

KBank

Daily Update

30 July 2025

Dollar rose further ahead of Fed meeting, tariff fears ease

Market summary: US dollar index rose for a fourth day, while Treasury yields fell amid a well-received auction of 7-year Treasury notes. US economic data was mixed with job openings in June fell more than forecast but consumer confidence rose to 97.2 exceeding expectations. Bessent stated that discussions are ongoing to maintain a tariff truce with China before it expires on August 12 though the final decision will rest with Trump.

Factors to watch: Eurozone and US 2Q GDP, BoC meeting (Wed) Fed and BoJ meeting, China Official PMIs, Thai Current Account, US PCE inflation (Thu) Eurozone Inflation, US Nonfarm Payrolls and PMI (Fri)

USD/THB: Open 32.39, Support 32.20, Resistance 32.50

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Macro update

- **The US dollar index rose for a fourth day advancing by nearly 0.3%, reaching a one month high at 98.89**, while Treasury yields fell, especially 10-year fell -9bps and 30-year down -10bps. This came after a well-received auction of 7-year Treasury notes worth USD 44 billion. The market is awaiting the Treasury's auction plans for the next quarter and closely watching today's Fed meeting, where interest rates are expected to remain unchanged, albeit likely with a split vote. The key focus will be on the Fed's statement and Chair Jerome Powell's guidance on future rate directions.
- Meanwhile, US economic data was mixed. **Job openings in June fell to 7.44 million, below the forecast** of 7.50 million, and the previous month's figure was revised down to 7.71 million—indicating weakening labor demand. The ratio of job openings to unemployment decreased to 1.06 from 1.07 the previous month. For context, this ratio peaked at 2.00 in 2022 after the COVID crisis. On a brighter note, **US consumer confidence, as reported by the Conference Board, rose to 97.2, exceeding expectations** of 96.0. The previous month's figure was also revised up to 95.2, as concerns about the economy and labor market eased.
- On trade negotiations with China, US Treasury Secretary, **Bessent stated that discussions are ongoing to maintain a tariff truce before it expires on August 12. The final decision will rest with President Trump**, including whether to delay and for how long. A 90-day postponement is one possible option. **Talks with India are also ongoing, with Trump suggesting tariffs of 20–25% may be imposed.**
- **The euro continued to weaken by about -0.4% against the US dollar**, as markets worried that the EU's trade agreement with the U.S. could negatively impact the European economy.
- **The Japanese yen closed relatively stable against the U.S. dollar at around 148.50 yen per US dollar.** Markets are watching the upcoming BoJ meeting, which is expected to keep interest rates unchanged while raising its inflation forecast. There may also be a signal for a rate hike in the near future, following the recent trade agreement with the US.

- On Japan’s domestic politics, **the ruling party may soon debate replacing Prime Minister Ishiba after losing the upper house election on July 20**. This marks the first time since the Liberal Democratic Party (LDP) was founded in 1955 that it has lost its majority in both houses of parliament.
- The Thai baht closed slightly weaker, down -0.1% against the U.S. dollar**, despite capital inflows into both the stock and bond markets yesterday. **Attention remains on Thailand’s trade talks with the U.S. ahead of the August 1 deadline to see whether U.S. import tariffs—currently at 36%—will be reduced**. Meanwhile, tensions between Thailand and Cambodia show no clear signs of resolution.

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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	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 30-Jul-25 Round 1	Sight Bill	Buying T/T	Selling T/T
USD/THB	32.10	32.20	32.50
EUR/THB	36.98	37.03	37.78
GBP/THB	42.70	42.77	43.67
JPY/THB	0.214	0.215	0.223

KBank SWAP Point Rates:

Premium/Discount (1M) as of 30-Jul-25
Export/Import
-8.45 / -5.5
-12.05 / 10.47
-20.27 / 10.54
0.0249 / 19.6943

Market Summary:

US Markets	29-Jul-25	28-Jul-25	Change
Dow Jones	44,632.99	44,837.56	-0.5% ↓
S&P 500	6,370.86	6,389.77	-0.3% ↓
Treasury Yield 2yr note (%)	3.87	3.93	-6 bps ↓
Treasury Yield 10yr note (%)	4.32	4.41	-9 bps ↓
European Markets	29-Jul-25	28-Jul-25	Change
Germany (DAX)	24,217	23,970	1% ↑
France (CAC 40)	7,857	7,801	0.7% ↑
UK (FTSE 100)	9,136	9,081	0.6% ↑
Bund Yield 2yr note (%)	1.94	1.92	2 bps ↑
Bund Yield 10yr note (%)	2.71	2.69	2 bps ↑
Thai Markets	29-Jul-25	25-Jul-25	Change
SET	1,233.68	1,217.15	1.4% ↑
TGB Yield 2yr note (%)	1.30	1.29	2 bps ↑
TGB Yield 5yr note (%)	1.33	1.32	2 bps ↑
TGB Yield 10yr note (%)	1.52	1.49	3 bps ↑

Money Markets	29-Jul-25	25-Jul-25
THOR	1.74236	1.74543 →
O/N	1.74556	1.74537 →
1M	1.75068	1.76160 ↓
3M	1.91726	1.93025 ↓
6M	1.79088	1.79082 →
BIBOR	1.88570	1.88571 →
3M	1.91503	1.91520 →
6M		
Foreign capital flows	29-Jul-25	25-Jul-25
Thai Bonds (M THB)	-2,563	169 ↓
Thai Stocks (M THB)	3,380	-267 ↑
Commodities	29-Jul-25	change
WTI Crude (USD/bbl)	69.2	3.75% ↑
Dubai Fateh (USD/bbl)	69.9	2% ↑
Gold (USD/ounce)	3,323.3	0.33% ↑

FX Markets	Morning Spot	Closing rates		Daily % Change	Consensus End-2025
		29-Jul-25	28-Jul-25		
USD/THB**	32.39	32.43	32.38	0.14% ↑	33.70
EUR/USD	1.157	1.154	1.160	-0.49% ↓	1.18
USD/JPY	148.24	148.56	148.49	0.05% ↑	140.0
GBP/USD	1.336	1.334	1.338	-0.3% ↓	1.36
USD/CNY	7.177	7.177	7.179	-0.03% ↓	7.15
USD/SGD	1.286	1.288	1.287	0.12% ↑	1.27
USD/IDR	16,398	16,398	16,342	0.34% ↑	16,190
USD/MYR	4.229	4.234	4.231	0.07% ↑	4.20
USD/PHP	57.33	57.33	57.17	0.27% ↑	56.05
USD/KRW	1,380	1,390	1,389	0.04% ↑	1,350
USD/NTD	29.70	29.70	29.52	0.61% ↑	29.00
AUD/USD	0.6524	0.6510	0.6517	-0.11% ↓	0.6700
USD/CHF	0.8044	0.8064	0.8029	0.44% ↑	0.81
USD/VND	26221	26219	26191	0.11% ↑	26200
JPY/THB	21.85	21.83	21.81	0.09% ↑	24.07
EUR/THB	37.46	37.42	37.56	-0.35% ↓	39.77
GBP/THB	43.28	43.25	43.32	-0.16% ↓	45.83
CNY/THB	4.51	4.52	4.51	0.16% ↑	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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