

# KBank

## Daily Update

11 June 2025

### US-China reached an agreement based on Geneva Framework

**Market summary:** The US and China have reached a preliminary agreement in principle to ease trade tensions. Wage data in the UK came in lower than expected, while employment saw the largest decline since 2020. The Japanese yen weakened after the BOJ governor signaled that there is no near-term prospect of an interest rate hike. Japan's producer inflation for May was 3.2% YoY, below forecasts.

**Factors to watch:** US CPI (Wed), UK GDP and US PPI (Thu), US consumer confidence by U Mich (Fri)

**USD/THB:** Open 32.70, Support 32.45, Resistance 32.75

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### Macro update

- **The US dollar index lacks a clear direction despite the US and China reaching a preliminary agreement in principle to ease trade tensions**, which is seen more as a continuation of the existing positive sentiment rather than a new catalyst. Both sides will now present the proposal to their presidents for approval and further implementation. If approved, they are ready to proceed.
- **The British pound weakened by -0.4% against the US dollar** after **UK wage data came in below expectations**, with the three-month average to April rising only 5.3%YoY compared to the expected figure and the previous three months at 5.5%YoY. Meanwhile, employment fell by 109,000 in May, the largest drop since 2020, following tax increases and minimum wage hikes in April. The annual unemployment rate rose to 4.6% as expected, leading **the market to increase bets on two BOE rate cuts this year. Consequently, the two-year bond yield dropped sharply to 3.9%, the lowest in a month.**
- **The euro ended the day steady at 1.143 USD/EUR.** ECB member François Villeroy said interest rates are currently at a suitable level, with inflation and policy rates reaching the 2% target. Although monetary policy is nearing the end of its easing cycle, it remains ready to adjust according to new data. **Boris Vujcic** added that they can wait for new information before making the next decision, hoping for clearer guidance on US tariffs by September.
- **The Japanese yen weakened after breaking through a key resistance level to 145.29 against the dollar**, following signals from **BOJ Governor Ueda** that inflation in Japan has not yet reached the 2% target, so there is no near-term prospect of raising rates. He emphasized that the current 0.5% rate is not yet the neutral rate. Producer inflation for May came in at 3.2%YoY, below the forecast of 3.5%YoY and the previous month's 4.1%YoY. Most of the market expects the BOJ to keep rates unchanged at next week's meeting, leading to a drop in the two-year bond yield.
- **The Chinese yuan closed down -0.12% against the US dollar** as Chinese stocks suddenly fell in the afternoon due to concerns over US-China trade negotiations.

- **The Thai baht closed steady at around 32.66 baht per dollar** amid a lack of new supporting factors. Gold prices traded in a narrow range slightly above USD 3,320 per ounce, while capital outflows from bond market and inflows into stock market.

Dear Valued Customers,

Thank you very much for your participations in The Asset’s survey regarding “The Asian Local Currency Bond Benchmark Review 2024”.



As always, we thank you for your continued support of our research products and services.

Yours Sincerely,  
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Awardee (Individual)	Awardee Company	Award	Markets	Function
Kobsidthi Silpachai	Kasikornbank	Best Sellside Individual	Thai Baht	Research
	Kasikornbank	Top arranger - Investors' Choice for primary issues - Corporate bonds	Thai Baht	
	Kasikornbank	Top sellside firm in the secondary market- Corporate bonds	Thai Baht	
	Kasikornbank	Top sellside firm in the secondary market- Government bonds	Thai Baht	

## KBank Counter rates:

as of 11-Jun-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.37	32.47	32.77
EUR/THB	36.80	36.86	37.61
GBP/THB	43.46	43.54	44.45
JPY/THB	0.221	0.222	0.229

## KBank SWAP Point Rates:

Premium/Discount (1M) as of 11-Jun-25
Export/Import
-8.45 / -5.5
-12.05 / 10.47
-20.27 / 10.54
0.0249 / 19.6943

## Market Summary:

US Markets	10-Jun-25	9-Jun-25	Change
Dow Jones	42,866.87	42,761.76	0.2%
S&P 500	6,038.81	6,005.88	0.5%
Treasury Yield 2yr note (%)	4.02	4.00	1 bps
Treasury Yield 10yr note (%)	4.47	4.47	0 bps

European Markets	10-Jun-25	9-Jun-25	Change
Germany (DAX)	23,988	24,174	-0.8%
France (CAC 40)	7,804	7,791	0.2%
UK (FTSE 100)	8,853	8,832	0.2%
Bund Yield 2yr note (%)	1.85	1.86	-2 bps
Bund Yield 10yr note (%)	2.52	2.57	-4 bps

Thai Markets	10-Jun-25	9-Jun-25	Change
SET	1,139.16	1,135.24	0.3%
TGB Yield 2yr note (%)	1.51	1.51	0 bps
TGB Yield 5yr note (%)	1.53	1.54	0 bps
TGB Yield 10yr note (%)	1.68	1.69	0 bps

## Money Markets

THOR	10-Jun-25	9-Jun-25
O/N	1.74280	1.74655
1M	1.74507	1.74494
3M	1.88652	1.89172
6M	2.05625	2.05785
BIBOR	10-Jun-25	9-Jun-25
1M	1.79601	1.79605
3M	1.89348	1.89352
6M	1.93545	1.93603

Foreign capital flows	10-Jun-25	9-Jun-25
Thai Bonds (M THB)	-2,828	-2,133
Thai Stocks (M THB)	1,433	-203

Commodities	10-Jun-25	change
WTI Crude (USD/bbl)	65.0	-0.47%
Dubai Fateh (USD/bbl)	67.0	0.74%
Gold (USD/ounce)	3,323.7	-0.08%

FX Markets	Morning Spot	Closing rates		Daily % Change	Consensus End-2025
		10-Jun-25	9-Jun-25		
USD/THB**	32.70	32.66	32.67	-0.04%	35.50
EUR/USD	1.143	1.143	1.142	0.03%	1.15
USD/JPY	144.76	144.87	144.57	0.21%	140.0
GBP/USD	1.350	1.350	1.355	-0.38%	1.35
USD/CNY	7.188	7.188	7.179	0.12%	7.20
USD/SGD	1.286	1.287	1.286	0.05%	1.29
USD/IDR	16,273	16,273	16,275	-0.01%	16,400
USD/MYR	4.233	4.239	4.232	0.17%	4.22
USD/PHP	55.83	55.83	55.83	0.01%	55.50
USD/KRW	1,363	1,367	1,355	0.9%	1,380
USD/NTD	29.95	29.95	29.94	0.01%	30.20
AUD/USD	0.6520	0.6522	0.6516	0.09%	0.6600
USD/CHF	0.8216	0.8228	0.8218	0.12%	0.82
USD/VND	26023	26013	26041	-0.11%	25975
JPY/THB	22.59	22.54	22.60	-0.24%	25.36
EUR/THB	37.38	37.31	37.31	-0.01%	40.83
GBP/THB	44.15	44.08	44.27	-0.41%	47.93
CNY/THB	4.55	4.54	4.55	-0.15%	4.93

\*\*\*FOR MOST RECENT KBANK COUNTER RATE PLEASE FOLLOW THE LINKS:

Foreign Exchange Rate: <https://www.kasikornbank.com/en/rate/Pages/Foreign-Exchange.aspx>

1-Month Forward Rate: <https://www.kasikornbank.com/en/rate/Pages/forward.aspx>

Source: Bloomberg and \*\* denotes KBank's projection

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