

# Daily Market Review At-A-Glance

Wednesday, November 11, 2020

## Market Highlight



- The virus resurgence risked overwhelming Monday's vaccine optimism. U.S. added a record 142,907 cases, and hospitalizations may touch a fresh high this week though Trump officials said a public inoculation campaign could start by the spring. Anthony Fauci said that emergency use authorization of the Pfizer-BioNTech vaccine is likely take place over the next week and a half.
- Trump kept up his attacks on the election. He tweeted "WE WILL WIN" and reiterated bogus claims of ballot cheating. Joe Biden and foreign leaders ignored the efforts. The president-elect spoke with Boris Johnson, Angela Merkel and Emmanuel Macron, while Erdogan sent his congratulations.
- Stocks are putting in a mixed performance with the DJIA advancing while the tech-heavy Nasdaq extending a decline as progress toward a vaccine triggers selling of pandemic winners. DJIA is up 0.9%, S&P 500 has fallen 0.14% while the Nasdaq down 1.37%.
- Eurozone data showed a bleak outlook with Germany ZEW expectations came out 39 (exp 44.3) while current situation came out -64.3 (exp -63.5).

## Views on Exchange Rates



**USDTHB:** USDTHB breached major support at 31.44 on selling interest from offshore while the buying interest from Bullion subsided. We saw a massive inflow into equities market while flat for local fixed income market. We did not see another key support level in short term span until 30.00.

*Support/Resistance: 30.20/30.35*

USDTHB Exchange Rates



**USDJPY:** USDJPY pull back as we saw selling interest near 105.4-105.5 on corp supply. We expected to see persistent selling interest to hedge risk off via JPY. A reversal of USDJPY trend will not materialize unless we see a meaningful break above 107.

*Support/Resistance: 104/106*

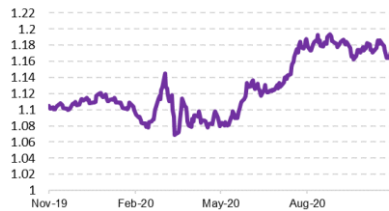
USDJPY Exchange Rates



**EURUSD:** EUR lingered near 1.18 as market seems to lack the conviction on how EUR would perform under risk on sentiment while EUR fundamental looks bleak.

*Support/Resistance: 1.176/1.195*

EURUSD Exchange Rates

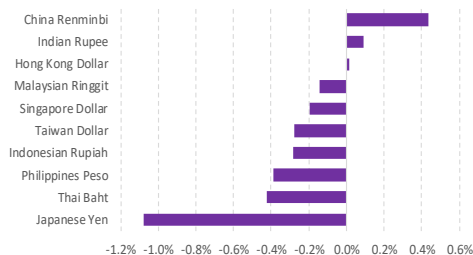


## Exchange Rate

	4/11/20	10/11/20	11/11/20
USD/THB	30.99	30.32	30.31
JPY/THB	29.64	28.79	28.85
EUR/THB	36.33	35.82	35.84
GBP/THB	40.25	40.23	40.21
AUD/THB	22.23	22.09	22.09

	4/11/20	10/11/20	11/11/20
USD/JPY	104.48	105.28	105.02
EUR/USD	1.172	1.181	1.183
GBP/USD	1.299	1.327	1.327
AUD/USD	0.717	0.728	0.729

Regional foreign exchange rate spot return (7D)

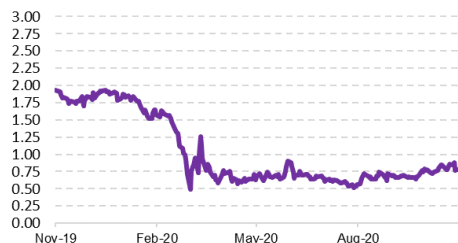


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## Views on Interest Rates

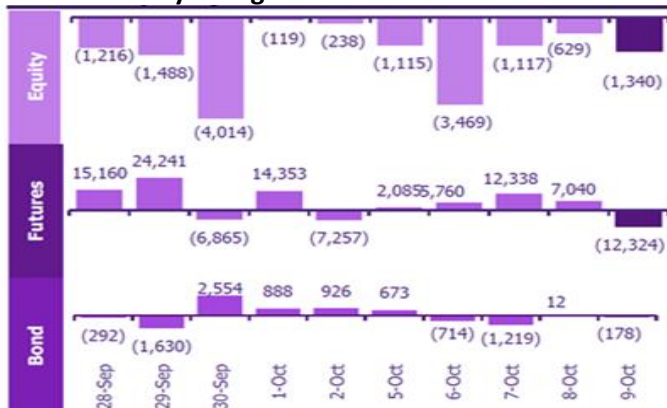
### U.S. 10 Year Treasury



**US** : 10Y UST yield rose by 4bps to closed at 0.965% which is near Monday highest level. Main factor is still promising vaccine candidate while Boston Fed Rosengren feels economy need more fiscal and monetary stimulus. We still expect bear-steepening curve with 10Y UST yield supporting level at 0.80%.

**THB** : Bond and IRS curve steepened following global risk on sentiment due to optimism on COVID-19 vaccine. Compare to UST, however, bond yields rose only 3bps while IRS rates rose by 5bps. Relate on our view of bear-steepening curve, we recommend to allocate position from long-end to short-end.

## 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	4/11/20	9/11/20	10/11/20
UST 3-mth	0.09	0.10	0.10
UST 6-mth	0.10	0.10	0.10
UST 1-yr	0.12	0.13	0.12
UST 5-yr	0.32	0.45	0.46
UST 10-yr	0.77	0.96	0.97

### Stock market

	9/11/20	10/11/20	%Change
SET Index	1,285.88	1,341.24	4.31
DJIA	29,157.97	29,420.92	0.90

### 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	40.29	41.36	2.66
Gold	1,875.31	1,880.26	0.26

Tenor	4/11/20	9/11/20	10/11/20
TGB 6-mth	0.52	0.51	0.51
TGB 2-yr	0.60	0.59	0.59
TGB 5-yr	0.88	0.87	0.89
TGB 10-yr	1.42	1.39	1.43

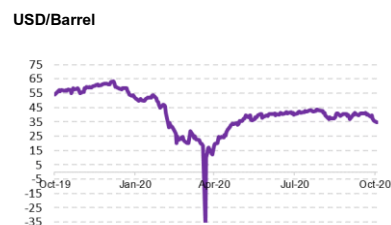
### THBFX (%)

1-mth	3-mth	6-mth	1-yr
0.478	0.494	0.513	0.523

### THB Swap rate (IRS)

Tenor	bid	ask
1-yr	0.440	0.480
2-yr	0.510	0.550
3-yr	0.615	0.655
5-yr	0.840	0.880
10-yr	1.220	1.280

### WTI Crude Oil



### Gold



## Economic Calendar

Date	Economic Indicator
10-Nov-20	Economic release: CN- CPI and PPI for Oct
	Economic release: EU - ZEW economic sentiment for Nov
	Event: Announcement of November 2020 semi-annual MSCI index review
12-Nov-20	Economic release: JP - PPI for Oct
	Economic release: US - CPI and core CPI for Oct, unemployment claims, crude oil inventories
	Economic release: EU - Industrial production for Sep
13-Nov-20	Economic release: JP - Prelim GDP 3Q20
	Economic release: EU - Flash GDP 3Q20
	Economic release: US - PPI and core PPI for Oct