

# Daily Market Review At-A-Glance

Tuesday, March 10, 2020

## Market Highlight



- Overnight, bloodshed continues in the equities market brought about by cruel drop of oil price after it was sold off more than 30% from the previous day close.
- 10 year USTs traded heavy after the low near 0.31% but managed to close into 0.54%. S&P 500 for the first time in 10 years that short circuit break is use after index plunged more than 7%. By the end of the day DJIA off 7.79% while S&P was off 7.60% the most since December 2008.
- However, US equities futures are pointing into the green territory after Trump plan for payroll tax cuts and very substantial relief plan for industries that have been hit by the virus as part of fiscal measure to support the economy. Other headlines saw Italy going into a nationwide lockdown as they try to stop the spread of the Coronavirus.
- FED once again boost their overnight repo operation by increasing the offer size from \$100 billion to \$150 billion to support market liquidity.

## Views on Exchange Rates



**USDTHB:** USDTHB briefly spiked higher after the headline showed CP won the bid to acquire TESCO unit. However, spot failed to close above 31.60 and since then we saw selling interest from offshore which tanked spot below 31.40. We still believed that USDTHB should have traded in range 31.30-31.80.

*Support/Resistance: 31.35/31.50*

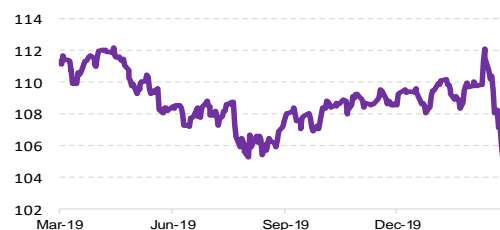
USDTHB Exchange Rates



**USDJPY:** USDJPY saw the pair traded down to 101.19 before recover post market expectation for fiscal stimulus from US.

*Support/Resistance: 102.9/103.8*

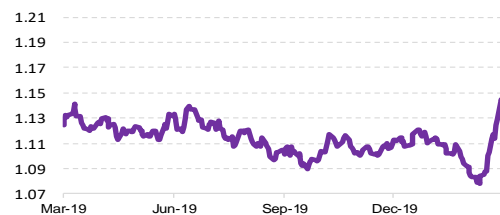
USDJPY Exchange Rates



**EURUSD:** EURUSD traded in wide range after a massive rally in the past few weeks. Market awaits ECB decision where either fiscal stimulus or monetary stimulus is expected to be used to ease market fear.

*Support/Resistance: 1.134/1.15*

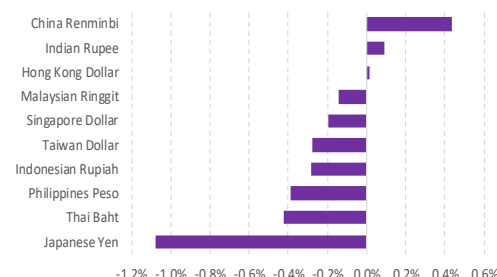
EURUSD Exchange Rates



## Exchange Rate

	3/3/20	9/3/20	10/3/20		3/3/20	9/3/20	10/3/20
USD/THB	31.40	31.46	31.43	USD/JPY	107.12	102.34	103.24
JPY/THB	29.31	30.73	30.44	EUR/USD	1.117	1.145	1.140
EUR/THB	35.08	36.01	35.82	GBP/USD	1.281	1.313	1.307
GBP/THB	40.22	41.31	41.08	AUD/USD	0.658	0.659	0.656
AUD/THB	20.67	20.72	20.61				

Regional foreign exchange rate spot return (7D)



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## Views on Interest Rates

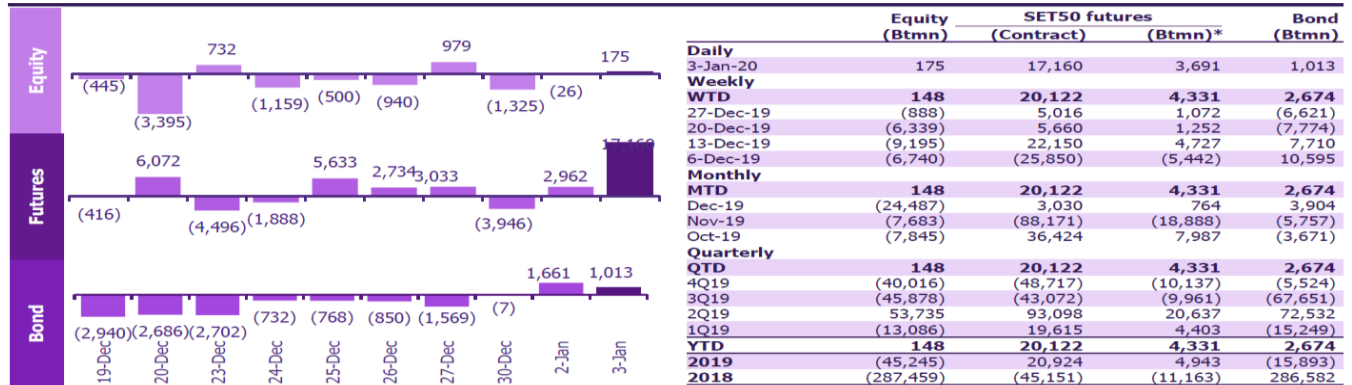
### U.S. 10 Year Treasury



**US** : It's a volatile day for UST. 10Y UST trade lower to 0.32% on early Europe session and closed at 0.57% in New York session. Market was triggered by an oil price war and the outbreak of the coronavirus sent government bond yields to historic lows. This morning 10Y UST higher 10bps from New York closed after President Trump said he will seek a payroll tax cut and very substantial relief.

**THB** : Risk off sentiment drove yield curve flatten. IRS rates lower 12-30bps while bond yield lower 6-15bps. Market players receive fixed rate both buy bond and receive fixed rate IRS. However this morning rates bounce back 5bps, which expected short term correction.

## Thailand daily foreign net flows



## Key Indicator Update

Tenor	2/3/20	6/3/20	9/3/20	Tenor	2/3/20	6/3/20	9/3/20
UST 3-mth	1.17	0.48	0.38	TGB 6-mth	0.95	0.87	0.83
UST 6-mth	1.03	0.40	0.37	TGB 2-yr	0.80	0.70	0.64
UST 1-yr	0.89	0.39	0.29	TGB 5-yr	0.87	0.78	0.68
UST 5-yr	0.86	0.55	0.43	TGB 10-yr	1.07	0.97	0.83
UST 10-yr	1.09	0.71	0.50				

### Stock market

	6/3/20	9/3/20	%Change
SET Index	1,364.57	1,255.94	(7.96)
DJIA	25,864.78	23,851.02	(7.79)

### 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	41.28	31.13	(24.59)
Gold	1,698.45	1,667.91	(1.80)

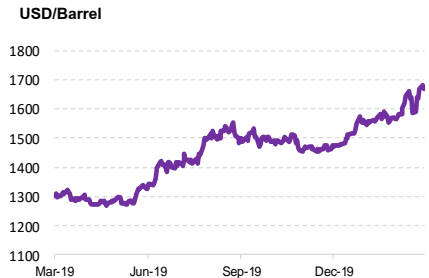
### THBFX (%)

1-mth	3-mth	6-mth	1-yr
0.939	0.889	0.833	0.796

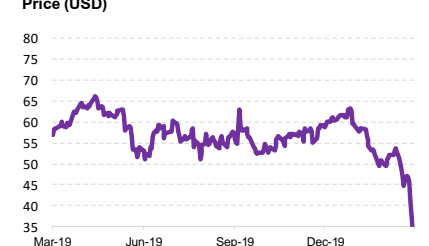
### THB Swap rate (IRS)

Tenor	bid	ask
1-yr	0.640	0.680
2-yr	0.640	0.680
3-yr	0.645	0.685
5-yr	0.670	0.710
10-yr	0.690	0.750

### WTI Crude Oil



### Gold



## Economic Calendar

Date	Event
9 Mar	Economic release: JP - Final GDP for 4Q19, CN - Trade balance for Feb
10-Mar	Economic release: CN - CPI and PPI for Feb, new loans for Feb, EU - Revised GDP for 4Q19
11-Mar	Economic release: US - CPI and core CPI for Feb, crude oil inventories
12-Mar	Economic release: US - PPI and core PPI for Feb, unemployment claims
	Event: ECB monetary policy meeting