

Key Theme – Commodity gain supporting AUD strength.

This week Economic calendar

Highlight:

- US Consumer Confidence posted at 122.1 vs. 128.0 forecast.
- Japan Retail Sales posted at 1.9% vs. 0.7% forecast, Industrial Production posted at 0.6% vs. 0.5% forecast.
- Key economic indicator this week: US Chicago Purchasing Manager on Thursday and Germany CPI on Friday.

Our take:

- **EURUSD trading above key resistance at 1.1880. We now prefer to long EURUSD heading into 2018 with stop loss at 1.1870.**
- **Higher Oil and metal price are supporting AUDUSD. We see key resistance for AUDUSD at 0.7845-50.**

Day	Country	Event	Period	Surv(M)	Actual	Prior
Tue	Japan	Jobless Rate	Nov	2.80%	2.70%	2.80%
Tue	Japan	Job-To-Applicant Ratio	Nov	1.56	1.56	1.55
Tue	Japan	Natl CPI YoY	Nov	0.50%	0.60%	0.20%
Tue	Japan	Tokyo CPI Ex-Fresh Food YoY	Dec	0.70%	0.80%	0.60%
Tue	Singapore	CPI YoY	Nov	0.60%	0.60%	0.40%
Tue	Singapore	Industrial Production YoY	Nov	8.00%	5.30%	14.60%
Wed	United States	Conf. Board Consumer Confidence	Dec	128	122.1	129.5
Wed	United States	Pending Home Sales MoM	Nov	-0.40%	0.20%	3.50%
Thu	Japan	Retail Trade YoY	Nov	1.00%	2.20%	-0.20%
Thu	Japan	Industrial Production MoM	Nov P	0.50%	0.60%	0.50%
Thu	Russia	Markit Russia PMI Mfg	Dec	51.3--		51.5
Thu	Russia	Gold and Forex Reserve	Dec-22 --	--		430.3b
Thu	United States	Wholesale Inventories MoM	Nov P	0.30%--		-0.50%
Thu	United States	Initial Jobless Claims	Dec-23	240k	--	245k
Thu	United States	Chicago Purchasing Manager	Dec	62--		63.9
Fri	Thailand	Foreign Reserves	Dec-22 --	--		\$203.4b
Fri	Thailand	BoP Current Account Balance	Nov	\$3665m	--	\$3535m
Fri	Eurozone	M3 Money Supply YoY	Nov	4.90%--		5.00%
Fri	Russia	GDP YoY	3Q F	1.80%--		1.80%
Fri	Russia	CPI YoY	Dec P	2.60%--		2.50%
Fri	Germany	CPI MoM	Dec P	0.50%--		0.30%
Fri	Germany	CPI YoY	Dec P	1.50%--		1.80%
Fri	Germany	CPI EU Harmonized YoY	Dec P	1.40%--		1.80%

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

Daily Market Review At-A-Glance: 28 December 2017

Views on Interest Rate and Exchange Rates

Currency:

USDTHB: Support at 32.70. Key support at 32.50-55. Resistance at 32.85-90.

USDJPY: Support at 113.00. Key resistance at 113.70-80.

EURUSD: We prefer long EURUSD heading into New year with short stop loss at 1.1870 as EURUSD are holding above 1.1900.

Bond:

US Treasury: UST dropped 5 bps from thin market. UST is now at 2.42%

Exchange Rate

	20-Dec-17	27-Dec-17	28-Dec-17
USD/THB	32.71	32.79	32.69
JPY/THB	28.85	28.92	28.88
EUR/THB	38.83	38.97	38.92
GBP/THB	43.74	43.92	43.85
AUD/THB	25.08	25.47	25.44
USD/JPY	113.38	113.34	113.19
EUR/USD	1.187	1.189	1.191
GBP/USD	1.337	1.340	1.342
AUD/USD	0.767	0.777	0.778

Government Bond Yields

Tenor	20-Dec-17	26-Dec-17	27-Dec-17
UST 3-mth	1.384	1.345	1.447
UST 6-mth	1.520	1.532	1.527
UST 1-yr	1.712	1.729	1.724
UST 5-yr	2.242	2.237	2.197
UST 10-yr	2.497	2.467	2.412
TGB 6-mth	1.41	1.39	1.38
TGB 2-yr	1.48	1.48	1.47
TGB 5-yr	1.89	1.89	1.88
TGB 10-yr	2.60	2.58	2.57

Stock market

	26-Dec-17	27-Dec-17	%Change
SET Index	1,752.48	1,752.89	0.02
DJIA	24,746.21	24,774.30	0.11

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	59.97	59.64	(0.55)
Gold	1,283.10	1,288.38	0.41

THBFIX (%)

	1-mth	3-mth	6-mth	1-yr
	-0.298	0.307	0.852	1.329

THB Swap rate (IRS)

Tenor	bid	ask
1-yr	1.310	1.340
2-yr	1.490	1.520
3-yr	1.670	1.700
5-yr	1.960	1.990
10-yr	2.33	2.38

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