

KBank

Daily Update

22 July 2025

PBOC left its loan prime rates unchanged as expected

Market summary: The US dollar index weakened while the 10-year US Treasury yield fell to 4.37%, amid uncertainty surrounding trade wars. US Treasury Secretary Scott Bessent stated that if inflation remains low, the Fed should cut interest rates, and called for a full review of the Federal Reserve. Yen appreciated by 1% against the US dollar yesterday. PBOC left its loan prime rates unchanged as expected.

Factors to watch: 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 32.25, Support 32.10, Resistance 32.35

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Macro update

- **The US dollar index weakened while the 10-year US Treasury yield fell to 4.37%, amid uncertainty surrounding trade wars.** Similarly, German government bond yields also declined, alongside rising risks stemming from tensions between Trump and Powell, with growing pressure for more rate cuts. Additionally, diverging views among Fed members on further rate cuts have led to a surge in gold prices, which once again touched USD 3,400 per ounce.
- **US Treasury Secretary Scott Bessent stated that if inflation remains low, the Fed should cut interest rates, and called for a full review of the Federal Reserve.** Regarding import tariffs, Bessent mentioned that trade negotiations between the US and the EU might not turn out too poorly, as bilateral talks are ongoing.
- **The euro appreciated by 0.6% against the US dollar ahead of the ECB meeting this Thursday,** with markets expecting the ECB to keep rates unchanged. Meanwhile, the 10-year German bund yield dropped 8bps—the largest decline in two months—due to concerns over unresolved EU-US trade agreements.
- **The British pound also strengthened against the US dollar,** while the 10-year UK gilt yield fell 6bps to 4.61%, as markets revised their expectations for further modest rate cuts by the Bank of England next year.
- **The Japanese yen appreciated 1% against the US dollar yesterday,** despite a public holiday in Japan, as election results became certain.
- **The People's Bank of China left its benchmark loan prime rates unchanged as expected,** with the 1-year rate at 3.0% and the 5-year rate at 3.5%, amid China's ongoing economic recovery.
- **The Thai baht closed stronger against the US dollar,** supported by foreign inflows into the equity 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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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 22-Jul-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.02	32.12	32.42
EUR/THB	37.26	37.31	38.07
GBP/THB	42.97	43.04	43.93
JPY/THB	0.214	0.215	0.223

KBank SWAP Point Rates:

Premium/Discount (1M) as of 22-Jul-25
Export/Import
-8.45 / -5.5
-12.05 / 10.47
-20.27 / 10.54
0.0249 / 19.6943

Market Summary:

US Markets	21-Jul-25	18-Jul-25	Change
Dow Jones	44,323.07	44,342.19	0% ↓
S&P 500	6,305.60	6,296.79	0.1% ↑
Treasury Yield 2yr note (%)	3.86	3.87	-1 bps ↓
Treasury Yield 10yr note (%)	4.38	4.42	-4 bps ↓

European Markets	21-Jul-25	18-Jul-25	Change
Germany (DAX)	24,308	24,290	0.1% ↑
France (CAC 40)	7,798	7,823	-0.3% ↓
UK (FTSE 100)	9,013	8,992	0.2% ↑
Bund Yield 2yr note (%)	1.82	1.87	-5 bps ↓
Bund Yield 10yr note (%)	2.61	2.70	-8 bps ↓

Thai Markets	21-Jul-25	18-Jul-25	Change
SET	1,208.13	1,206.58	0.1% ↑
TGB Yield 2yr note (%)	1.34	1.35	-1 bps ↓
TGB Yield 5yr note (%)	1.36	1.36	-1 bps ↓
TGB Yield 10yr note (%)	1.53	1.53	0 bps →

Money Markets	21-Jul-25	18-Jul-25
THOR	1.74538	1.74601 →
O/N	1.74535	1.74526 →
1M	1.77257	1.78082 ↓
3M	1.93955	1.94966 ↓
6M	1.79159	1.79162 →
BIBOR	1.88639	1.88649 →
1M	1.91688	1.91731 →
3M		
6M		

Foreign capital flows	21-Jul-25	18-Jul-25
Thai Bonds (M THB)	-2,563	-455 ↓
Thai Stocks (M THB)	1,150	843 ↑

Commodities	21-Jul-25	change
WTI Crude (USD/bbl)	67.2	-0.21% ↓
Dubai Fateh (USD/bbl)	68.6	-2.14% ↓
Gold (USD/ounce)	3,397.1	1.41% ↑

FX Markets	Morning Spot	Closing rates		Daily %Change	Consensus End-2025
		21-Jul-25	18-Jul-25		
USD/THB**	32.25	32.36	32.38	-0.06% ↓	33.70
EUR/USD	1.169	1.169	1.163	0.58% ↑	1.17
USD/JPY	147.56	147.38	148.81	-0.96% ↓	140.0
GBP/USD	1.348	1.349	1.342	0.57% ↑	1.36
USD/CNY	7.169	7.169	7.175	-0.07% ↓	7.15
USD/SGD	1.281	1.281	1.285	-0.37% ↓	1.27
USD/IDR	16,311	16,311	16,290	0.13% ↑	16,180
USD/MYR	4.228	4.235	4.244	-0.21% ↓	4.20
USD/PHP	56.99	57.16	57.17	-0.03% ↓	56.00
USD/KRW	1,385	1,383	1,391	-0.57% ↓	1,350
USD/NTD	29.36	29.41	29.39	0.06% ↑	28.95
AUD/USD	0.6518	0.6525	0.6509	0.25% ↑	0.6700
USD/CHF	0.7984	0.7979	0.8013	-0.42% ↓	0.81
USD/VND	26154	26154	26155	0% →	26200
JPY/THB	21.85	21.96	21.76	0.91% ↑	24.07
EUR/THB	37.69	37.84	37.64	0.53% ↑	39.43
GBP/THB	43.47	43.67	43.44	0.52% ↑	45.83
CNY/THB	4.50	4.51	4.51	0.02% ↑	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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