

KBank

Daily Update

20 August 2025

S&P affirmed the US sovereign credit rating at AA+

Market summary: The US dollar strengthened 0.2% while US Treasury yields edged lower ahead of Fed Chair Powell's speech on Friday. S&P affirmed the US sovereign credit rating at AA+ with a stable outlook. July housing starts rose to 1.428 million units, beating expectations. The Canadian dollar weakened against the US dollar after Canada's July inflation slowed to 1.7%YoY, below expectations. Thailand welcomed 20 million tourists, generating about THB 937 billion in revenue.

Factors to watch: Fed Minutes (Wed), US Existing Home Sales (Thu), Japan CPI, Thai exports (Fri)

USD/THB: Open 32.59, Support 32.45, Resistance 32.70

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Macro update

- **The US dollar strengthened 0.2%** while US Treasury yields edged lower ahead of Fed Chair Powell's speech on Friday. Markets continue to price in an 80% chance of a Fed rate cut in September.
- **S&P affirmed the US sovereign credit rating at AA+ with a stable outlook**, noting that import tax revenues will help ease fiscal pressure from income tax cut plans. It also expects the US budget deficit will not improve significantly but likewise will not deteriorate materially over the next several years.
- **On the US data front, July housing starts rose to 1.428 million units, beating expectations** of 1.297 million and up from 1.358 million in June, signalling still-strong housing demand—one of the key drivers of US inflation at present. Meanwhile, building permits slowed to 1.354 million, below forecasts and down from 1.386 million in June and 1.393 million previously.
- On geopolitics, **the Russia-Ukraine peace talks may see progress this week on a security guarantee plan for Ukraine**, with Europe planning to send British and French troops, along with more than 10 other countries, to ensure safety. Russia, however, has called for China to serve as a guarantor.
- **The Canadian dollar weakened against the US dollar** after Canada's July inflation slowed to 1.7%YoY, below expectations of 1.8% and down from 1.9%YoY in June. This reinforced market bets that the Bank of Canada may cut rates in December.
- **The Japanese yen weakened against the dollar** after S&P affirmed the US credit rating. Separately, Japan's exports in July contracted -2.6%YoY, worse than the expected -2.1%YoY and the previous -0.5%YoY.
- **The Hong Kong dollar strengthened to 7.80 per US dollar, the midpoint of its 7.75-7.85 trading band**, supported by continued capital inflows into Hong Kong equities.
- **The Thai baht closed weaker** as foreign funds flowed out of both equity and bond markets. From 1 January to 10 August 2025, **Thailand welcomed 20 million tourists, generating about THB 937 billion in revenue**. The top five source markets were China, Malaysia, India, Russia, and South Korea.

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,
Dr.Kobsidthi Silpachai, CFA
Head – Capital Markets Research
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 20-Aug-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.36	32.46	32.76
EUR/THB	37.49	37.53	38.30
GBP/THB	43.40	43.47	44.38
JPY/THB	0.217	0.217	0.225

KBank SWAP Point Rates:

Premium/Discount (1M) as of 20-Aug-25
Export/Import
-9.45 / -7.65
-10.79 / 11.39
-20.1 / 10.14
-3.3653 / 15.9446

Market Summary:

US Markets	19-Aug-25	18-Aug-25	Change
Dow Jones	44,922.27	44,911.82	0%
S&P 500	6,411.37	6,449.15	-0.6%
Treasury Yield 2yr note (%)	3.75	3.76	-1 bps
Treasury Yield 10yr note (%)	4.31	4.33	-3 bps

European Markets	19-Aug-25	18-Aug-25	Change
Germany (DAX)	24,423	24,315	0.4%
France (CAC 40)	7,979	7,884	1.2%
UK (FTSE 100)	9,189	9,158	0.3%
Bund Yield 2yr note (%)	1.96	1.96	0 bps
Bund Yield 10yr note (%)	2.75	2.76	-1 bps

Thai Markets	19-Aug-25	18-Aug-25	Change
SET	1,235.76	1,242.31	-0.5%
TGB Yield 2yr note (%)	1.14	1.14	0 bps
TGB Yield 5yr note (%)	1.16	1.16	0 bps
TGB Yield 10yr note (%)	1.35	1.35	0 bps

Money Markets	19-Aug-25	18-Aug-25
THOR	1.49581	1.49541
O/N	1.69926	1.70577
1M	1.73179	1.73491
3M	1.85049	1.85467
6M	1.54344	1.54622
BIBOR	1.63933	1.64027
3M	1.68319	1.68378
6M		

Foreign capital flows	19-Aug-25	18-Aug-25
Thai Bonds (M THB)	-1,010	-1,002
Thai Stocks (M THB)	-416	-645

Commodities	19-Aug-25	change
WTI Crude (USD/bbl)	62.4	-1.69%
Dubai Fateh (USD/bbl)	66.4	-0.35%
Gold (USD/ounce)	3,315.8	-0.51%

FX Markets	Morning Spot	Closing rates		Daily % Change	Consensus End-2025
		19-Aug-25	18-Aug-25		
USD/THB**	32.59	32.51	32.46	0.14%	33.70
EUR/USD	1.164	1.165	1.166	-0.12%	1.18
USD/JPY	147.60	147.67	147.89	-0.15%	142.0
GBP/USD	1.348	1.349	1.350	-0.1%	1.36
USD/CNY	7.182	7.182	7.185	-0.03%	7.15
USD/SGD	1.286	1.285	1.284	0.05%	1.28
USD/IDR	16,245	16,245	16,160	0.53%	16,250
USD/MYR	4.230	4.224	4.223	0.03%	4.20
USD/PHP	57.11	57.11	57.04	0.12%	56.30
USD/KRW	1,395	1,391	1,388	0.25%	1,370
USD/NTD	30.12	30.12	30.05	0.21%	29.30
AUD/USD	0.6451	0.6454	0.6491	-0.57%	0.6600
USD/CHF	0.8086	0.8077	0.8075	0.02%	0.81
USD/VND	26313	26313	26293	0.08%	26200
JPY/THB	22.08	22.02	21.95	0.29%	23.73
EUR/THB	37.94	37.86	37.86	0.02%	39.77
GBP/THB	43.94	43.86	43.84	0.05%	45.83
CNY/THB	4.54	4.53	4.52	0.18%	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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