

## Key Theme – US Growth slightly better than previous projection

### This week Economic calendar

#### Highlight:

- Germany CPI EU Harmonized YoY 1.5% vs. 1.3% forecast.
- US GDP Annualized Q1 final reading posted at 1.4% vs. 1.2% forecast, personal consumption posted at 1.1% vs. 0.6% forecast.
- Japan Jobless rate posted at 3.1% vs. 2.8% forecast. CPI YoY posted at 0.4% vs. 0.5% forecast, CPI ex. Food and energy posted at 0.0% vs. 0.1% forecast.
- China Manufacturing PMI posted at 51.7 vs. 51.0 forecast.
- Overnight market in slight risk off tone as US tech stock plunged.
- Key economic indicators this week: UK GDP, Eurozone CPI and US Personal Income, Personal Spending and Core PCE.

#### Our take:

- We maintain downside biased USDTHB and recommend sell on rally around 34.10-15 area.
- We are now neutral USDJPY after it missed our target of 113.20, having reach high slightly above 112.90.**
- Our next EURUSD target is at 1.1490-1.1500. Stop loss level at 1.1385.**

Day	Country	Event	Period	Surv(M)	Actual	Prior
Mon	Germany	IFO Business Climate	Jun	114.5	115.1	114.6
Mon	Germany	IFO Expectations	Jun	106.4	106.8	106.5
Mon	Germany	IFO Current Assessment	Jun	123.2	124.1	123.2
Mon	United States	Durable Goods Orders	May P	-0.60%	-1.10%	-0.80%
Tue	United States	Conf. Board Consumer Confidence	Jun	116	118.90	117.9
Wed	Eurozone	M3 Money Supply YoY	May	5.00%	5.00%	4.90%
Wed	United States	MBA Mortgage Applications	Jun-23--		-6.20%	0.60%
Wed	United States	Wholesale Inventories MoM	May P	0.20%	0.30%	-0.50%
Wed	United States	Pending Home Sales MoM	May	0.80%	-0.80%	-1.30%
	United Kingdom	Nationwide House PX MoM	Jun	0.00%	1.10%	-0.20%
	United Kingdom	Nationwide House Px NSA YoY	Jun	1.90%	3.10%	2.10%
Thu	Japan	Retail Trade YoY	May	2.60%	2.00%	3.20%
Thu	United Kingdom	Mortgage Approvals	May	64.0k	65.2k	64.6k
Thu	Eurozone	Consumer Confidence	Jun F	-1.3	-1.3	-1.3
Thu	Germany	CPI MoM	Jun P	0.00%	0.20%	-0.20%
Thu	Germany	CPI YoY	Jun P	1.40%	1.60%	1.50%
Thu	Germany	CPI EU Harmonized YoY	Jun P	1.30%	1.50%	1.40%
Thu	United States	GDP Annualized QoQ	1Q T	1.20%	1.40%	1.20%
Thu	United States	GDP Price Index	1Q T	2.20%	1.90%	2.20%
Thu	United States	Initial Jobless Claims	Jun-24	240k	244k	241k
Fri	Japan	Jobless Rate	May	2.80%	3.10%	2.80%
Fri	Japan	Job-To-Applicant Ratio	May	1.48	1.49	1.48
Fri	Japan	Natl CPI YoY	May	0.50%	0.40%	0.40%
Fri	Japan	Tokyo CPI Ex-Fresh Food YoY	Jun	0.20%	0.00%	0.10%
Fri	Japan	Industrial Production MoM	May P	-3.00%	-3.30%	4.00%
Fri	Japan	Industrial Production YoY	May P	6.90%	6.80%	5.70%
Fri	China	Manufacturing PMI	Jun	51	51.7	51.2
Fri	Thailand	Foreign Reserves	Jun-23--	--	--	\$184.5b
Fri	Thailand	BoP Current Account Balance	May	\$2000m	--	\$2906m
Fri	Germany	Unemployment Change (000's)	Jun	-10k	--	-9k
Fri	United Kingdom	GDP QoQ	1Q F	0.20%--	--	0.20%
Fri	United Kingdom	GDP YoY	1Q F	2.00%--	--	2.00%
Fri	Eurozone	CPI Estimate YoY	Jun	1.20%--	--	1.40%
Fri	United States	Personal Income	May	0.30%--	--	0.40%
Fri	United States	Personal Spending	May	0.10%--	--	0.40%
Fri	United States	Chicago Purchasing Manager	Jun	58--	--	59.4
Fri	United States	U. of Mich. Sentiment	Jun F	94.5--	--	94.5

Source: Thomson Reuters, Bloomberg, TBMA, and The Nation

# Daily Market Review At-A-Glance: 30 June 2017

## Views on Interest Rate and Exchange Rates

### Currency:

**USDTHB:** We remain downside biased USDTHB. Support at 33.95 then 33.85. Maintain sell on rally recommendation at 34.10-15 range.

**USDJPY:** Reached high near 113 but did not reach our target at 113.20. Sell off in US tech stock put pressure on USDJPY and we are no longer upside biased USDJPY. Support 111.60.

**EURUSD:** Our next target is 1.1490-1.1500. Support at 1.1390.

### Bond:

**US Treasury:** US curve is bear steepen 2-3 bps. If USD rate close around this level this week, it will reinforce rate rise theme . Next week, we recommend build pay steepener, we see belly and long-end curve rate move higher.

## Exchange Rate

	22-Jun-17	29-Jun-17	30-Jun-17
USD/THB	33.98	33.99	33.98
JPY/THB	30.52	30.29	30.40
EUR/THB	37.89	38.88	38.87
GBP/THB	43.09	44.21	44.24
AUD/THB	25.62	26.11	26.17
USD/JPY	111.32	112.16	111.77
EUR/USD	1.115	1.144	1.144
GBP/USD	1.268	1.300	1.302
AUD/USD	0.754	0.768	0.770

## Stock

market	28-Jun-17	29-Jun-17	%Change
SET Index	1,582.63	1,578.12	(0.28)
DJIA	21,454.61	21,287.03	(0.78)

## Repurchase rate

1-day	7-day	14-day	1-mth
1.50%	1.50%	1.50%	1.50%

## Commodities

	Previous Day	Last	%Change
WTI Crude oil	44.74	44.93	0.42
Gold	1,249.27	1,246.88	(0.19)

## Government Bond Yields

Tenor	22-Jun-17	28-Jun-17	29-Jun-17
UST 3-mth	0.958	1.011	1.029
UST 6-mth	1.106	1.124	1.137
UST 1-yr	1.210	1.212	1.225
UST 5-yr	1.762	1.816	1.850
UST 10-yr	2.153	2.223	2.267
TGB 6-mth	1.46	1.46	1.46
TGB 2-yr	1.51	1.53	1.54
TGB 5-yr	1.91	1.93	1.97
TGB 10-yr	2.51	2.51	2.55

## THBFIX (%)

1-mth	3-mth	6-mth	1-yr
1.348	1.375	1.500	1.744

## THB Swap rate (IRS)

Tenor	bid	ask
1-yr	1.510	1.540
2-yr	1.615	1.645
3-yr	1.740	1.770
5-yr	2.015	2.045
10-yr	2.405	2.455

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