

Markets turn risk-off amid rising geopolitical tensions

Geopolitical risks remain unresolved

Markets adopted a risk-off tone on Wednesday as escalating tensions between the US and Iran weighed on sentiment. Crude oil advanced and equities retreated as renewed US-Iran hostilities marked the most significant escalation since the April ceasefire. Iranian Foreign Minister Abbas Araghchi stated that negotiations have yet to deliver any meaningful progress, while President Trump maintained that Tehran remains close to reaching an agreement in principle and downplayed concerns. Meanwhile, political divisions emerged in Washington as the Republican-controlled House voted to halt the conflict, diverging from the administration's stance.

US proposes broad tariffs of at least 10% over forced-labor imports

The US has proposed new tariffs of at least 10% on imports from 60 trading partners following a forced-labor investigation, as President Donald Trump seeks to re-establish a broad tariff regime previously struck down by the Supreme Court. Under the plan, a 10% levy would apply to imports from Canada, Mexico, the EU, Taiwan, and the UK, while countries including China, India, Japan, South Korea, Brazil, Thailand, and Switzerland would face a 12.5% rate, with several exemptions under consideration. The proposal is not yet final and will go through a public comment process, with written comments due by July 6 and hearings beginning July 7.

US data signals resilient growth

US data pointed to continued economic resilience, with ISM Services PMI rising to 54.5 in May, driven by stronger business activity and new orders, while prices accelerated further to 71.3, reflecting higher energy, transportation and tariff-related costs. Meanwhile, ADP employment increased by 122k, beating expectations and signaling steady labour market momentum. US job openings jumped to 7.62 million in April from 6.87 million, well above expectations and the highest level in two years, lifting the vacancy rate to 4.6%.

Eurozone inflation surpasses 3% for first time since 2023

Euro-area inflation rose above 3% for the first time in over 2½ years, reinforcing expectations of a rate hike at the ECB's upcoming meeting. Headline inflation reached 3.2% in May, up from 3.0% and in line with forecasts, while core inflation accelerated more than expected to 2.5%. Services inflation also surged to 3.5%, underscoring persistent underlying price pressures.

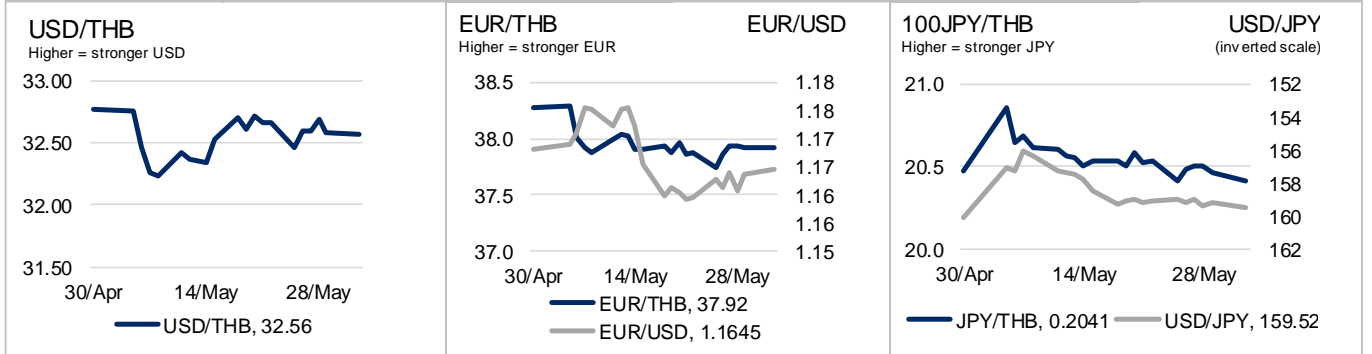
Dollar advances amid geopolitical risks and resilient US data

The 10-year government bond yield (interpolated) on the previous trading day was 2.219, -5.06 bps. The benchmark government bond yield (LB365A) was 2.19, -4.00 bps. Meantime, the latest closed US 10-year bond yields was 4.49, +3.0 bps. USDTHB on the previous trading day closed around 32.56, moving in a range of 32.70 – 32.73 this morning. USDTHB could be closed between 32.65 – 32.85 today. The dollar advanced against major peers as heightened US-Iran tensions drove risk-off flows, while Iran signaled that indirect communication with the US continues but without tangible progress. Stronger-than-expected ISM Services and ADP employment data reinforced US economic resilience, while Fed officials Barr and Williams reiterated that policy remains appropriately positioned. Against this backdrop, the euro slipped below 1.16, the British pound weakened alongside other cyclical currencies, and the Japanese traded choppy after comments from PM Takaichi and BoJ Governor Ueda, though USD/JPY ultimately climbed above 160.00.

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

SET Index	1,588.06	S&P500	7,553.68	10Y UST	4.49%	Brent	97.81	Gold	4,441.25
2-Jun	▲ 1.26%	3-Jun	▼ -0.74%	3-Jun	▲ 3.0 bps	3-Jun	▲ 1.9%	3-Jun	▼ -1.8%

USD/THB 32.56	Daily ▼ -0.06%	EUR/THB 37.92	Daily ▼ 0.00%	JPY/THB 0.2041	Daily ▼ -0.25%
Weekly ▼ -0.11%	Weekly ▲ 0.15%	Weekly ▼ -0.34%	Monthly ▼ -0.93%	Monthly ▼ -0.29%	
Monthly ▼ -0.63%	Monthly ▼ -0.93%	Monthly ▼ -0.93%	Monthly ▼ -0.93%	Monthly ▼ -0.29%	



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		99.08	0.0%	-0.1%	0.2%	97.96	99.51
EUR/USD		1.1645	0.1%	0.3%	-0.3%	1.1592	1.1754
USD/JPY		159.52	0.2%	0.2%	-0.3%	156.01	160.06
USD/CHF		0.7853	0.1%	0.1%	-0.7%	0.7789	0.7906
GBP/USD		1.3463	0.2%	0.0%	-0.1%	1.3310	1.3606
USD/CAD		1.3813	0.1%	-0.2%	0.9%	1.3604	1.3852
AUD/USD		0.7165	0.1%	0.2%	0.6%	0.7084	0.7240
NZD/USD		0.5954	0.0%	1.8%	1.7%	0.5831	0.5961
ASEAN Dollar		108.17	0.08%	0.15%	0.4%	106.58	108.24
USD/THB		32.56	-0.1%	-0.1%	-0.6%	32.24	32.77
USD/SGD		1.2773	0.0%	-0.1%	-0.2%	1.2672	1.2826
USD/MYR		3.9589	-0.1%	-0.1%	-0.2%	3.9108	3.9762
USD/IDR		17,799	0.4%	1.0%	3.1%	17,146	17,726
USD/PHP		61.79	0.4%	0.3%	-0.2%	60.78	62.02
USD/CNY		6.7566	-0.2%	-0.6%	-1.2%	6.7685	6.8443
USD/HKD		7.8278	-0.1%	-0.2%	-0.1%	7.8215	7.8533

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		285,576	174
Gold		34,011	-231
SDR		5,725	1
IMF Reserves		1,124	0
Foreign Ccy		244,715	405
Net Fwd Position		22,275	130

Last update: 22/05/2026

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
02/06/2026	8,598	-2,326	6,272
29/05/2026	-1,579	4,339	2,760
28/05/2026	-2,209	-2,574	-4,783
27/05/2026	2,597	2,503	5,101
26/05/2026	1,533	11,371	12,904
Last 5 days	8,940	13,314	22,254

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 8,598	↓ -2,326	↑ 6,272
QTD	Quarter	↑ 9,728	↑ 27,629	↑ 37,357
YTD	Year	↑ 28,915	↑ 53,447	↑ 82,362

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	1.00	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		1.02	1.02	1.02	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		1.05	1.05	1.05	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		1.10	1.10	1.10						2M		0.00	0.00	0.00
3M		1.15	1.15	1.15	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		1.21	1.21	1.21	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		1.31	1.30	1.31	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		4.4900	3.00	4.00	6.00	4.36	4.67
Gilt 10y		4.9084	-4.11	-9.97	7.13	4.75	5.21
Bund 10y		3.0100	5.00	6.00	-5.00	2.92	3.15
JGB 10y		2.6450	6.80	-4.10	27.10	2.37	2.78
TGB 1y		0.9686	-0.04	-0.95	-3.16	0.97	1.01
TGB 2y		1.2348	0.08	-3.20	0.92	1.18	1.31
TGB 5y		1.7078	0.29	-3.54	10.08	1.53	1.80
TGB 7y		2.0202	-1.04	-5.78	9.28	1.88	2.16
TGB 10y		2.2190	-5.06	-12.40	2.00	2.14	2.41
AAA Spread		65.85	-1.89	-0.31	-4.07	65.85	70.83
AA Spread		51.82	0.01	0.18	-3.91	51.63	56.85
A Spread		93.27	0.21	-0.01	1.47	91.52	93.45
BBB Spread		359.99	0.05	0.21	5.55	354.31	363.76

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		97.81	1.9%	4.4%	-3.4%	92.05	114.44
London Gold		4441.25	-1.8%	1.1%	-2.5%	4,391.9	4,734.2

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)		7,553.68	-0.74%	-0.1%	2.6%	7,200.8	7,609.8
STOXX (EU)		648.76	-0.7%	-0.1%	0.4%	620.3	657.2
FTSE All-Share(UK)		5,560.5	-0.4%	-0.9%	1.3%	5,477.2	5,648.3
DAX (DE)		24,795.9	-1.3%	-1.2%	-0.5%	23,950.6	25,389.1
CAC All-Tradable(FR)		6,067.7	-0.7%	-0.7%	-1.8%	5,936.6	6,180.6
TOPIX (JP)		3,996.2	1.8%	2.4%	7.2%	3,727.2	3,996.2
Shanghai (CH)		4,282.8	0.2%	-0.4%	-1.8%	4,255.1	4,448.9
Hang Seng (HK)		25,633.2	-1.6%	2.5%	-1.0%	25,006.2	26,626.3
ASX 200 (AU)		8,785.7	0.7%	2.2%	-0.1%	8,496.6	8,878.1
SET (TH)		1,588.06	1.26%	2.2%	6.3%	1,479.1	1,588.1
SET50 (TH)		1,025.8	1.5%	1.7%	5.6%	965.7	1,025.8
Straits Times (SG)		5,138.2	0.8%	2.2%	4.3%	4,861.0	5,138.2
FTSE Malay (MY)		1,672.7	-0.6%	-2.1%	-2.9%	1,672.7	1,758.9
JSX Index (ID)		5,941.1	-4.1%	-4.3%	-16.0%	5,941.1	7,378.6
PSE Index (PH)		5,953.2	0.7%	1.6%	0.9%	5,768.8	6,034.3
Vn Index (VN)		1,819.0	-0.4%	-2.4%	-3.8%	1,819.0	1,927.9

Sources: ttb analytics, CEIC

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

Important Disclosures

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