

Key Theme – Stock bull train aim for the sky.

This week Economic calendar

Highlight:

- Risk on theme continues as equities again push to new all-time high in both domestic and US market, while other major market also gained.
- Disappointing Non-Farm payroll headline (148k vs. 190k forecast) only caused brief market reaction, while average hourly earing MoM posted at 0.3% MoM and 2.5% YoY in line.
- Eurozone CPI Core YoY posted at 0.9% vs. 1.0% forecast, CPI estimate YoY posted in line at 1.4%.
- US ISM Non-Manufacturing posted at 55.9 vs. 57.6 forecast.
- Key economic indicator this week: Germany Factory Orders, Eurozone Consumer Confidence on Monday, Germany Industrial Production on Tuesday, China PPI and CPI, UK Industrial Production and US Import Price Index on Wednesday, Australia Retail Sales, US PPI on Thursday, China Trade figures, US CPI and Retail Sales on Friday.

Our take:

- Remain upside biased EURUSD, stop loss at 1.2000.
- Non Farm payroll and ISM Non Manf. are showing weaker than expected Service sector in December. Remain to be seen if this is only a blip or something substantial.

Day	Country	Event	Period	Surv(M)	Actual	Prior
Mon	Germany	Factory Orders MoM	Nov	0.00%	--	0.50%
Mon	United Kingdom	Halifax House Prices MoM	Dec	0.20%	--	0.50%
Mon	Eurozone	Consumer Confidence	Dec F	0.5	--	0.5
Tue	Australia	Building Approvals MoM	Nov	-1.30%	--	0.90%
Tue	Germany	Industrial Production SA MoM	Nov	1.80%	--	-1.40%
Wed	China	PPI YoY	Dec	4.80%	--	5.80%
Wed	China	CPI YoY	Dec	1.90%	--	1.70%
Wed	United Kingdom	Industrial Production MoM	Nov	0.40%	--	0.00%
Wed	United Kingdom	Manufacturing Production MoM	Nov	0.30%	--	0.10%
Wed	United States	MBA Mortgage Applications	Jan-05	--	--	0.70%
Wed	United States	Import Price Index MoM	Dec	0.40%	--	0.70%
Wed	United States	Wholesale Inventories MoM	Nov F	0.70%	--	0.70%
	China	Money Supply M2 YoY	Dec	9.20%	--	9.10%
Thu	Australia	Retail Sales MoM	Nov	0.40%	--	0.50%
Thu	United States	PPI Final Demand MoM	Dec	0.20%	--	0.40%
Thu	United States	Initial Jobless Claims	Jan-06	245k	--	250k
Fri	United States	Monthly Budget Statement	Dec	-\$46.0b	--	-\$138.5b
Fri	Japan	BoP Current Account Balance	Nov	¥1836.1b	--	¥2176.4b
Fri	Singapore	Retail Sales YoY	Nov	1.90%	--	-0.10%
Fri	Thailand	Foreign Reserves	Jan-05	--	--	\$202.6b
Fri	United States	CPI MoM	Dec	0.10%	--	0.40%
Fri	United States	CPI Ex Food and Energy MoM	Dec	0.20%	--	0.10%
Fri	United States	Retail Sales Advance MoM	Dec	0.50%	--	0.80%
Fri	China	Trade Balance	Dec	\$37.00b	--	\$40.21b

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

Daily Market Review At-A-Glance: 8 January 2018

Views on Interest Rate and Exchange Rates

Currency:

USDTHB: We see key support for USDTHB at 31.90. USDTHB continued to trade down quickly as USD vs. Asian remain under pressure. Resistance at 32.30.

USDJPY: Key support at 111.80-112.00. Key resistance at 113.50.

EURUSD: Remain Upside Biased with stop loss at 1.1200. Tested key resistance at 1.2090 again after weak Non-Farm but could not breakthrough.

Bond:

US Treasury: 10y UST yield higher 2bps on Friday even job report came out weaker than expected. The yield has climbed recently as U.S. stock index rose to new high attract investors to move to riskier asset.

Exchange Rate

	29-Dec-17	5-Jan-18	8-Jan-18
USD/THB	32.55	32.16	32.12
JPY/THB	28.88	28.44	28.40
EUR/THB	39.05	38.68	38.69
GBP/THB	43.98	43.64	43.63
AUD/THB	25.39	25.28	25.24
USD/JPY	112.67	113.06	113.11
EUR/USD	1.200	1.203	1.204
GBP/USD	1.351	1.357	1.358
AUD/USD	0.780	0.786	0.786

Stock market

	4-Jan-18	5-Jan-18	%Change
SET Index	1,791.02	1,795.45	0.25
DJIA	25,075.13	25,295.87	0.88

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	62.01	61.44	(0.92)
Gold	1,323.01	1,320.35	(0.20)

Government Bond Yields

Tenor	29-Dec-17	4-Jan-18	5-Jan-18
UST 3-mth	1.391	1.404	1.404
UST 6-mth	1.535	1.594	1.589
UST 1-yr	1.737	1.806	1.803
UST 5-yr	2.211	2.268	2.285
UST 10-yr	2.411	2.453	2.476
TGB 6-mth	1.37	1.35	1.33
TGB 2-yr	1.47	1.46	1.44
TGB 5-yr	1.85	1.87	1.84
TGB 10-yr	2.54	2.55	2.54

THBFIX (%)

	1-mth	3-mth	6-mth	1-yr
	0.842	0.790	0.880	1.244

THB Swap rate (IRS)

Tenor	bid	ask
1-yr	1.115	1.145
2-yr	1.370	1.400
3-yr	1.560	1.590
5-yr	1.850	1.880
10-yr	2.225	2.275

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