	-0.2%	0.4%	1.0026	1.0212
GBP/USD		1.2719	-0.5%	-2.1%	-2.6%	1.2719	1.3114
USD/CAD		1.3440	-0.3%	-0.1%	0.7%	1.3344	1.3504
AUD/USD		0.6892	0.2%	-1.0%	-4.0%	0.6878	0.7179
NZD/USD		0.6520	-0.1%	-0.8%	-3.0%	0.6520	0.6760
ASEAN Dollar		108.14	0.2%	0.6%	1.5%	106.48	108.14
USD/THB		31.88	0.5%	0.6%	0.3%	31.52	32.06
USD/SGD		1.3765	0.2%	0.7%	1.7%	1.3531	1.3765
USD/MYR		4.1841	0.2%	0.4%	1.1%	4.1130	4.1841
USD/IDR		14,402	-0.3%	0.8%	2.8%	13,946	14,456
USD/PHP		52.60	0.2%	0.5%	1.8%	51.66	52.60
USD/CNY		6.9237	0.1%	0.8%	3.2%	6.6949	6.9237
USD/HKD		7.8525	0.0%	-0.1%	0.1%	7.8365	7.8577

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		-2.20	0.08
3-month		-6.53	-0.03
6-month		-13.25	-0.23

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		211,424	390
Gold		6,360	34
SDR		1,363	3
IMF Reserves		847	1
Foreign Ccy		202,853	352
Net Fwd Position		33,057	-668

Last update: 10/5/2019

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
21/5/2019	834	2,300	3,135
17/5/2019	-1,394	455	-939
16/5/2019	-1,970	1,690	-280
15/5/2019	-848	7,670	6,822
14/5/2019	-2,679	3,975	1,295
Last 5 days	-6,057	16,090	10,033
Period-to-date	Equity	Bond	Total
Month	↓ -15,092	↑ 13,432	↓ -1,660
Quarter	↓ -11,715	↓ -4,353	↓ -16,068
Year	↓ -24,801	↓ -19,602	↓ -44,403

Money Market

THB BIBOR	1M Hist	Last	1M Range		THB Implied	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		1.75	1.75	1.75	ON		1.50	1.29	2.15	ON		2.34	2.34	2.40
1W		1.77	1.77	1.77	1W		1.53	1.37	1.69	1W		2.39	2.39	2.43
1M		1.80	1.80	1.80	1M		1.63	1.51	1.69	1M		2.44	2.44	2.49
2M		1.83	1.83	1.83	2M		1.65	1.54	1.71	2M		2.50	2.49	2.55
3M		1.88	1.87	1.88	3M		1.67	1.59	1.75	3M		2.52	2.52	2.60
6M		1.96	1.96	1.96	6M		1.70	1.65	1.74	6M		2.55	2.55	2.64
12M		2.20	2.20	2.20	12M		1.77	1.77	1.83	12M		2.64	2.64	2.76

Last Updated: 17/5/2019

Last Updated: 14/5/2019

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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		2.4300	2.00	1.00	-16.00	2.37	2.59
Gilt 10y		1.0814	-2.67	-8.40	-17.04	1.04	1.27
Bund 10y		-0.0900	2.00	-4.00	-16.00	-0.12	0.09
JGB 10y		-0.0420	1.10	0.10	2.00	-0.06	-0.01
TGB 1y		1.7989	0.03	0.10	0.21	1.80	1.80
TGB 2y		1.8261	0.23	0.52	2.30	1.80	1.83
TGB 5y		2.1094	0.85	2.74	-3.98	2.08	2.17
TGB 7y		2.2934	0.79	2.00	-4.69	2.27	2.34
TGB 10y		2.5476	1.11	1.63	-2.16	2.51	2.57
AAA Spread		56.11	-0.99	-0.98	-3.14	56.11	59.26
AA Spread		89.19	-0.03	-0.73	-1.40	88.75	91.48
A Spread		93.71	-0.42	-1.02	-2.15	93.71	96.53
BBB Spread		214.24	-0.06	-0.07	-2.42	214.18	217.95

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 between 3yrs to 5yrs;

Commodity Market

Commodity	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Brent Crude		71.99	-0.1%	1.5%	-2.9%	69.79	74.53
London Gold		1276.0	0.1%	-1.7%	0.0%	1,270.1	1,298.9

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)		2,864.4	0.8%	1.1%	-1.5%	2,811.9	2,945.8
STOXX (EU)		369.7	0.6%	0.6%	-3.5%	362.8	383.6
FTSE All-Share(UK)		4,014.4	0.3%	1.1%	-1.9%	3,929.5	4,115.6
DAX (DE)		12,143.5	0.8%	1.3%	-0.1%	11,876.7	12,412.8
CAC All-Tradable(FR)		4,169.4	0.5%	0.6%	-3.4%	4,081.6	4,339.1
TOPIX (JP)		1,550.3	-0.3%	1.0%	-3.4%	1,535.0	1,630.7
Shanghai (CH)		3,043.5	1.2%	0.8%	-11.0%	2,985.7	3,425.9
Hang Seng (HK)		27,657.2	-0.5%	-1.7%	-8.2%	27,657.2	30,129.9
ASX 200 (AU)		6,500.1	0.4%	4.2%	3.9%	6,239.9	6,500.1
SET (TH)		1,610.5	0.1%	-1.8%	-3.7%	1,608.1	1,679.2
SET50 (TH)		1,071.6	0.3%	-1.7%	-3.7%	1,068.5	1,116.3
Straits Times (SG)		3,183.3	-0.7%	-1.6%	-4.9%	3,183.3	3,407.0
FTSE Malay (MY)		1,603.7	-0.1%	0.2%	-1.0%	1,599.2	1,642.3
JSX Index (ID)		5,951.4	0.7%	-2.0%	-8.5%	5,826.9	6,507.2
PSE Index (PH)		7,721.6	0.8%	1.0%	-1.3%	7,475.2	8,001.6
Vn Index (VN)		986.3	-0.1%	2.2%	1.5%	947.0	987.1

20 May 2019	21 May 2019	14 January 1900	23 May 2019	24 May 2019
(JP) GDP Growth Rate QoQ Prel Q1 A0.5% P0.4% C-0.1%, Annualized Prel Q1 A2.1% P1.6% C-0.2% , Industrial Production YoY Final MAR A-4.3% P-1.1% C-4.6%; (TH) GDP Growth Rate YoY Q1 A2.8% P3.7% C3%	(US) Fed Chair Powell Speech, Home Sales APR P5.21M C5.35M; (EA) Consumer Confidence Flash MAY P-7.9 C-7.7; (TH) Trade Balance APR P\$2.0B C\$1.28B, Exports APR P-4.88% C-3%, Imports APR P-7.63% C-2.95%	(JP) Balance of Trade APR PY529B C¥203.2B; (UK) Inflation Rate YoY APR P1.9% C2.2%; (US) FOMC Minutes	(JP) Mfg PMI Flash MAY P50.2 C50.5; (GE) GDP QoQ Final Q1 P0% C0.4%, YoY Final Q1 P0.6% C0.7% Mfg PMI Flash MAY P44.4 C44.8, Ifo Biz Climate MAY P99.2 C99.1; (EA) Mfg PMI Flash MAY P47.9 C48.1; (US) Mfg PMI Flash	(JP) Inflation Rate YoY APR P0.5% C0.4%, US-Japan Trade Talks; (US) Durable Goods Orders MoM APR P2.7% C-2%

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

Sources: TMB Analytics, CEIC

Important Disclosures

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