



krungsri
Asset
Management

A member of MUFG
a global financial group

Weekly Market Report For : 7 – 11 October 2024



Overview

- US equity indexes gained amid strong job market and robust economic data that helped easing recession fears.
- Dow Jones +1.2% S&P500 and NASDAQ +1.1%, while the 10-year US treasury yield rose to 4.1%.
- Big banks earnings beat estimates.
- China economic stimulus remains on the card, but the government did not disclose the size of the package. Exports and imports grew less than expected.
- Fundamental of Vietnam shares remained strong and valuation remained cheap. GDP grew at the fastest rate in 2 years.



Market Brief

- Despite Middle East escalation and Hurricane Milton concerns, US stocks continued to march higher, supported by dovish Fed minutes. CPI increased slightly more than expected but shelter prices eased. Strong labor markets and overall economic data appeared to have eased fear of a US recession.
 - Dow Jones +1.2% S&P500 and NASDAQ +1.1%, while the 10-year US treasury yield climbed to 4.1%
 - September's CPI +2.4% y/y, slowing for a 6th consecutive month. Compared to the previous month, the CPI rose 0.2%, slightly above forecasts. Core inflation rate +3.3% y/y, above forecast of 3.2%. Monthly core inflation rate grew at 0.3% for the 2nd straight month, but above forecasts of 0.2%.
 - PPI was unchanged in September, after August's 0.2% gain as gasoline prices drop.
 - Atlanta Fed Raphael Bostic called for one additional quarter-point cut this year, adding that the US central bank may put the rate on hold if job data remains strong. CME FedWatch Tool implied a 90% probability of a 25-point rate cut in November' FOMC meeting.
 - JPMorgan Chase and Wells Fargo share prices surged after they reported better than expected third-quarter profits. JPMorgan beat on both EPS and revenues, while Wells Fargo beat on EPS and had a slight miss on revenues.
- Overall, China economic data remains weak in September. Exports climbed just 2.4% from a year earlier, while imports inched up 0.3%. Economists had forecast that exports would rise 6% while imports would expand 0.8%. During last week, market waited for an announcement of additional fiscal stimulus. However, the MOF press conference did not deliver detail of fiscal stimulus number, just only a mention of the overall policy.
 - Local governments will be allowed to use special bonds to buy unsold homes and vowed to relieve the debt burden of local governments.
 - The central bank has set up a total of CNY500 billion swap facility to provide liquidity to institutional investors to buy stocks, part of a broad stimulus package announced earlier that ignited a rally in equities.
- Vietnam's stock market remains fundamentally sound and inexpensive.
 - GDP expanded by 7.4% y/y in 3Q24, marking the strongest growth in 2 years. During the first 3 quarter of this year, GDP grew at 6.82%.
 - Factory activity contracted for the first time in 5 months in September as it was hit by the most severe typhoon in 70 years. Agriculture sector did take the biggest hit from the Typhoon. However, manufacturing and exports remain strong.
 - Exports surged 15.8% y/y in the third quarter as shipment of electronics climbed 20.6%.

Disclaimer

• The information contained in this document is correct and accurate at the time of publication, but does not provide any warranty of its accuracy. However, the Company reserves the rights to change any information, opinions and estimates contained in this document without giving prior notice.

• Investment contains certain risks. Investors should carefully study the fund prospectus before making investment decision. Past performance is not an indicative of future performance.

Should you have any queries, please contact Krungsri Asset Management Company Limited or selling agents or mutual fund sales representatives.



0-2657-5757



krungsriasset.clientservice@krungsri.com



www.krungsriasset.com



krungsriasset