

Markets fully price in a 25bps cut in September

**Bessent calls for 150bps+ Fed rate cut**

US Treasury Secretary Scott Bessent argued that the Fed's current benchmark rate is too high, saying it should be lowered by at least 1.5 percentage points. He indicated that updated labor market data—released after the most recent Fed meeting—might have prompted a rate cut had it been available earlier. Bessent also revealed that 10 to 11 candidates are in the running to replace Chair Jerome Powell when his term ends in May.

**Some Fed officials cautious on rate cuts amid tariff and data concerns**

Fed officials struck a cautious tone on policy. Goolsbee stressed the need for Fed independence, warned that tariffs pose a stagflationary risk, and noted upcoming meetings are "live" but resisted pre-committing on rates. Bostic maintained his view for one rate cut in 2025, dependent on a strong labor market, and said current conditions allow for patience, though small businesses face rising stress. Former official Bullard called a 50bps September cut "panicky," warning against aggressive moves and noting U.S. data may be weaker than it appears.

**Japan's PPI hits 11-month low in July**

Japan's producer price index (PPI) inflation rose slightly more than expected in July, increasing 2.6% year-on-year compared to forecasts of 2.5%, but marking the slowest growth in 11 months as higher U.S. tariffs weighed on local manufacturers. Monthly PPI growth matched expectations at 0.2%. The data reflects signs of cooling inflation amid ongoing trade pressures on Japan's manufacturing sector.

**Thailand's central bank cuts interest rate to 1.50%**

The Bank of Thailand's monetary policy committee unanimously decided to cut the one-day repurchase rate by 25 basis points to 1.50%, the lowest level in over two years. The bank indicated it will maintain an accommodative stance amid concerns that increased US tariffs could trigger an extended period of economic slowdown.

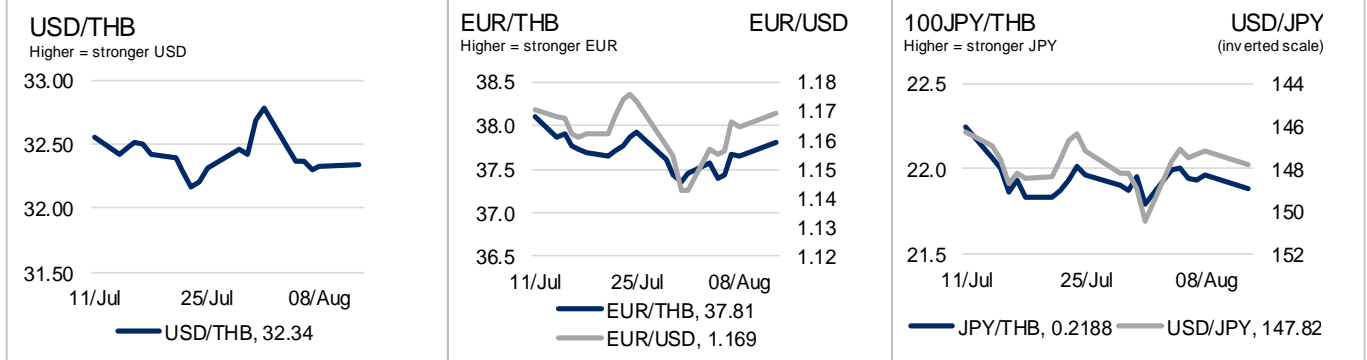
**Dollar slips lower as expectations rise of Fed cut in September**

The 10-year government bond yield (interpolated) on the previous trading day was 1.420, -3.58 bps. The benchmark government bond yield (LB353A) was 1.420, -3.28 bps. Meantime, the latest closed US 10-year bond yields was 4.24, -5.0 bps. USDTHB on the previous trading day closed around 32.34, moving in a range of 32.24 – 32.25 this morning. USDTHB could be closed between 32.20 – 32.35 today. The US dollar weakened against major currencies, weighed down by declining US yields as markets fully priced in a 25bps rate cut at the Fed's September meeting. With no significant US data releases, attention turned to speculation over the next Fed chair, Trump's meetings with European leaders and Ukrainian President Zelensky ahead of his Friday meeting with Putin. The euro benefited from the dollar's softness, reclaiming the 1.1700 level, though upside was limited amid a quiet eurozone news flow aside from Trump's call with EU leaders, with markets now looking to Thursday's EU GDP data. Meanwhile, the Japanese yen gained during the European session, holding below 148.00 as softer US yields bolstered expectations for a Fed rate cut.

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

<b>SET Index</b>	<b>1,277.4</b>	<b>S&amp;P500</b>	<b>6,466.6</b>	<b>10Y UST</b>	<b>4.24%</b>	<b>Brent</b>	<b>65.63</b>	<b>Gold</b>	<b>3,362.1</b>
13-Aug	▲ 1.4%	13-Aug	▲ 0.32%	13-Aug	▼ -5.0 bps	13-Aug	▼ -0.7%	13-Aug	▲ 0.4%

USD/THB 32.34	Daily <span>▲</span> 0.04%	EUR/THB 37.81	Daily <span>▲</span> 0.43%	JPY/THB 0.2188	Daily <span>▼</span> -0.39%
	Weekly <span>▼</span> -0.09%		Weekly <span>▲</span> 1.11%		Weekly <span>▼</span> -0.57%
Sideways Trend	Monthly <span>▼</span> -0.64%	Sideways Trend	Monthly <span>▼</span> -0.75%	Falling Trend	Monthly <span>▼</span> -1.68%



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

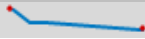































































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Currency Market






















Currency	1M History	Last	% Chg (1D)	% Chg (1W)	% Chg (1M)	1M Range				
						Min	Max			
Dollar Index		97.94	-0.3%		-0.9%		0.4%		96.99	99.97
EUR/USD		1.1690	0.4%		1.21%		-0.1%		1.1424	1.1767
USD/JPY		147.82	0.4%		0.5%		1.0%		144.39	150.48
USD/CHF		0.8063	0.0%		-0.3%		1.3%		0.7929	0.8130
GBP/USD		1.3526	0.7%		1.8%		-0.4%		1.3208	1.3664
USD/CAD		1.3741	0.0%		-0.4%		0.5%		1.3577	1.3839
AUD/USD		0.6534	0.2%		1.1%		-0.7%		0.6440	0.6594
NZD/USD		0.5965	0.1%		1.0%		-0.8%		0.5898	0.6077
ASEAN Dollar		106.94	-0.2%		-0.6%		-0.1%		104.01	108.45
USD/THB		32.34	0.0%		-0.1%		-0.6%		32.17	32.79
USD/SGD		1.2813	-0.1%		-0.5%		0.2%		1.2737	1.2965
USD/MYR		4.2169	-0.4%		-0.3%		-0.8%		4.2182	4.2724
USD/IDR		16,147	-0.6%		-1.2%		0.2%		16,094	16,380
USD/PHP		57.13	-0.2%		-0.8%		0.9%		56.61	58.53
USD/CNY		7.1750	-0.1%		-0.1%		0.2%		7.1545	7.2110
USD/HKD		7.8409	-0.1%		-0.1%		0.1%		7.8358	7.8550

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		263,939	-776
Gold		25,364	194
SDR		5,672	-33
IMF Reserves		1,150	-7
Foreign Ccy		231,753	-930
Net Fwd Position		22,285	485

Money Market

Last update: 01/08/2025

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	1.79	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.84	1.84	1.84	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	1.92	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.02	2.02	2.02	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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2400	-5.00 	2.00 	-10.00 	4.22	4.46
Gilt 10y		4.6355	4.29 	6.27 	8.79 	4.46	4.72
Bund 10y		2.7000	0.00 	1.00 	15.00 	2.52	2.76
JGB 10y		1.5300	1.40 	-3.00 	10.60 	1.42	1.61
TGB 1y		1.3557	-3.06 	-3.21 	-9.29 	1.38	1.45
TGB 2y		1.1973	-3.42 	-6.11 	-17.11 	1.23	1.40
TGB 5y		1.2234	-3.59 	-6.39 	-18.19 	1.26	1.43
TGB 7y		1.3360	-3.11 	-7.87 	-16.46 	1.37	1.52
TGB 10y		1.4200	-3.58 	-6.11 	-13.26 	1.45	1.58
AAA Spread		70.20	0.06 	1.79 	1.42 	67.08	70.20
AA Spread		64.97	0.04 	0.09 	-0.64 	63.70	66.03
A Spread		106.81	0.96 	0.14 	-1.30 	105.45	108.45
BBB Spread		285.59	0.13 	0.04 	0.23 	285.28	323.29

































































*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		65.63	-0.7% 	-1.2% 	-4.2% 	65.63	73.24
London Gold		3362.1	0.4% 	-0.4% 	0.7% 	3,294.9	3,430.2

*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)		6,466.6	0.3% 	2.0% 	3.2% 	6,238.0	6,466.6
STOXX (EU)		573.73	0.7% 	1.0% 	2.3% 	552.1	573.7
FTSE All-Share(UK)		4,969.2	0.2% 	0.6% 	2.4% 	4,850.4	4,970.6
DAX (DE)		24,185.6	0.7% 	0.0% 	0.7% 	23,426.0	24,370.9
CAC All-Tradable(FR)		5,816.4	0.6% 	1.2% 	1.2% 	5,625.0	5,848.0
TOPIX (JP)		3,091.9	0.8% 	4.2% 	9.5% 	2,812.3	3,091.9
Shanghai (CH)		3,861.1	0.5% 	1.2% 	5.1% 	3,672.6	3,861.1
Hang Seng (HK)		25,613.7	2.6% 	2.1% 	4.5% 	24,139.6	25,667.2
ASX 200 (AU)		8,827.1	-0.6% 	0.0% 	3.1% 	8,561.8	8,880.8
SET (TH)		1,277.4	1.5% 	2.4% 	13.9% 	1,110.4	1,277.4
SET50 (TH)		830.1	1.5% 	1.8% 	14.0% 	721.0	830.1
Straits Times (SG)		4,272.8	1.2% 	0.3% 	3.4% 	4,087.8	4,273.1
FTSE Malay (MY)		1,586.6	1.2% 	2.4% 	5.0% 	1,511.5	1,586.6
JSX Index (ID)		7,892.9	1.3% 	5.4% 	9.7% 	7,047.4	7,892.9
PSE Index (PH)		6,325.1	0.6% 	-0.6% 	-0.2% 	6,252.7	6,525.0
Vn Index (VN)		1,611.6	0.2% 	1.9% 	9.2% 	1,457.8	1,611.6

Sources: ttb analytics, CEIC

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

### Important Disclosures

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