

Weekly Market Report

For the period of : 27 – 30 December 2021

Overview

Global equity markets advanced as growing evidence emerged that the Omicron variant causes less severe illness than the Delta strain.



Equity market

- Majority of global markets closed higher from the previous week, driven by “Santa Claus Rally” and less concern on Omicron after many researchers revealing that Omicron’s symptoms are less severe than Delta variant. US and EU indices outperformed while China and some Asian markets were underperformers.
- SET index closed higher from last week, in-line with global markets. Omicron infection number was still a key focus, but positive sentiment in global market brought SET index up. Energy, Food and Beverage and Banking sectors led the rally, while Commerce, and Electronic sectors and tourism related stocks were underperformers. Foreign investors were net buyers, while institutional and retail investors were net sellers. Crude oil price continued its uptrend due to less concern on Omicron effect on demand and lower US stockpile.



Fixed income market

- US house prices rose in October, up 1.1% from the previous month, and rose 17.4% from October 2020. Pending home sales slipped by 2.2% in November, after the previous month gains of 7.5%.
- Euro zone M3 money supply slowed to 7.3% y/y in November from 7.7% in October and private loans stood at 4.2% y/y in November, compared with 4.1% in October.
- Japan retail sales rose faster than expected in November, gained 1.9% y/y, which faster than economists' median forecast for a 1.7% gain and accelerating from a 0.9% advance in October. Unemployment rate in November edged up to 2.8% as more people had been seeking for jobs amid better economic conditions and the recent lower number of coronavirus cases. Preliminary industrial production jumped 7.2% m/m in November, the biggest rise in decades.
- Thailand industrial production advanced 4.84% y/y in November 2021, beating market consensus of 3.2% and after an upwardly revised 3.0% increase a month earlier.

Regional Economic Information

U.S.



- Pending home sales dropped 2.2% m/m in November after a 7.5% surge in October.
- Initial jobless claims decreased by 8,000 to 198,000 in the week ended December 25.

Asia



- Japan retail sales jumped 1.9% y/y in November, rising for the 2nd straight month and beating market expectations. Industrial production jumped 7.2% m/m and surged 5.1% y/y in November led by auto production after global auto parts supply improved.
- China industrial profits increased by 38.0% y/y in the first 11 months, slowing from a 42.2% surge in the first 10 months.



Thailand

- The BoT reported that the Thai economy in November improved from the previous month. Exports increased as demand from trading partners recovered, and the supply shortages problems are easing. Number of foreign tourists increased after the re-opening. Private consumption and investment increased.
- Manufacturing production index (MPI) went up 3.36% m/m and advanced 4.84% y/y in November, thanks to better COVID -19 situation and global economic recovery.

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