

# Daily Market Review At-A-Glance

Thursday, November 5, 2020

## Market Highlight



- 2020 US election was one of the most competitive election in history with Trump declared and early win but was refuted while Biden's count appear to be leading in Michigan and Wisconsin and this leaves him having only to win an additional state like Nevada or Georgia to claim presidency.
- US Equities staging a come back overnight and even the potential of a long drawn fight in Supreme court initiated by Trump if he loses doesn't seem to worry the markets. The likelihood of gridlock in Congress as Republicans is expected to win Senate made investors optimistic that major policy changes would be difficult to enact. S&P ended up 2.2% higher while Dow was up 1.34%.
- Key to watch today is Nevada. Biden leads here by a small margin of 8k votes and an estimated 14 percent of the vote is still uncounted. Very small portion of absentee votes has been reported so far in favor of Trump however those likely came from small town in Nevada as the major towns which was Democrats stronghold has yet to report the absentee votes.
- GBP slides as negative interest rate fears swirl after the Telegraph reported that BoE said to be considering move into negative rates.

## Views on Exchange Rates



**USDTHB:** USDTHB traded in very choppy fashion with an intraday sharp swing between 31.00-31.25. However; selling interest is more prominent as we saw increasing selling flow from local corps while offshore selling interest persists as usual.

*Support/Resistance: 30.95/31.10*

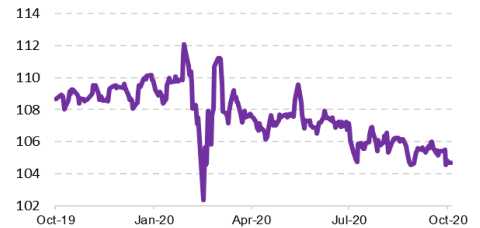
USDTHB Exchange Rates



**USDJPY:** USDJPY traded in wide 150 pips range but close where it was before the election. We continue to recommend to fade the move on USDJPY as a mean to hedge uncertainties especially in the case where election got dragged unless we see a meaningful break above 107.

*Support/Resistance: 103.5/106*

USDJPY Exchange Rates



**EURUSD:** EUR initially sold off towards 1.16 but after Biden reclaims seats EUR rebounded to trade above 1.17. Market is rebuilding their core long EURUSD as Risk reversal on front end turned slightly positive.

*Support/Resistance: 1.164/1.18*

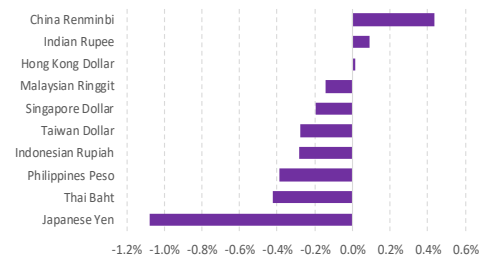
EURUSD Exchange Rates



## Exchange Rate

	29/10/20	4/11/20	5/11/20		29/10/20	4/11/20	5/11/20
USD/THB	31.21	30.99	31.03	USD/JPY	104.61	104.48	104.30
JPY/THB	29.83	29.64	29.75	EUR/USD	1.167	1.172	1.172
EUR/THB	36.43	36.33	36.37	GBP/USD	1.293	1.299	1.295
GBP/THB	40.34	40.25	40.20	AUD/USD	0.703	0.717	0.717
AUD/THB	21.93	22.23	22.25				

Regional foreign exchange rate spot return (7D)



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## Views on Interest Rates

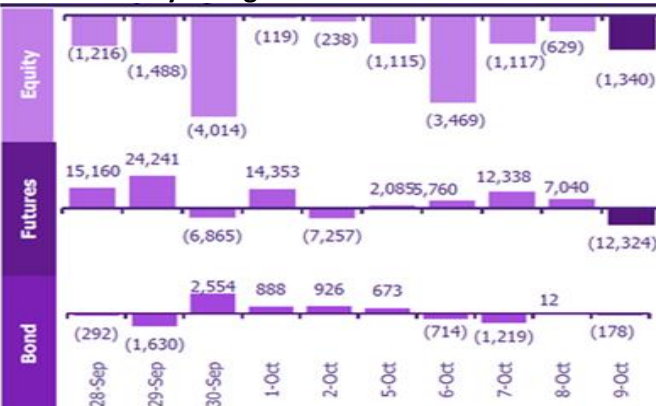
U.S. 10 Year Treasury



**US** : UST 10yr yield made high at 0.94% and back below 0.80% level to lowest at 0.74%. U.S. market was face on uncertainty election's result.

**THB** : THB bond was lower 2-3bps following UST curve. E-switching have less participation than expected. BCR is 0.43. We recommend to buy LB24DB at 0.78%.

## Thailand daily foreign net flows



	Equity (Btmn)	SET50 futures (Contract)	Bond (Btmn)*	Bond (Btmn)
Daily				
9-Oct-20	(1,340)	(12,324)	(1,969)	(178)
Weekly				
WTD	(7,671)	14,899	2,364	(1,426)
2-Oct-20	(7,075)	39,632	6,337	2,446
25-Sep-20	(6,363)	(44,345)	(7,236)	8,172
18-Sep-20	(3,646)	26,102	4,334	6,589
11-Sep-20	(1,686)	(1,609)	(267)	3,779
Monthly				
MTD	(8,028)	21,995	3,495	388
Sep-20	(23,189)	17,315	2,820	24,179
Aug-20	(27,661)	1,988	405	2,016
Jul-20	(10,178)	581	48	18,894
Quarterly				
QTD	(8,028)	21,995	3,495	388
3Q20	(61,028)	19,884	3,273	45,089
2Q20	(101,291)	(35,741)	(6,505)	4,628
1Q20	(115,355)	140,898	23,248	(101,771)
4Q19	(40,016)	(48,717)	(10,137)	(5,524)
YTD	(285,702)	147,036	23,513	(51,667)
2019	(45,245)	20,924	4,943	(15,893)
2018	(287,459)	(52,336)	(11,997)	286,582

## Key Indicator Update

Tenor	29/10/20	3/11/20	4/11/20
UST 3-mth	0.09	0.10	0.09
UST 6-mth	0.11	0.11	0.10
UST 1-yr	0.13	0.12	0.12
UST 5-yr	0.37	0.39	0.32
UST 10-yr	0.84	0.88	0.77

### Stock market

	3/11/20	4/11/20	%Change
SET Index	1,221.33	1,222.44	0.09
DJIA	27,480.03	27,847.66	1.34

### 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	37.66	39.15	3.96
Gold	1,900.66	1,907.06	0.34

Tenor	29/10/20	3/11/20	4/11/20
TGB 6-mth	0.53	0.52	0.52
TGB 2-yr	0.59	0.59	0.60
TGB 5-yr	0.87	0.88	0.88
TGB 10-yr	1.41	1.42	1.42

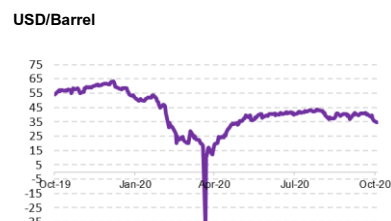
### THBFX (%)

1-mth	3-mth	6-mth	1-yr
0.485	0.499	0.523	0.529

### THB Swap rate (IRS)

Tenor	bid	ask
1-yr	0.420	0.460
2-yr	0.505	0.545
3-yr	0.605	0.645
5-yr	0.795	0.835
10-yr	1.170	1.230

## WTI Crude Oil



## Gold



## Economic Calendar

Date	Economic Indicator
02-Nov-20	Economic release: CN – Caixin manufacturing PMI for Oct
	Economic release: US/EU/JP – Final manufacturing PMI for Oct
	Economic release: US – ISM manufacturing PMI for Oct
03-Nov-20	Event: The 2020 United State presidential election
04-Nov-20	Economic release: CN – Caixin service PMI for Oct
	Economic release: US/EU – Final service PMI for Oct
	Economic release: US – ISM non-manufacturing PMI for Oct, ADP non-farm employment change for Oct, crude oil inventories
	Economic release: EU – Economic forecast
	Economic release: TH – Consumer confidence for Oct
05-Nov-20	Event: FOMC meeting
	Economic release: TH – CPI and core CPI for Oct
	Economic release: EU – Retail sales for Sep
	Economic release: US – Unemployment claims
06-Nov-20	Event: FOMC meeting, BOE meeting
	Economic release: JP – Household spending for Sep
	Economic release: US – Average hourly earnings, non-farm employment change and unemployment rate for Oct