

Fed cuts 25bps, signals two more this year, but Powell strikes hawkish tone

Fed lowers interest rates, signals more cuts ahead

The Fed cut rates by 25bps to 4.00–4.25%, as widely expected, citing a shift in the balance of risks. Notably, Bowman and Waller aligned with the consensus for a 25bps cut, while new Governor Miran dissented in favor of a larger 50bps move. The updated dot plot showed a divided outlook: 9 of 19 officials see two more cuts in 2025, 2 see one cut, and 6 expect no further reductions. The Fed also tweaked its forward guidance, removing specific language around the “extent and timing” of future adjustments, signaling a more cautious, data-dependent stance. On the labor market, the tone softened, with the description no longer calling conditions “solid.” Instead, the Fed noted that unemployment has edged up but remains low, and that job gains have slowed, while inflation has moved higher and remains elevated.

Powell signals cautious hawkishness

Fed Chair Powell was more hawkish than the statement and dot plots suggested. He emphasized that the SEP projections are not a fixed path, noting the close split among officials on rate cuts this year. Powell described the recent 25bps cut as a “risk management” move, with no broad support for a 50bps cut, and said the Fed doesn’t need to move quickly on rates. He stressed a meeting-by-meeting, data-driven approach and highlighted growing downside risks to the labor market, which remains the priority. Powell acknowledged inflation pressures from tariffs as likely temporary and said policy is shifting toward neutrality to better support jobs.

UK inflation stable at highest level since early 2024 in August

UK inflation held steady at a 1½-year high in August, likely keeping the Bank of England cautious about rate cuts. Consumer prices rose 3.8% year-on-year, matching forecasts. Declines in airfares were offset by higher motor fuel and restaurant prices. Food inflation climbed to 4.8%, its highest since early 2024, while services inflation eased to 4.7%, still above the BOE’s comfort zone. Monthly inflation accelerated to 0.3% from 0.1%, with core CPI rising 0.3% monthly and 3.6% annually, slightly down from July’s 3.8%.

Indonesia’s central bank cuts interest rates for third straight month

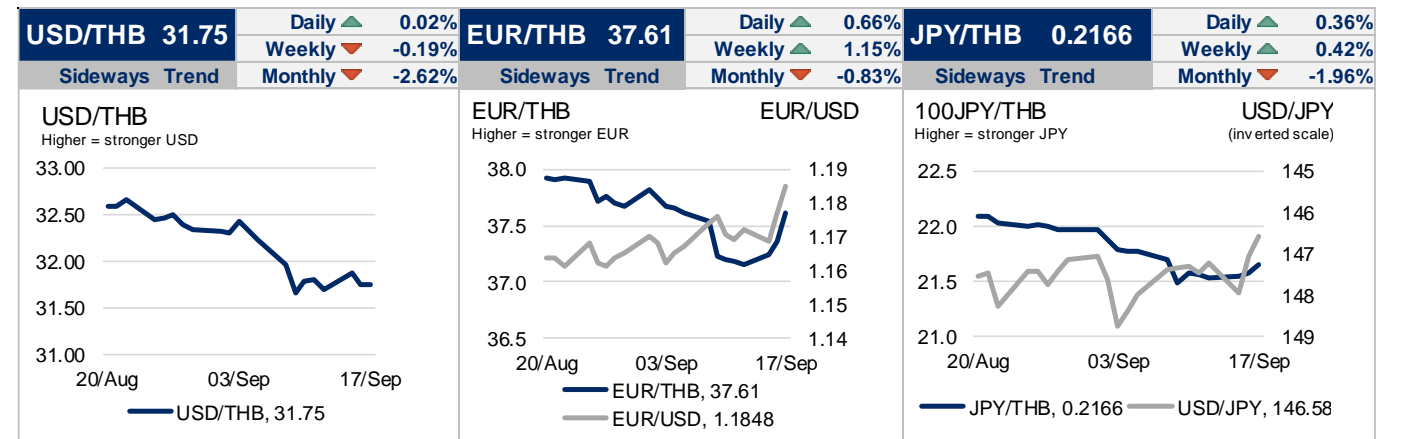
Bank Indonesia surprised markets with a 25bps rate cut to 4.75%, extending its easing cycle for the third month despite political uncertainty, reinforcing its pro-growth and stability policy.

Dollar rebounds amid post-Fed volatility

The 10-year government bond yield (interpolated) on the previous trading day was 1.414, -7.67 bps. The benchmark government bond yield (LB353A) was 1.391, -6.89 bps. Meantime, the latest closed US 10-year bond yields was 4.06, +2.0 bps. USDTHB on the previous trading day closed around 31.75, moving in a range of 31.82 – 31.85 this morning. USDTHB could be closed between 31.75 – 31.95 today. The dollar ultimately firmed following the FOMC, despite initial selling after the Fed delivered a widely expected 25bps rate cut and projected two more cuts this year in the SEPs. The rebound came during Powell’s press conference, where his hawkish-leaning tone—emphasizing no rush to ease further, the need for more data, and framing the cut as a risk management move—helped support the dollar.

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

SET Index	1,306.7	S&P500	6,600.4	10Y UST	4.06%	Brent	67.95	Gold	3,669.7
17-Sep	▼ -0.1%	17-Sep	▼ -0.10%	17-Sep	▲ 2.0 bps	17-Sep	▼ -0.8%	17-Sep	▼ -0.7%



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		96.78	-0.5% 	-1.1% 	-1.6% 	97.25	98.59
EUR/USD		1.1848	0.6% 	1.3% 	1.8% 	1.1614	1.1771
USD/JPY		146.58	-0.3% 	-0.6% 	-0.7% 	146.73	148.75
USD/CHF		0.7872	-0.8% 	-1.5% 	-2.7% 	0.7935	0.8088
GBP/USD		1.3638	0.1% 	0.9% 	1.1% 	1.3362	1.3624
USD/CAD		1.3763	-0.2% 	-0.7% 	-0.6% 	1.3746	1.3920
AUD/USD		0.6665	-0.1% 	1.0% 	3.3% 	0.6426	0.6668
NZD/USD		0.5969	0.0% 	0.5% 	1.3% 	0.5844	0.5971
ASEAN Dollar		105.89	0.0% 	-0.4% 	-0.4% 	104.01	106.99
USD/THB		31.75	0.0% 	-0.2% 	-2.6% 	31.66	32.66
USD/SGD		1.2771	-0.1% 	-0.5% 	-0.6% 	1.2785	1.2898
USD/MYR		4.1884	-0.3% 	-0.7% 	-0.9% 	4.1982	4.2311
USD/IDR		16,375	0.6% 	0.0% 	1.2% 	16,048	16,406
USD/PHP		57.09	-0.2% 	-0.4% 	-0.3% 	56.78	57.70
USD/CNY		7.1092	0.0% 	-0.2% 	-1.1% 	7.1058	7.1848
USD/HKD		7.7827	0.2% 	-0.2% 	-0.2% 	7.7699	7.8509

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		269,832	2480 
Gold		27,053	1047 
SDR		5,716	4 
IMF Reserves		1,157	1 
Foreign Ccy		235,906	1428 
Net Fwd Position		23,070	80 

Last update: 05/09/2025

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
17/09/2025	-200 	3,809 	3,609 
16/09/2025	1,248 	1,905 	3,153 
15/09/2025	303 	4,329 	4,633 
12/09/2025	-764 	2,794 	2,029 
11/09/2025	1,484 	-4,675 	-3,191 
Last 5 days	2,071	8,162	10,233
Period-to-date	Equity	Bond	Total
MTD Month	↓ -63 	↑ 19,204 	↑ 19,141 
QTD Quarter	↓ -5,657 	↑ 12,506 	↑ 6,849 
YTD Year	↓ -84,350 	↑ 60,402 	↓ -23,948 

Money Market





















































THB BIBOR	1M Hist	Last	1M Range		THB FIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		1.50	1.50	1.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		1.52	1.52	1.52	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		1.55	1.54	1.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.59	1.59	1.59						2M		0.00	0.00	0.00
3M		1.64	1.64	1.64	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		1.68	1.67	1.68	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		1.77	1.77	1.78	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49

Last Updated: 29/06/2023

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		4.0600	2.00 	1.00 	-36.00 	4.04	4.43
Gilt 10y		4.6903	0.97 	-0.78 	1.34 	4.55	4.80
Bund 10y		2.6800	-1.00 	2.00 	-2.00 	2.64	2.78
JGB 10y		1.6110	-1.20 	2.10 	0.60 	1.50	1.64
TGB 1y		1.2894	-0.25 	1.20 	1.81 	1.27	1.31
TGB 2y		1.1601	-3.25 	6.55 	2.23 	1.08	1.19
TGB 5y		1.1762	-7.18 	4.43 	1.79 	1.10	1.27
TGB 7y		1.3017	-6.64 	7.80 	3.88 	1.18	1.38
TGB 10y		1.4145	-7.67 	12.25 	6.35 	1.24	1.52
AAA Spread		73.01	-1.23 	-1.33 	1.09 	70.85	75.62
AA Spread		63.56	-0.05 	-2.05 	-1.18 	63.56	65.80
A Spread		106.85	-0.38 	-1.69 	1.23 	105.60	109.12
BBB Spread		343.75	-2.05 	4.63 	58.13 	285.61	345.80

































































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		67.95	-0.8% 	2.4% 	1.7% 	65.50	69.14
London Gold		3669.7	-0.7% 	1.4% 	9.9% 	3,327.3	3,695.4

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)		6,600.4	-0.1% 	0.2% 	3.2% 	6,370.2	6,615.3
STOXX (EU)		570.01	-0.1% 	-0.5% 	-1.9% 	560.2	583.3
FTSE All-Share(UK)		4,983.0	0.2% 	-0.9% 	0.1% 	4,927.0	5,049.5
DAX (DE)		23,359.2	0.1% 	-1.5% 	-3.8% 	23,329.2	24,423.1
CAC All-Tradable(FR)		5,786.2	-0.4% 	-0.4% 	-2.5% 	5,684.2	5,940.5
TOPIX (JP)		3,145.8	-0.7% 	0.2% 	0.9% 	3,048.9	3,168.4
Shanghai (CH)		4,063.3	0.4% 	0.0% 	2.9% 	3,875.1	4,070.9
Hang Seng (HK)		26,908.4	1.8% 	3.2% 	6.9% 	24,998.8	26,908.4
ASX 200 (AU)		8,818.5	-0.7% 	0.2% 	-1.1% 	8,738.8	9,019.1
SET (TH)		1,306.7	-0.1% 	1.4% 	4.7% 	1,235.8	1,308.2
SET50 (TH)		843.9	-0.1% 	1.2% 	3.6% 	803.6	844.6
Straits Times (SG)		4,323.8	-0.3% 	-0.7% 	2.5% 	4,187.4	4,355.8
FTSE Malay (MY)		1,611.7	0.7% 	1.6% 	1.9% 	1,563.2	1,611.7
JSX Index (ID)		8,025.2	0.8% 	3.6% 	2.1% 	7,628.6	8,025.2
PSE Index (PH)		6,210.7	1.0% 	1.4% 	-1.2% 	6,057.4	6,325.1
Vn Index (VN)		1,671.0	-0.6% 	0.8% 	0.4% 	1,614.0	1,696.3

Sources: ttb analytics, CEIC

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

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