

Energy infrastructure attacks escalate and Powell signals hawkish tone

**Middle East tensions escalate, infrastructure targeted**

Iran and Israel have escalated attacks on energy infrastructure, spreading tensions across the Gulf and raising global energy risks. Israel struck Iran's South Pars gas field and associated facilities, while Iran targeted sites in Qatar, Saudi Arabia, and the UAE, heavily damaging Qatar's Ras Laffan LNG complex and forcing Abu Dhabi to suspend operations at the Habshan gas hub. Meanwhile, The Israeli Air Force struck northern Iran for the first time, prompting Iran to launch missiles and drones at the UAE, Saudi Arabia, and Kuwait after key security and intelligence officials were assassinated, with Tehran vowing retaliation.

**Fed holds rates steady, Powell signals hawkish tone**

The FOMC held rates unchanged at 3.50–3.75% in an 11–1 vote, with Miran dissenting for a 25bps cut. The Fed emphasized it will monitor incoming data, labor market conditions, inflation pressures, and international developments, adjusting policy if risks threaten its goals. It reaffirmed commitment to maximum employment and returning inflation to 2%, while noting elevated uncertainty and unclear Middle East impacts on the US economy. Projections show the federal funds rate at 3.375% in 2026, 3.125% in 2027 and 2028, and 3.125% in the longer run, largely in line with expectations. Fed Chair Powell delivered hawkish-leaning remarks, noting a shift toward fewer expected rate cuts and emphasizing that without further progress on inflation, cuts are unlikely. He added that while most participants do not see a hike as the next move, the possibility of an increase was discussed at the meeting.

**US PPI rises faster than expected in February**

Headline PPI rose 0.7% M/M versus a 0.3% forecast, accelerating from 0.5% and lifting Y/Y to 3.4% from 2.9%, both at the top end of estimates. Core increased 0.5% M/M, cooling from 0.8%, with Y/Y at 3.9% versus a 3.7% forecast, while super core also rose 0.5% M/M versus 0.3% expected and 3.5% Y/Y, above 3.3%.

**Thai court accepts ballot challenge, threatening election**

Thailand's Constitutional Court accepted a petition challenging last month's election, alleging ballots may be traceable through bar and QR codes, potentially violating constitutional protections. A ruling against ballot secrecy could nullify the results and trigger a new vote, disrupting government formation.

**Dollar firms on hawkish Powell, Middle East energy disruptions, and strong US PPI**

The 10-year government bond yield (interpolated) on the previous trading day was 2.056, -5.83 bps. The benchmark government bond yield (LB365A) was 2.04, -3.00 bps. Meantime, the latest closed US 10-year bond yields was 4.26, +6.0 bps. USDTHB on the previous trading day closed around 32.32, moving in a range of 32.80 – 32.84 this morning. USDTHB could be closed between 32.70 – 33.00 today. The dollar strengthened on hawkish-leaning remarks from Fed Chair Powell, escalating Middle East energy disruptions, and a stronger-than-expected US PPI report. Meanwhile, the euro weakened and slipped below 1.1500 ahead of the ECB meeting, the British pound fell back from 1.3300 amid dollar strength and limited domestic catalysts before the BoE decision, and the Japanese yen softened with USD/JPY nearing 160.00, pressured by higher oil prices and Powell's tone as attention turns to the BoJ.

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

<b>SET Index</b>	1,440.85	<b>S&amp;P500</b>	6,624.70	<b>10Y UST</b>	4.26%	<b>Brent</b>	107.38	<b>Gold</b>	4,983.25
18-Mar	▲ 0.48%	18-Mar	▼ -1.37%	18-Mar	▲ 6.0 bps	18-Mar	▲ 3.8%	18-Mar	▼ -0.5%



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		99.60	-0.4%	0.3%	2.4%	96.59	100.48
EUR/USD		1.1534	0.4%	-0.2%	-2.5%	1.1417	1.1922
USD/JPY		159.03	-0.2%	0.2%	3.8%	152.82	159.60
USD/CHF		0.7866	-0.3%	0.7%	2.1%	0.7658	0.7918
GBP/USD		1.3356	0.5%	-0.2%	-1.8%	1.3238	1.3677
USD/CAD		1.3694	-0.2%	0.8%	0.3%	1.3524	1.3765
AUD/USD		0.7098	0.5%	-0.7%	0.6%	0.6957	0.7154
NZD/USD		0.5859	0.6%	-1.1%	-2.8%	0.5800	0.6063
ASEAN Dollar		108.01	-0.2%	0.43%	1.6%	105.88	108.45
USD/THB		32.32	-0.4%	1.4%	3.5%	31.01	32.47
USD/SGD		1.2770	-0.3%	0.2%	1.0%	1.2612	1.2854
USD/MYR		3.9089	-0.3%	-0.4%	0.2%	3.8824	3.9652
USD/IDR		16,921	0.3%	0.6%	1.0%	16,681	16,913
USD/PHP		59.84	-0.3%	0.0%	2.8%	57.75	60.14
USD/CNY		6.8816	-0.1%	0.0%	-0.2%	6.8418	6.9297
USD/HKD		7.8344	0.0%	0.1%	0.2%	7.8033	7.8461

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		288,338	-5550
Gold		39,003	-805
SDR		5,712	-41
IMF Reserves		1,136	-8
Foreign Ccy		242,488	-4695
Net Fwd Position		22,700	410

Last update: 06/03/2026

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
18/03/2026	-1,573	2,599	1,026
17/03/2026	2,431	-1,892	539
16/03/2026	-5,172	-1,004	-6,176
13/03/2026	-4,870	-6,627	-11,497
12/03/2026	-2,422	-702	-3,124
Last 5 days	-11,605	-7,626	-19,231

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -37,820	↓ -33,611	↓ -71,431
QTD	Quarter	↑ 21,006	↑ 24,916	↑ 45,923
YTD	Year	↑ 21,006	↑ 24,916	↑ 45,923

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		1.00	1.00	1.25	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		1.02	1.02	1.27	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		1.05	1.05	1.30	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.10	1.10	1.34						2M		0.00	0.00	0.00
3M		1.15	1.15	1.39	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		1.21	1.20	1.43	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		1.30	1.30	1.52	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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.2600	6.00	14.00	4.00	3.97	4.28
Gilt 10y		4.7353	-5.86	3.19	14.67	4.40	4.82
Bund 10y		2.8800	-5.00	-1.00	0.00	2.69	2.95
JGB 10y		2.2790	-0.90	9.90	4.00	2.09	2.33
TGB 1y		1.0374	-0.02	-0.27	-11.82	1.04	1.17
TGB 2y		1.2197	0.09	6.52	2.07	1.03	1.22
TGB 5y		1.4933	-2.76	6.63	16.68	1.16	1.52
TGB 7y		1.8125	-1.77	9.38	16.68	1.42	1.83
TGB 10y		2.0564	-5.83	8.26	15.57	1.71	2.12
AAA Spread		70.01	-1.59	-2.30	-0.89	70.01	73.11
AA Spread		57.43	0.69	0.61	6.82	50.51	57.43
A Spread		94.17	-0.10	-2.07	-7.91	94.17	104.41
BBB Spread		365.68	0.06	-0.84	-2.98	360.47	370.15

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		107.38	3.8%	6.9%	52.6%	67.42	107.38
London Gold		4983.25	-0.5%	-3.9%	1.4%	4,916.9	5,390.5

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)		6,624.70	-1.36%	-0.72%	-3.7%	6,624.7	6,946.1
STOXX (EU)		611.87	-0.4%	0.1%	-5.2%	604.3	652.5
FTSE All-Share(UK)		5,516.6	-0.9%	-0.1%	-3.9%	5,491.3	5,851.5
DAX (DE)		23,514.9	-0.9%	-0.3%	-7.0%	23,409.4	25,289.0
CAC All-Tradable(FR)		5,918.4	0.0%	-0.1%	-5.4%	5,869.4	6,391.1
TOPIX (JP)		3,717.4	2.5%	1.9%	-1.2%	3,575.8	3,938.7
Shanghai (CH)		4,260.3	0.3%	-1.6%	-1.6%	4,246.6	4,385.9
Hang Seng (HK)		26,025.4	0.6%	1.2%	-2.0%	25,249.5	27,266.4
ASX 200 (AU)		8,640.6	0.3%	0.1%	-4.1%	8,583.4	9,200.9
SET (TH)		1,440.9	0.49%	0.8%	-1.3%	1,383.0	1,533.6
SET50 (TH)		955.8	0.2%	0.6%	-2.8%	918.4	1,026.0
Straits Times (SG)		5,002.2	1.3%	3.0%	1.3%	4,756.6	5,041.3
FTSE Malay (MY)		1,729.8	1.1%	1.1%	-0.7%	1,674.2	1,758.0
JSX Index (ID)		7,106.8	1.2%	-3.8%	-13.5%	7,022.3	8,396.1
PSE Index (PH)		6,055.5	0.5%	-1.0%	-5.3%	6,006.2	6,625.5
Vn Index (VN)		1,713.8	0.2%	0.2%	-6.0%	1,652.8	1,880.3

Sources: ttb analytics, CEIC

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

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