

KBank

Daily Update

25 June 2025

Powell to hold rates to monitor the effects of the import tariffs

Market summary: The US dollar index closed lower after Trump announced a ceasefire between Israel and Iran. Powell stated before Congress that interest rates would be held steady to monitor the effects of the import tariffs. US consumer confidence as reported by the Conference Board in June fell to 93.0, below expectations.

Factors to watch: BoT meeting, US New Home Sales (Wed) US GDP & Durable Goods Orders (Thu) Tokyo CPI, Japan Retail Sales, US PCE inflation & UoM consumer sentiment (Fri)

USD/THB: Open 32.65, Support 32.45, Resistance 32.70

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Macro update

- **The US dollar index closed lower** after Trump announced a ceasefire between Israel and Iran. Although there were intermittent reports of clashes between the two, Iran denied attacking Israel and stated that it had already ceased fire, while Trump ordered Israel to stop attacking Iran. Additionally, there were reports that the US might intervene in the oil market by releasing crude oil from the Strategic Petroleum Reserve.
- **Powell stated before Congress that interest rates would be held steady to monitor the effects of the import tariffs.** The Atlanta Fed's GDP forecast suggests no recession is expected. However, if inflation expectations decline while the labour market weakens, rate cuts may occur sooner than anticipated. Meanwhile, Raphael Bostic noted the possibility of a single 25bps rate cut in the second half of this year. Cleveland Fed President Loretta Mester and Kansas City Fed President Jeffrey Schmid said interest rates may need to be kept on hold for a while.
- **On the US economic data front, consumer confidence as reported by the Conference Board in June fell to 93.0, below expectations** of 99.8 and down from 98.4 the previous month, putting further pressure on the dollar.
- **Europe is preparing to retaliate if the US insists on imposing import tariffs on European goods**, while negotiations have seen little progress. The euro appreciated 0.5% to \$1.1641 per euro, its strongest level since October 2021, supported by the weakening dollar. ECB member François Villeroy stated that the ECB's interest rate is now at a neutral level, but this may not be the terminal rate, leaving open the possibility of further cuts if oil prices remain volatile.
- **Germany passed its 2025 budget bill, increasing spending** with a total planned borrowing of EUR 500 billion through 2029 and an additional EUR 19 billion borrowing planned for Q3 this year. Meanwhile, Germany's IFO Business Climate Index for June rose to 88.4, beating expectations of 88.0 and up from 87.5 in the previous month.
- **The Thai baht appreciated against the US dollar, in line with other regional currencies, led by the yen.** Meanwhile, the Stock Exchange of Thailand (SET) has

- ended its temporary measures and reverted to the standard ceiling and floor trading limits today. The committee responsible for selecting the new Bank of Thailand governor has nominated Dr. Roong Mallikamas, Deputy Governor for Financial Institution Stability, and Mr. Vitai Ratanakorn, Director of the Government Savings Bank, for the Finance Minister’s consideration.

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 25-Jun-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.29	32.39	32.69
EUR/THB	37.37	37.43	38.18
GBP/THB	43.78	43.85	44.77
JPY/THB	0.221	0.221	0.229

KBank SWAP Point Rates:

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

Market Summary:

US Markets	24-Jun-25	23-Jun-25	Change
Dow Jones	43,089.02	42,581.78	1.2%
S&P 500	6,092.18	6,025.17	1.1%
Treasury Yield 2yr note (%)	3.83	3.86	-4 bps
Treasury Yield 10yr note (%)	4.29	4.35	-5 bps

European Markets	24-Jun-25	23-Jun-25	Change
Germany (DAX)	23,642	23,269	1.6%
France (CAC 40)	7,616	7,538	1%
UK (FTSE 100)	8,759	8,758	0%
Bund Yield 2yr note (%)	1.85	1.84	1 bps
Bund Yield 10yr note (%)	2.54	2.51	4 bps

Thai Markets	24-Jun-25	23-Jun-25	Change
SET	1,100.01	1,062.78	3.5%
TGB Yield 2yr note (%)	1.44	1.45	-1 bps
TGB Yield 5yr note (%)	1.48	1.50	-2 bps
TGB Yield 10yr note (%)	1.68	1.69	-1 bps

Money Markets	24-Jun-25	23-Jun-25
THOR	1.74630	1.74464
O/N	1.74523	1.74517
1M	1.84822	1.85423
3M	2.01623	2.01900
6M	1.79465	1.79467
BIBOR	1.89119	1.89120
3M	1.93296	1.93298
6M		

Foreign capital flows	24-Jun-25	23-Jun-25
Thai Bonds (M THB)	41	1,320
Thai Stocks (M THB)	240	913

Commodities	24-Jun-25	change
WTI Crude (USD/bbl)	64.4	-6.04%
Dubai Fateh (USD/bbl)	66.5	-9.91%
Gold (USD/ounce)	3,323.7	-1.33%

FX Markets	Morning Spot	Closing rates		Daily %Change	Consensus End-2025
		24-Jun-25	23-Jun-25		
USD/THB**	32.65	32.65	32.75	-0.31%	33.70
EUR/USD	1.163	1.161	1.158	0.27%	1.16
USD/JPY	144.89	144.94	146.15	-0.83%	140.0
GBP/USD	1.362	1.362	1.352	0.67%	1.36
USD/CNY	7.172	7.172	7.179	-0.1%	7.20
USD/SGD	1.279	1.280	1.285	-0.37%	1.29
USD/IDR	16,350	16,350	16,485	-0.82%	16,300
USD/MYR	4.233	4.247	4.293	-1.05%	4.24
USD/PHP	57.16	57.16	57.61	-0.8%	55.55
USD/KRW	1,358	1,359	1,382	-1.67%	1,370
USD/NTD	29.52	29.52	29.73	-0.69%	30.20
AUD/USD	0.6498	0.6489	0.6460	0.45%	0.6600
USD/CHF	0.8046	0.8053	0.8127	-0.91%	0.82
USD/VND	26157	26158	26195	-0.14%	25975
JPY/THB	22.53	22.52	22.41	0.53%	24.07
EUR/THB	37.95	37.90	37.91	-0.04%	39.09
GBP/THB	44.46	44.45	44.29	0.37%	45.83
CNY/THB	4.55	4.55	4.56	-0.2%	4.68

***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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