

Daily Market Review At-A-Glance

Wednesday, March 11, 2020

Market Highlight



- Overnight, risk reversed its course with oil up 12% and 10y UST yields reversing 50bps from the lows. Equities ended higher with Dow up 4.89% while S&P was up 4.94%.
- Market rally from the expectation of US stimulus package even though the detail is still unclear. Trump told Republican lawmakers that he wants the payroll tax waived through the election, and package to help affected business sector such as airline and cruise.
- Saudi Arabia insisted to boost their oil production to 12.3 Million Barrel a day which is 25% larger than its previous month number. Meanwhile, Russia planned to raise the number to 11.8 Million barrel per day. Oil rebounded after the deep loss a day earlier while Russia Ruble continue to slump despite an effort to support the currency from central bank.
- Italian PM Conte urged ECB to do whatever it takes to support the economy after Italy has deployed nationwide shutdown to curb Corona virus.

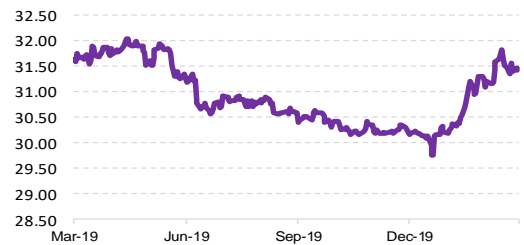
Views on Exchange Rates



USDTHB: USDTHB traded very heavy despite weakened Asian currency. Selling interest throughout yesterday session came from a few foreign banks. We still believed that USDTHB should have traded in range 31.30-31.70.

Support/Resistance: 31.35/31.50

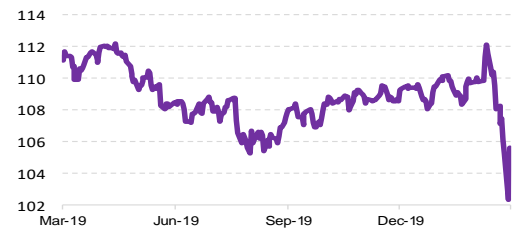
USDTHB Exchange Rates



USDJPY: USDJPY traded as high as 105.9 after US equities managed to close in green zone however the move was later reverted this morning on lower US equity future.

Support/Resistance: 104.45/105.8

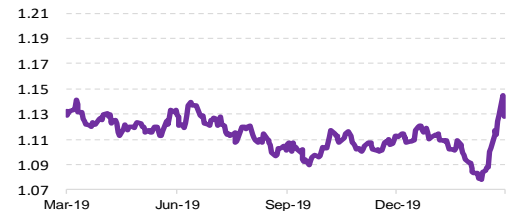
USDJPY Exchange Rates



EURUSD: EURUSD pull back on better risk sentiment while market awaits ECB decision tomorrow. A lack of monetary easing could send EUR above 1.15 as market expectation was pretty high. Base assumption is 10 bps cut, and probably a boost in QE purchase.

Support/Resistance: 1.126/1.14

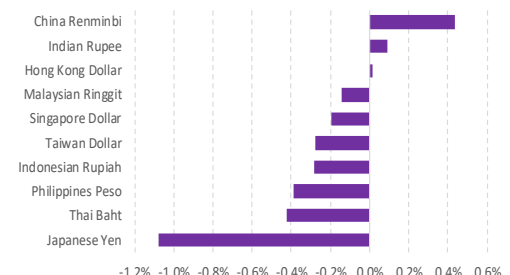
EURUSD Exchange Rates



Exchange Rate

	4/3/20	10/3/20	11/3/20		4/3/20	10/3/20	11/3/20
USD/THB	31.35	31.42	31.44	USD/JPY	107.52	105.63	104.73
JPY/THB	29.15	29.74	30.02	EUR/USD	1.113	1.128	1.133
EUR/THB	34.91	35.44	35.60	GBP/USD	1.287	1.291	1.291
GBP/THB	40.35	40.55	40.60	AUD/USD	0.663	0.651	0.651
AUD/THB	20.77	20.44	20.45				

Regional foreign exchange rate spot return (7D)

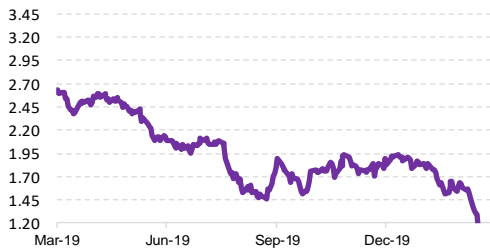


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Views on Interest Rates

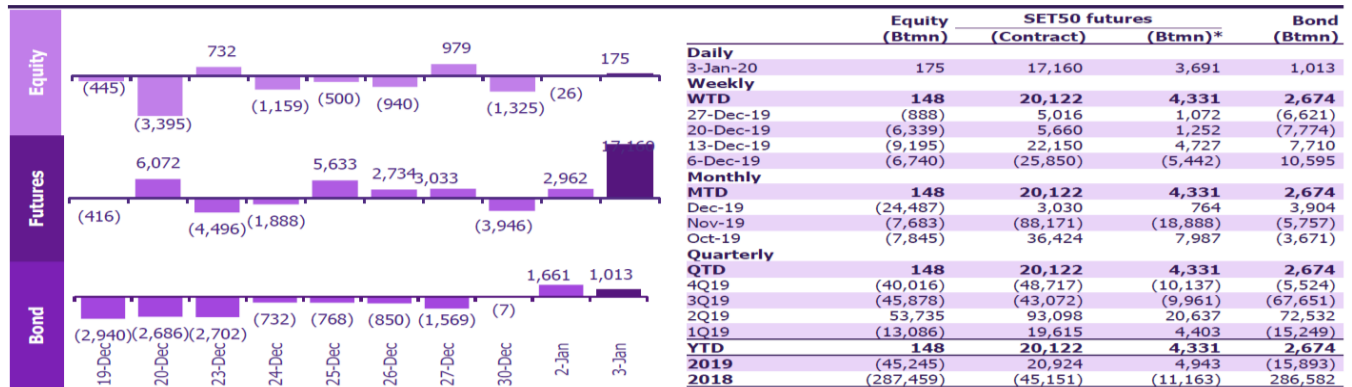
U.S. 10 Year Treasury



US : UST sharp rebounded with volatility. USTs bear steepened by 14-27bps due to stimulus pledges and technical rebound of oil price. USD IRS rose by 10bps, making invert curve region shrinks from 5Y to 2Y.

THB : Bond and IRS bear steepened as technical rebound. Above 10Y-tenor bond yields rose by 7-10bps while below 10Y bond yields rose by 1-5 since they are still priced in expectation that BoT will cut policy rate in the upcoming meeting. Today, there are auction on 5Y benchmark and 50Y benchmark.

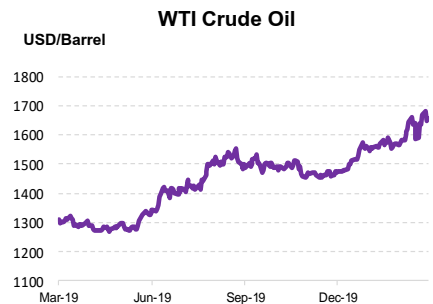
Thailand daily foreign net flows



Key Indicator Update

Tenor	3/3/20	9/3/20	10/3/20
UST 3-mth	0.95	0.38	0.43
UST 6-mth	0.85	0.37	0.42
UST 1-yr	0.72	0.29	0.40
UST 5-yr	0.77	0.43	0.62
UST 10-yr	1.02	0.50	0.75

Tenor	3/3/20	9/3/20	10/3/20
TGB 6-mth	0.93	0.83	0.80
TGB 2-yr	0.80	0.64	0.65
TGB 5-yr	0.88	0.68	0.73
TGB 10-yr	1.10	0.83	0.94



Stock market

	9/3/20	10/3/20	%Change
SET Index	1,255.94	1,271.25	1.22
DJIA	23,851.02	25,018.16	4.89

Repurchase rate

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

Commodities

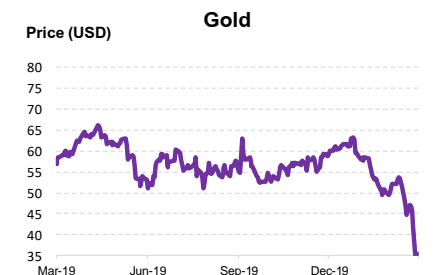
	Previous Day	Last	%Change
WTI Crud	31.13	34.36	10.38
Gold	1,667.91	1,658.70	(0.55)

THBFX (%)

1-mth	3-mth	6-mth	1-yr
0.921	0.843	0.800	0.781

THB Swap rate (IRS)

Tenor	bid	ask
1-yr	0.630	0.670
2-yr	0.640	0.680
3-yr	0.670	0.710
5-yr	0.705	0.745
10-yr	0.740	0.800



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