

Key Theme – USD broadly traded in narrow range

This week Economic calendar

Highlight:

- In US data, Factory order prints 1.6% (exp 1.4%). Equities ended flat despite of trading down around 1.5% in the mid session amid concern on US-China trade talks.
- USD broadly traded in narrow range after pulled back yesterday.
- Market awaits the result of trade discussion between China and US and NFP data tonight.
- Key economic indicator this week: Thailand Foreign Reserves and US Unemployment Rate on Today.

Our take:

- Range Expected: Intraday range 31.55-31.70.

Day	Country	Event	Period	Surv(M)	Actual	Prior
Mon	China	Manufacturing PMI	Apr	51.3	51.4	51.5
Mon	Thailand	BoP Current Account Balance	Mar	\$4400m	\$5751m	\$6157m
Mon	Eurozone	M3 Money Supply YoY	Mar	4.10%	3.70%	4.20%
Mon	Germany	CPI MoM	Apr P	-0.10%	0.00%	0.40%
Mon	Germany	CPI YoY	Apr P	1.50%	1.60%	1.60%
Mon	United States	Personal Income	Mar	0.40%	0.30%	0.40%
Mon	United States	Personal Spending	Mar	0.40%	0.40%	0.20%
Tue	Japan	Nikkei Japan PMI Mfg	Apr F	--	53.8	53.3
Tue	Thailand	CPI YoY	Apr	1.50%	1.60%	0.79%
Tue	Australia	RBA Cash Rate Target	May-01	1.50%	1.50%	1.50%
Tue	UK	Mortgage Approvals	Mar	63.0k	62.9k	63.9k
Tue	UK	Markit UK PMI Manufacturing SA	Apr	54.8	53.9	55.1
Tue	United States	Markit US Manufacturing PMI	Apr F	56.5	56.5	56.5
Tue	United States	Construction Spending MoM	Mar	0.50%	-1.70%	0.10%
Tue	United States	ISM Manufacturing	Apr	58.5	57.3	59.3
Wed	Japan	Monetary Base YoY	Apr	--	7.80%	9.10%
Wed	China	Caixin China PMI Mfg	Apr	50.9	51.1	51
Wed	Germany	Markit/BME Germany Manufacturing PMI	Apr F	58.1	58.1	58.1
Wed	Eurozone	Markit Eurozone Manufacturing PMI	Apr F	56	56.2	56
Wed	Eurozone	GDP SA QoQ	1Q A	0.40%	0.40%	0.60%
Wed	Eurozone	GDP SA YoY	1Q A	2.50%	2.50%	2.70%
Wed	United States	MBA Mortgage Applications	Apr-27	--	-2.50%	-0.20%
Thu	United States	FOMC Rate Decision (Upper Bound)	May-02	1.75%	1.75%	1.75%
Thu	Australia	Trade Balance	Mar	A\$865m	A\$1527m	A\$825m
Thu	Australia	Building Approvals MoM	Mar	1.00%	2.60%	-6.20%
Thu	United States	Initial Jobless Claims	Apr-28	225k	211k	209k
Thu	United States	Trade Balance	Mar	-\$50.0b	-\$49.0b	-\$57.6b
Thu	United States	Durable Goods Orders	Mar F	--	2.60%	2.60%
Fri	Thailand	Foreign Reserves	Apr-27	--	--	\$216.6b
Fri	United States	Change in Nonfarm Payrolls	Apr	195k	--	103k
Fri	United States	Unemployment Rate	Apr	4.00%	--	4.10%

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

Daily Market Review At-A-Glance: 4 May 2018

Views on Interest Rate and Exchange Rates

Currency:

USDTHB: USDTHB flipped down after FOMC event in line with broad dollar movement including dividend repatriation gradually faded. Support 31.55/31.60 resistance at 31.70/80.

USDJPY: USDJPY failed to break resistance at 110, eyeing 108.70 support now.

EURUSD: EUR traded around daily 200EMA level and we still bias to buy EUR here as fundamental of Euro area is unchanged. Support 1.196/1.1915 resistance at 1.202/1.214.

Bond:

USD : UST 10Y yield tested support at 2.93%. Market eye on Non-farm payroll tonight.

Exchange Rate

	26-Apr-18	3-May-18	4-May-18
USD/THB	31.60	31.61	31.60
JPY/THB	28.91	28.94	28.99
EUR/THB	38.24	37.89	37.89
GBP/THB	43.98	42.91	42.92
AUD/THB	23.86	23.80	23.85
USD/JPY	109.29	109.18	108.99
EUR/USD	1.210	1.199	1.199
GBP/USD	1.391	1.357	1.358
AUD/USD	0.756	0.753	0.755

Stock market

	2-May-18	3-May-18	%Change
SET Index	1,791.13	1,790.80	(0.02)
DJIA	23,924.98	23,930.15	0.02

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	67.93	68.43	0.74
Gold	1,304.95	1,313.32	0.64

Government Bond Yields

Tenor	26-Apr-18	2-May-18	3-May-18
UST 3-mth	1.828	1.823	1.831
UST 6-mth	2.017	2.028	2.023
UST 1-yr	2.242	2.239	2.231
UST 5-yr	2.819	2.802	2.782
UST 10-yr	2.99	2.964	2.946
TGB 6-mth	1.35	1.37	1.38
TGB 2-yr	1.49	1.54	1.56
TGB 5-yr	1.96	1.98	1.98
TGB 10-yr	2.61	2.64	2.64

THBFIX (%)

	1-mth	3-mth	6-mth	1-yr
	1.056	1.251	1.329	1.502

THB Swap rate (IRS)

Tenor	bid	ask
1-yr	1.395	1.425
2-yr	1.600	1.630
3-yr	1.780	1.810
5-yr	2.075	2.105
10-yr	2.505	2.555

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