

# KBank

## Daily Update

19 August 2025

### Thai Q2 GDP grew 2.8%YoY slightly better than expected

**Market summary:** US dollar closed stronger above 98.0, while bond yields rose slightly as markets are closely watching Powell's speech at the Jackson Hole annual meeting this Friday. Trump stated that he has arranged for Zelensky to meet with Putin, which may happen within two weeks. The PBOC signaled no rush to ease monetary policy despite recent weak economic data. Capital outflows from China in July surged to a record high after the Chinese government liberalized the financial markets further. Thailand's Q2 GDP grew 2.8% YoY, slightly above the forecast.

**Factors to watch:** US Building Permits (Tue), China Loan Prime Rate, Fed Minutes (Wed), US Existing Home Sales (Thu), Japan CPI, Thai exports (Fri)

**USD/THB:** Open 32.54, Support 32.40, Resistance 32.65

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### Macro update

- **The US dollar closed stronger by 0.3%, staying above 98.0 again,** while bond yields rose slightly. Markets are closely watching Fed Chair Powell's speech at the Jackson Hole annual meeting this Friday, which is expected to signal easing and open the door to a rate cut in September. **Currently, the market expects the Fed to cut interest rates twice this year.**
- On the Russia-Ukraine situation, **Trump stated that he has arranged for Zelensky to meet with Putin, which may happen within two weeks.** He would then join the talks as a third party. **Yesterday, Trump held discussions with Zelensky and European leaders. The U.S. will help guarantee Ukraine's security alongside Europe,** but specific details on how this will be done have not yet been revealed. The issue of **territorial concessions—one of Russia's conditions for accepting a peace agreement—was not discussed yesterday.** Zelensky stated he would talk to Putin directly. **Gold prices fluctuated before closing slightly lower.**
- **The Chinese yuan closed steady at 7.1849 yuan per US dollar** after the PBOC set a stronger midpoint, as the US dollar edged higher. **The PBOC signaled no rush to ease monetary policy—such as cutting interest rates or lowering the reserve requirement ratio for commercial banks—even though the latest economic data came in weaker than expected.** The PBOC pointed to a recovery in core inflation over the past months and emphasized a cautious approach to moderate monetary easing and targeted economic support.
- **Meanwhile, capital outflows from China in July surged to a record high after the Chinese government liberalized the financial markets further,** leading to a significant increase in mainland Chinese investment in Hong Kong assets. At the same time, foreign investors have reduced their holdings of Chinese bonds due to their lower attractiveness compared to other risk assets, including gold.
- **The euro closed down -0.4%, similar to the British pound,** amid a strengthening U.S. dollar yesterday. **The market has lowered expectations for further rate cuts by the BoE this year, now expecting the interest rate to be held at 4.00% for the remainder of the year,** due to signs of accelerating inflation and a more resilient

- economy than expected, Q2 GDP came in relatively strong, coupled with a divided vote in the previous BoE meeting regarding a rate cut.
- Thai baht closed slightly weaker at 32.46 baht per US dollar. Thailand's Q2 GDP grew 2.8% YoY, slightly above the forecast of 2.7% YoY, but slower than the previous quarter's 3.2% YoY.** This was due to a rush in goods exports before U.S. import tariffs took effect, which supported an improvement in manufacturing activity. However, both private consumption and government spending slowed, as did service sector activity, due to a decline in foreign tourist arrivals. The **NESDC revised Thailand's GDP growth forecast for this year to a range of 1.8%–2.3% (midpoint 2.0%), up from its previous forecast. Export growth is now expected to reach 5.5%, up from 1.8%, while the foreign tourist arrival forecast has been revised down to 33 million from 37 million.**

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



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Yours Sincerely,  
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Kasikornbank

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 19-Aug-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.27	32.37	32.67
EUR/THB	37.45	37.50	38.26
GBP/THB	43.36	43.43	44.32
JPY/THB	0.216	0.217	0.224

**KBank SWAP Point Rates:**

Premium/Discount (1M) as of 19-Aug-25 Export/Import
-9.3 / -7
-10.56 / 12.1
-19.83 / 11.09
-3.2727 / 16.3638

**Market Summary:**

US Markets	18-Aug-25	15-Aug-25	Change
Dow Jones	44,911.82	44,946.12	-0.1% ↓
S&P 500	6,449.15	6,449.80	0% ↓
Treasury Yield 2yr note (%)	3.76	3.75	1 bps ↑
Treasury Yield 10yr note (%)	4.33	4.32	2 bps ↑

European Markets	18-Aug-25	15-Aug-25	Change
Germany (DAX)	24,315	24,359	-0.2% ↓
France (CAC 40)	7,884	7,923	-0.5% ↓
UK (FTSE 100)	9,158	9,139	0.2% ↑
Bund Yield 2yr note (%)	1.96	1.97	-1 bps ↓
Bund Yield 10yr note (%)	2.76	2.79	-2 bps ↓

Thai Markets	18-Aug-25	15-Aug-25	Change
SET	1,242.31	1,259.42	-1.4% ↓
TGB Yield 2yr note (%)	1.14	1.15	-1 bps ↓
TGB Yield 5yr note (%)	1.16	1.18	-2 bps ↓
TGB Yield 10yr note (%)	1.35	1.36	-1 bps ↓

Money Markets	18-Aug-25	15-Aug-25
THOR	1.49541	1.49636 →
O/N	1.70577	1.72992 ↓
1M	1.73491	1.74265 ↓
3M	1.85467	1.86939 ↓
6M	1.54622	1.54620 →
BIBOR	1.64027	1.64184 →
3M	1.68378	1.68400 →
6M		

Foreign capital flows	18-Aug-25	15-Aug-25
Thai Bonds (M THB)	-1,002	-2,262 ↑
Thai Stocks (M THB)	-645	-558 ↓

Commodities	18-Aug-25	change
WTI Crude (USD/bbl)	63.4	0.99% ↑
Dubai Fateh (USD/bbl)	66.6	-1.29% ↓
Gold (USD/ounce)	3,334.4	-0.12% ↓

FX Markets	Morning Spot	Closing rates		Daily % Change		Consensus End-2025
		18-Aug-25	15-Aug-25			
USD/THB**	32.54	32.46	32.43	0.11%	↑	33.70
EUR/USD	1.166	1.166	1.170	-0.39%	↓	1.18
USD/JPY	147.76	147.79	147.20	0.4%	↑	143.0
GBP/USD	1.350	1.351	1.356	-0.35%	↓	1.36
USD/CNY	7.185	7.185	7.185	0.01%	↑	7.15
USD/SGD	1.284	1.285	1.283	0.16%	↑	1.28
USD/IDR	16,160	16,160	16,160	0%	→	16,250
USD/MYR	4.229	4.223	4.213	0.22%	↑	4.20
USD/PHP	57.04	57.04	57.08	-0.08%	↓	56.30
USD/KRW	1,389	1,388	1,390	-0.17%	↓	1,365
USD/NTD	30.07	30.05	30.00	0.16%	↑	29.30
AUD/USD	0.6494	0.6489	0.6512	-0.35%	↓	0.6600
USD/CHF	0.8074	0.8073	0.8062	0.14%	↑	0.81
USD/MND	26292	26291	26271	0.08%	↑	26200
JPY/THB	22.02	21.97	22.03	-0.29%	↓	23.57
EUR/THB	37.93	37.85	37.95	-0.28%	↓	39.77
GBP/THB	43.93	43.85	43.96	-0.24%	↓	45.83
CNY/THB	4.53	4.52	4.51	0.11%	↑	4.71

\*\*\*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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