

KBank

Daily Update

2 July 2025

Trump is not considering extending the pause on tariffs.

Market summary: Trump stated that he is "not yet considering" extending the pause on retaliatory tariffs. U.S. job openings in May surged to the highest level since November. The ECB's Sintra Forum highlighted a shared stance among global central bank leaders to remain patient and data-dependent amid ongoing uncertainty. Meanwhile, Thailand's Constitutional Court ruled for Prime Minister Paetongtarn Shinawatra to temporarily step down from her duties.

Factors to watch: Eurozone CPI, US JOLTS job openings (Tue), US ADP employment (Wed), US nonfarm payroll, unemployment rate and ISM services PMI (Thu), Europe PPI (Fri)

USD/THB: Open 32.45, Support 32.30, Resistance 32.60

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Macro update

- **The U.S. dollar index rose intraday following stronger-than-expected economic data but closed lower** after Fed Chair Jerome Powell signaled that a rate cut in July remains possible. **Adding to market uncertainty, President Trump said he is not considering extending the reciprocal tariff pause beyond the July 9 deadline**, with trade talks showing little progress. **He also doubted a deal with Japan would be reached.** U.S. stocks and Treasury prices fell **after the Senate passed Trump's tax bill**, with Vice President Vance breaking the tie; the bill now moves to the House for final approval.
- **US Job openings surged to 7.77 million in May, the highest since November**, led by services, while layoffs declined—suggesting employers are cautious about new hiring but trying to retain current staff. **The ISM Manufacturing Index came in at 49, better than the 48.8 forecast**, though employment dropped to 45, indicating continued contraction. **The Dallas Fed's index improved to -12.7 from -15.3, but new orders and working hours remained weak**, reflecting pressure from tariffs and soft demand.
- **At the ECB's Sintra Forum, central bankers highlighted the need for patience and data-driven decisions amid ongoing uncertainty.** Powell maintained that rate cuts could still happen later this year if inflation continues easing and the labor market holds steady. ECB President Christine Lagarde celebrated hitting the 2% inflation target and emphasized building deep EU capital markets to elevate the euro's global role. Bank of England Governor Andrew Bailey refrained from committing to an August rate cut despite signs of slowing activity. Meanwhile, the Bank of Japan reiterated it sees no need to raise rates soon.
- **In June, the UK's manufacturing PMI rose to 47.7 from 46.4, the highest since January**, though still in contraction for a ninth consecutive month. **Germany's PMI climbed to 49 from 48.3, its highest in nearly three years**, with new orders jumping to 51.7. **France, however, saw its PMI fall to a four-month low of 48.1**, with new orders dropping to 45.5, highlighting persistent industrial weakness.
- **The yuan strengthened to an eight-month high near 7.15** after the central bank set a stronger fix and **Caixin manufacturing PMI rose to 50.4 in June from 48.3, beating forecasts of 49.3** and boosting confidence in China's economic recovery.

- **The Thai baht closed flat at around 32.45 per dollar**, while the Thai stock market edged higher. **Thailand’s Constitutional Court voted 7–2 to suspend Prime Minister Paetongtarn Shinawatra from duty over a national security-related audio clip**. Suriya Juangroongruangkit has been appointed acting Prime Minister with full executive powers, and his new cabinet has received royal endorsement. The swearing-in ceremony is scheduled for July 3.

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
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	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 02-Jul-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.22	32.32	32.62
EUR/THB	37.88	37.93	38.69
GBP/THB	44.09	44.17	45.08
JPY/THB	0.222	0.223	0.230

KBank SWAP Point Rates:

Premium/Discount (1M) as of 02-Jul-25
Export/Import
-8.45 / -5.5
-12.05 / 10.47
-20.27 / 10.54
0.0249 / 19.6943

Market Summary:

US Markets	1-Jul-25	30-Jun-25	Change
Dow Jones	44,494.94	44,094.77	0.9%
S&P 500	6,198.01	6,204.95	-0.1%
Treasury Yield 2yr note (%)	3.77	3.72	5 bps
Treasury Yield 10yr note (%)	4.24	4.23	1 bps

European Markets	1-Jul-25	30-Jun-25	Change
Germany (DAX)	23,673	23,910	-1%
France (CAC 40)	7,663	7,666	0%
UK (FTSE 100)	8,785	8,761	0.3%
Bund Yield 2yr note (%)	1.85	1.86	-1 bps
Bund Yield 10yr note (%)	2.57	2.61	-3 bps

Thai Markets	1-Jul-25	30-Jun-25	Change
SET	1,110.01	1,089.56	1.9%
TGB Yield 2yr note (%)	1.38	1.40	-2 bps
TGB Yield 5yr note (%)	1.37	1.40	-3 bps
TGB Yield 10yr note (%)	1.57	1.60	-3 bps

Money Markets

	1-Jul-25	30-Jun-25
THOR		
O/N	1.74452	1.73863
1M	1.74563	1.74499
3M	1.82719	1.83549
6M	1.99381	1.99961
BIBOR		
1M	1.79409	1.79398
3M	1.89054	1.89045
6M	1.93155	1.93144

Foreign capital flows

	1-Jul-25	30-Jun-25
Thai Bonds (M THB)	-3,419	-3,286
Thai Stocks (M THB)	-776	116

Commodities

	1-Jul-25	change
WTI Crude (USD/bbl)	65.5	0.52%
Dubai Fateh (USD/bbl)	67.1	2.23%
Gold (USD/ounce)	3,338.8	1.08%

FX Markets

	Morning Spot	Closing rates		Daily % Change		Consensus End-2025
		1-Jul-25	30-Jun-25			
USD/THB**	32.45	32.45	32.46	-0.01%		33.70
EUR/USD	1.180	1.181	1.179	0.16%		1.17
USD/JPY	143.64	143.42	144.03	-0.42%		140.0
GBP/USD	1.375	1.375	1.373	0.1%		1.36
USD/CNY	7.166	7.166	7.164	0.03%		7.18
USD/SGD	1.273	1.273	1.272	0.09%		1.29
USD/IDR	16,198	16,198	16,238	-0.25%		16,250
USD/MYR	4.203	4.197	4.210	-0.33%		4.23
USD/PHP	56.34	56.34	56.32	0.02%		55.80
USD/KRW	1,359	1,358	1,354	0.31%		1,370
USD/NTD	29.17	29.17	29.59	-1.41%		29.70
AUD/USD	0.6580	0.6583	0.6581	0.03%		0.6700
USD/CHF	0.7908	0.7911	0.7931	-0.25%		0.81
USD/VND	26131	26130	26118	0.05%		26100
JPY/THB	22.59	22.63	22.53	0.42%		24.07
EUR/THB	38.30	38.31	38.26	0.15%		39.43
GBP/THB	44.61	44.61	44.57	0.09%		45.83
CNY/THB	4.53	4.53	4.53	-0.04%		4.69

***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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