

Concerns over Fed independence drive market sentiment overnight

**Trump denies firing Powell after suggestion to GOP**

Reports suggested President Trump was considering firing Fed Chair Jerome Powell, sparking fears over the Fed's independence. Trump allegedly consulted GOP lawmakers, who didn't object, and a meeting with Powell was planned but later cancelled. Nonetheless, Trump denied the reports, saying he wouldn't fire Powell unless fraud was involved, though a leadership change could come in eight months, with NEC Director Haseett as a possible successor. Powell has faced criticism over high interest rates and Fed building renovation costs, which could be used as grounds for dismissal.

**US PPI stagnated on decline in services costs**

June's PPI came in flat, missing expectations for a 0.2% increase and cooling from a revised 0.3% in May. Annually, headline PPI rose 2.3%, below the 2.5% forecast and easing from a revised 2.7%. Core PPI was also unchanged, underperforming the 0.2% estimate and easing to 2.6% year-over-year from 3.0%. Key PCE-related components were mixed: airline fares dropped further, while portfolio management rebounded. Healthcare saw modest gains, with outpatient care rising and inpatient care flat. Nonetheless, the delayed effect of tariffs on PPI is expected, as the index excludes imports and focuses on domestic pricing.

**US industrial production outpaces forecasts**

Industrial production rose 0.3% in June, beating expectations of 0.1% and up from a revised flat reading in May. Manufacturing output edged up 0.1%, slightly above forecasts, and capacity utilization unexpectedly increased to 77.6% from 77.5%, ahead of the 77.4% consensus. Despite the upside surprise, analysts are maintaining its baseline forecast, anticipating a slowdown in industrial activity in the second half of 2025 as the impact of tariffs sets in.

**UK inflation rose more than expected in June**

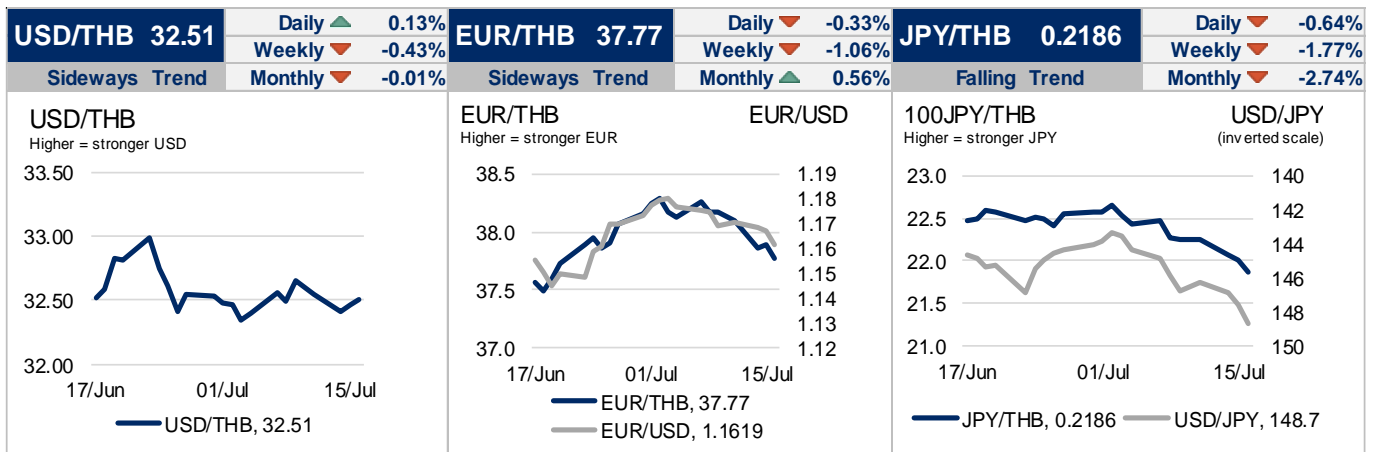
UK inflation rose to 3.6% in June, the highest since January 2024, up from 3.4% and above expectations for no change. Food prices jumped 4.4%, with retailers citing higher payroll taxes and minimum wage hikes. Services inflation stayed at 4.7%, also above forecasts, driven by rising hotel, clothing, and footwear costs. The surprise increase sparked criticism of the Labour government's tax policies.

**The US dollar declined on fears over the Fed's independence**

The 10-year government bond yield (interpolated) on the previous trading day was 1.531, -0.17 bps. The benchmark government bond yield (LB353A) was 1.524, -0.31 bps. Meantime, the latest closed US 10-year bond yields was 4.46, -4.0 bps. USDTHB on the previous trading day closed around 32.51, moving in a range of 32.50 – 32.53 this morning. USDTHB could be closed between 32.40 – 32.65 today. The dollar fell on concerns over Fed independence after reports claimed Trump considered firing Fed Chair Powell and had shown a draft dismissal letter to House Republicans. The index later rebounded after Trump denied the reports and denied drafting any letter, while softer-than-expected PPI data also drew attention. The euro gained on early USD weakness, briefly reclaiming 1.1700 before trimming gains after Trump's denial. The Japanese yen recovered recent losses, with USD/JPY dipping toward 147.00 amid Powell firing fears, before rebounding as Trump refuted the claims.

Sources : ttb analytics, Bloomberg, CNBC, Trading economics, Investing, CEIC

<b>SET Index</b>	<b>1,157.6</b>	<b>S&amp;P500</b>	<b>6,263.7</b>	<b>10Y UST</b>	<b>4.46%</b>	<b>Brent</b>	<b>68.52</b>	<b>Gold</b>	<b>3,339.4</b>
16-Jul	▼ -0.3%	16-Jul	▲ 0.3%	16-Jul	▼ -4.0 bps	16-Jul	▼ -0.3%	16-Jul	▼ -0.6%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates





















































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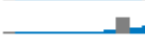



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### Currency Market






















Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range				
						Min	Max			
Dollar Index		98.50	0.5%		0.8%		0.3%		96.68	99.13
EUR/USD		1.1619	-0.5%		-0.64%		0.6%		1.1423	1.1800
USD/JPY		148.70	0.8%		1.3%		2.8%		143.32	147.57
USD/CHF		0.8010	0.5%		0.5%		-1.6%		0.7907	0.8225
GBP/USD		1.3398	-0.3%		-1.3%		-1.3%		1.3389	1.3744
USD/CAD		1.3702	-0.1%		0.2%		0.8%		1.3577	1.3787
AUD/USD		0.6533	-0.1%		0.1%		0.2%		0.6409	0.6583
NZD/USD		0.5967	-0.2%		-0.6%		-1.3%		0.5935	0.6098
ASEAN Dollar		106.69	0.1%		0.0%		0.4%		104.01	107.79
USD/THB		32.51	0.1%		-0.4%		0.0%		32.35	32.99
USD/SGD		1.2831	0.1%		0.2%		0.1%		1.2719	1.2909
USD/MYR		4.2487	-0.1%		0.0%		0.2%		4.1870	4.2802
USD/IDR		16,176	0.1%		0.0%		0.1%		16,094	16,376
USD/PHP		57.08	0.1%		0.4%		0.7%		55.96	57.90
USD/CNY		7.1758	0.09%		-0.2%		-0.1%		7.1488	7.2039
USD/HKD		7.8447	0.0%		-0.1%		-0.1%		7.8311	7.8642

### FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.15	0.15
3-month		0.70	-0.05
6-month		1.50	-0.20
Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		262,804	1307
Gold		25,166	471
SDR		5,726	8
IMF Reserves		1,089	2
Foreign Ccy		230,823	826
Net Fwd Position		21,850	-390

### Money Market

Last update: 04/07/2025





















































THB BIBOR	1M Hist	Last	1M Range		THBFIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		1.75	1.75	1.75	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		1.77	1.77	1.77	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		1.79	1.79	1.80	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.84	1.84	1.85	2M					2M		0.00	0.00	0.00
3M		1.89	1.89	1.89	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		1.92	1.92	1.93	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.02	2.02	2.03	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49

Last Updated: 29/03/2023

Last Updated: 09/03/2022









Note: D=d=day; M=mth=month; Y=year; %chg = percentage change; chg = change; USTH FX Sp = USD/THB FX Swap point; \$mn=million US dollar; THB.mn= Thai baht million; Hist=history; THB implied = Thai baht rate that are calculated by FX forward rate; ASEAN Index = value average ASEAN FX Jan2008=100

Sources: ttb analytics, CEIC

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.4600	-4.00 	6.00 	-8.00 	4.24	4.58
Gilt 10y		4.6677	3.26 	9.35 	-9.46 	4.50	4.77
Bund 10y		2.7100	2.00 	9.00 	19.00 	2.50	2.73
JGB 10y		1.5750	-1.30 	11.20 	9.60 	1.42	1.59
TGB 1y		1.4373	-0.35 	-0.95 	-7.02 	1.44	1.52
TGB 2y		1.3679	-0.08 	0.63 	-13.31 	1.36	1.51
TGB 5y		1.3918	-0.93 	-0.35 	-13.80 	1.37	1.55
TGB 7y		1.4688	-1.43 	-2.47 	-17.01 	1.48	1.64
TGB 10y		1.5309	-0.17 	-1.24 	-16.71 	1.53	1.71
AAA Spread		68.09	-0.53 	-0.75 	-3.10 	68.09	72.45
AA Spread		64.04	-0.50 	-1.65 	-3.32 	64.04	68.02
A Spread		107.46	0.36 	0.09 	-4.13 	107.10	111.78
BBB Spread		285.39	-0.02 	-0.10 	0.18 	285.21	285.48

































































*Note:* UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

## Commodity Market

Commodity	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Brent Crude		68.52	-0.3% 	-0.2% 	-10.7% 	67.11	77.31
London Gold		3339.4	-0.6% 	0.4% 	-1.2% 	3,277.3	3,420.2

*Note:* Unit of Brent crude oil price is \$/barrel; unit of gold price is \$/ounce

## Equity Market

Equity Index	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
S&P500 (US)		6,263.7	0.3% 	-0.3% 	4.7% 	5,967.8	6,280.5
STOXX (EU)		560.59	-0.9% 	-2.2% 	0.8% 	549.3	573.7
FTSE All-Share(UK)		4,850.4	-0.2% 	-0.5% 	1.0% 	4,743.4	4,887.6
DAX (DE)		24,009.4	-0.2% 	-1.8% 	3.0% 	23,057.4	24,549.6
CAC All-Tradable(FR)		5,745.6	-0.6% 	-2.2% 	0.9% 	5,610.0	5,877.7
TOPIX (JP)		2,819.4	-0.2% 	0.3% 	0.4% 	2,756.5	2,852.8
Shanghai (CH)		3,672.6	0.0% 	-0.2% 	3.4% 	3,521.6	3,689.2
Hang Seng (HK)		24,517.8	-0.3% 	2.0% 	2.2% 	23,237.7	24,590.1
ASX 200 (AU)		8,561.8	-0.8% 	-0.3% 	0.4% 	8,474.9	8,630.3
SET (TH)		1,157.6	-0.29% 	4.3% 	4.0% 	1,062.8	1,161.0
SET50 (TH)		753.3	-0.3% 	4.5% 	4.0% 	692.5	755.3
Straits Times (SG)		4,132.3	0.3% 	1.4% 	5.4% 	3,879.3	4,132.3
FTSE Malay (MY)		1,511.5	-0.9% 	-1.6% 	0.0% 	1,501.4	1,550.2
JSX Index (ID)		7,192.0	0.7% 	2.7% 	0.5% 	6,787.1	7,204.4
PSE Index (PH)		6,337.5	-1.9% 	-1.9% 	0.0% 	6,218.3	6,525.0
Vn Index (VN)		1,475.5	1.0% 	2.1% 	9.6% 	1,315.5	1,475.5

Sources: ttb analytics, CEIC

*Note:* A = actual, P = previous; C = consensus

### Important Disclosures

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