

# KBank

## Daily Update

21 July 2025

### Yen weakened after the ruling coalition lost majority

**Market summary:** The US dollar index weakened on Friday but ended the week higher for the second consecutive week. US New housing starts beat estimates while preliminary consumer sentiment rose to the highest in five months. Trump would not allow the US dollar to weaken. Trump is preparing to impose a minimum 15–20% tariff on all imports from the EU. The Japanese yen weakened after the ruling coalition lost in Japan's upper house election.

**Factors to watch:** China Loan Prime Rate (Mon), US Existing Home Sales (Wed), ECB meeting, US Manufacturing PMI and New Home Sales (Thu), Tokyo CPI, US Retail Sales and Durable Goods Orders (Fri)

**USD/THB:** Open 32.39, Support 32.30, Resistance 32.60

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### Macro update

- **The US dollar index weakened after a strong surge the day before and ended the week higher for the second consecutive week.** This came despite strong US economic data. **New housing starts in June rose to 1.321 million units, higher than the forecast** of 1.3 million and up from 1.263 million units in the previous month. Meanwhile, **the preliminary University of Michigan Consumer Sentiment Index for July rose to 61.8 – the highest in five months** – beating both the forecast and the previous reading of 61.5 and 60.7, respectively. One-year-ahead inflation expectations fell to 4.4%, the lowest in five months and below both the forecast and the previous month's reading of 5.0%.
- **Trump announced that he would not allow the US dollar to weaken and signed a law to regulate cryptocurrencies.** On trade, **Trump stated that he is preparing to impose a minimum 15–20% tariff on all imports from the EU.** In response, the EU is preparing to meet and consider countermeasures, though trade negotiations remain difficult. As for Japan, Bessent noted that a trade deal between the US and Japan is possible, and that a good deal is more important than a rushed one.
- **The euro appreciated against the US dollar on Friday.** German producer prices rising 0.1%MoM as expected. Meanwhile, the EU announced a new round of sanctions against Russia, including a lower cap on oil prices.
- **The Japanese yen weakened against the US dollar after the ruling coalition lost in Japan's upper house election,** securing only 47 seats – fewer than the 50 needed for a majority in the 248-seat chamber. This marks the first time since 1955 that the ruling coalition holds less than half the seats. Nevertheless, Prime Minister Shigeru Ishiba stated he would remain in office despite lacking a majority in the upper house.
- **The Thai baht ended Friday stronger against the US dollar,** amid foreign inflows into the stock market and outflows from the Thai bond 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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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 21-Jul-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.16	32.26	32.56
EUR/THB	37.20	37.25	38.01
GBP/THB	42.92	42.99	43.89
JPY/THB	0.214	0.215	0.223

## KBank SWAP Point Rates:

Premium/Discount (1M) as of 21-Jul-25
Export/Import
-8.45 / -5.5
-12.05 / 10.47
-20.27 / 10.54
0.0249 / 19.6943

## Market Summary:

US Markets	18-Jul-25	17-Jul-25	Change
Dow Jones	44,342.19	44,484.49	-0.3% ↓
S&P 500	6,296.79	6,297.36	0% →
Treasury Yield 2yr note (%)	3.87	3.90	-4 bps ↓
Treasury Yield 10yr note (%)	4.42	4.45	-4 bps ↓

European Markets	18-Jul-25	17-Jul-25	Change
Germany (DAX)	24,290	24,371	-0.3% ↓
France (CAC 40)	7,823	7,822	0% →
UK (FTSE 100)	8,992	8,973	0.2% ↑
Bund Yield 2yr note (%)	1.87	1.86	1 bps ↑
Bund Yield 10yr note (%)	2.70	2.68	2 bps ↑

Thai Markets	18-Jul-25	17-Jul-25	Change
SET	1,206.58	1,198.11	0.7% ↑
TGB Yield 2yr note (%)	1.35	1.36	-1 bps ↓
TGB Yield 5yr note (%)	1.36	1.39	-2 bps ↓
TGB Yield 10yr note (%)	1.53	1.54	-1 bps ↓

Money Markets	18-Jul-25	17-Jul-25
THOR	1.74601	1.74553 →
O/N	1.74526	1.74526 →
1M	1.78082	1.78357 →
3M	1.94966	1.95070 →
6M	1.79162	1.79171 →
BIBOR	1.88649	1.88669 →
3M	1.91731	1.91762 →
6M		

Foreign capital flows	18-Jul-25	17-Jul-25
Thai Bonds (M THB)	-2,563	-291 ↓
Thai Stocks (M THB)	843	2,495 ↓

Commodities	18-Jul-25	change
WTI Crude (USD/bbl)	67.3	-0.3% ↓
Dubai Fateh (USD/bbl)	70.1	2.35% ↑
Gold (USD/ounce)	3,349.9	0.33% ↑

FX Markets	Morning Spot	Closing rates		Daily %Change		Consensus End-2025
		18-Jul-25	17-Jul-25			
USD/THB**	32.39	32.38	32.52	-0.43%	↓	33.70
EUR/USD	1.162	1.163	1.160	0.26%	↑	1.17
USD/JPY	148.44	148.81	148.58	0.15%	↑	140.0
GBP/USD	1.340	1.342	1.342	0%	→	1.37
USD/CNY	7.175	7.175	7.182	-0.1%	↓	7.15
USD/SGD	1.285	1.285	1.286	-0.04%	↓	1.27
USD/IDR	16,290	16,290	16,331	-0.25%	↓	16,140
USD/MYR	4.238	4.244	4.250	-0.13%	↓	4.20
USD/PHP	57.13	57.17	57.26	-0.15%	↓	56.00
USD/KRW	1,392	1,391	1,392	-0.1%	↓	1,350
USD/NTD	29.40	29.39	29.40	-0.03%	↓	29.00
AUD/USD	0.6506	0.6509	0.6488	0.32%	↑	0.6700
USD/CHF	0.8019	0.8013	0.8045	-0.4%	↓	0.81
USD/VND	26154	26155	26155	0%	→	26200
JPY/THB	21.82	21.76	21.89	-0.58%	↓	24.07
EUR/THB	37.64	37.64	37.71	-0.17%	↓	39.43
GBP/THB	43.42	43.44	43.63	-0.43%	↓	46.17
CNY/THB	4.51	4.51	4.53	-0.33%	↓	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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