

Daily Market Review At-A-Glance

Wednesday, March 4, 2020

Market Highlight



- Overnight, Fed moved to cut its benchmark rates by 50bps overnight, signaling that the latest brought about the novel coronavirus was generating both a sizeable demand and supply shock.
- Earlier, Malaysia cut its main rate by 25 basis points following Australia's lead. The BOJ and PBOC had already started work.
- US stock equities end down another 3 % after 4 % gain the prior session.

Views on Exchange Rates



USDTHB: The pair flip down after emergency Fed cut overnight from 31.50 zone. However USDTHB key support, around 31.30, still hold with suspected BOT step to intervened around this area.

Support/Resistance: 31.25/31.50

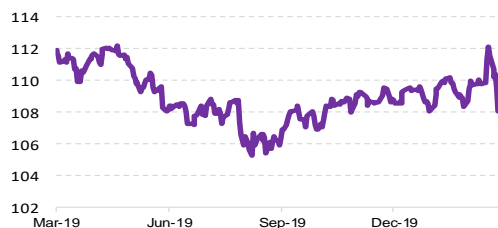
USDTHB Exchange Rates



USDJPY: Risk off action pushed USDJPY lower but still hold around 107.00. we still monitor for the BOJ responding after Fed action overnight to limit downside for japan economy.

Support/Resistance: 107.00/109

USDJPY Exchange Rates



EURUSD: EURUSD still trade in the upper range amid short covering for this pair persist after act as funding currency for a while.

Support/Resistance: 1.112/1.122

EURUSD Exchange Rates



Exchange Rate

	26/2/20	3/3/20	4/3/20		26/2/20	3/3/20	4/3/20
USD/THB	31.83	31.40	31.38	USD/JPY	110.42	107.12	107.30
JPY/THB	28.82	29.31	29.24	EUR/USD	1.088	1.117	1.116
EUR/THB	34.63	35.08	35.03	GBP/USD	1.290	1.281	1.282
GBP/THB	41.07	40.22	40.22	AUD/USD	0.654	0.658	0.660
AUD/THB	20.83	20.67	20.69				

Regional foreign exchange rate spot return (7D)

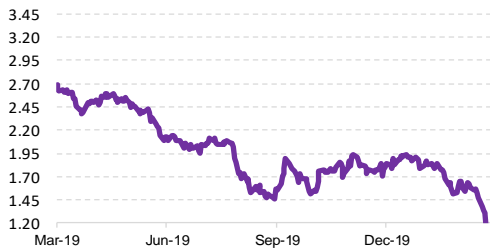


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Views on Interest Rates

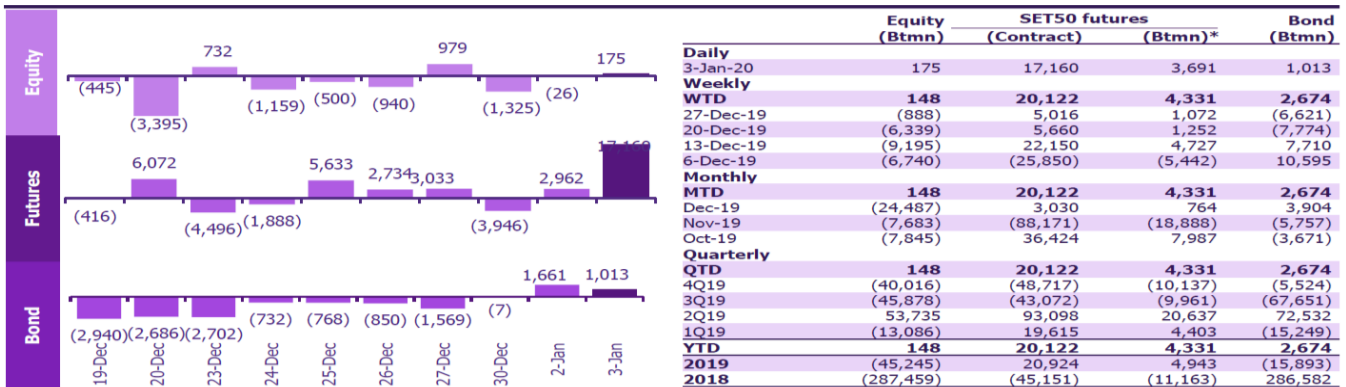
U.S. 10 Year Treasury



US : Selling interest pull bond yields closed higher by 1-3bps while IRS rose by 1-2bps. However, FED emergency 50bps rate cut induced Thai bond market opened lower by 10bps today.

THB : USTs rally after Fed announced an emergency cut by 50bps in order to protect economy against corona virus. 10Y UST dropped by 27bps from intraday high to intraday low and it opened in Asian session below 1.00%. However, the invert curve shortens from 4Y to 3Y.

Thailand daily foreign net flows

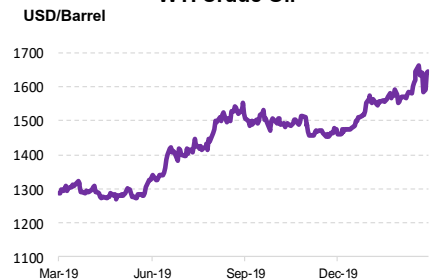


Key Indicator Update

Tenor	25/2/20	2/3/20	3/3/20
UST 3-mth	1.53	1.17	0.95
UST 6-mth	1.45	1.03	0.85
UST 1-yr	1.32	0.89	0.72
UST 5-yr	1.16	0.86	0.77
UST 10-yr	1.33	1.09	1.02

Tenor	25/2/20	2/3/20	3/3/20
TGB 6-mth	0.95	0.95	0.93
TGB 2-yr	0.81	0.80	0.80
TGB 5-yr	0.87	0.87	0.88
TGB 10-yr	1.08	1.07	1.10

WTI Crude Oil



Stock market

	2/3/20	3/3/20	%Change
SET Index	1,335.72	1,375.02	2.94
DJIA	26,703.32	25,917.41	(2.94)

Repurchase rate

1-day	7-day	14-day	1-mth
1.25%	1.25%	1.25%	1.25%

Commodities

	Previous Day	Last	%Change
WTI Crud	46.75	47.18	0.92
Gold	1,596.65	1,644.47	3.00

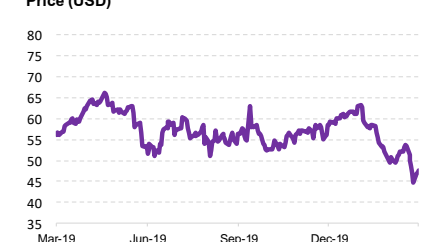
THBFIX (%)

1-mth	3-mth	6-mth	1-yr
0.982	0.966	0.934	0.884

THB Swap rate (IRS)

Tenor	bid	ask
1-yr	0.700	0.740
2-yr	0.700	0.740
3-yr	0.715	0.755
5-yr	0.755	0.795
10-yr	0.855	0.915

Gold



Economic Calendar

Date	Event
2 Mar	Economic release: CN – Manufacturing and non-manufacturing PMI for Feb, JP/EU/US – Final manufacturing PMI, CN – Caixin manufacturing PMI for Feb, US – ISM manufacturing PMI for Feb Event: 5G spectrum license granting this month, Effective of February 2020 quarterly MSCI index review.
3 Mar	Economic release: JP – Consumer confidence for Feb Event: US super Tuesday
4 Mar	Economic release: CN – Caixin service PMI for Feb, EU/US – Final service PMI for Feb, US – ISM non-manufacturing PMI for Feb, ADP non-farm employment change, crude oil inventories
5 Mar	Economic release: US – Unemployment claims, TH – CPI and core CPI for Feb Event: OPEC meetings
6 Mar	Economic release: JP – Household spending for Jan, US – Average hourly earnings, non-farm employment change, unemployment rate for Feb Event: OPEC meeting