Economic and Financial Outlook

ttb analytics

November 2025

Executive Summary

Global Economy

- In November 2025, the global economic data continue to show sign of an economic slowdown, reflected by overall Q3 GDP. In terms of price pressures, Asian inflation edged up slightly but remained under control, while developed market inflation stayed relatively higher than in Asia.
- US economic data resume following the end of the longest government shutdown on record. However, some key releases may miss the Fed's final policy meeting of the year. Meanwhile, recent private-sector surveys continue to signal an economic slowdown. For China, economic activity cooled more than expected in October. Nonetheless, the data is unlikely to threaten the annual target GDP or prompt faster stimulus.
- On the policy front, uncertainty around Fed easing is rising amid global easing cycles near completion.

Thai Economy

- In September 2025, overall economic activity picked up, driven by rising merchandise exports despite the clarity of US reciprocal tariff enforcement aligning with rebound manufacturing production after ease of temporarily halt production. Nonetheless, domestic demand had moderated, with both private consumption and investment softened.
- The headline inflation (CPI) declined further from the previous month in October 2025. The main factors were primarily attributed to the falling prices of several food items due to persistently low in raw food prices transmission. Moreover, the energy prices also declined following the global energy prices including electricity price regarding to government subsidy measures. The core inflation also soften, marked a 15-month low.
- In Q3/25, Thai economic growth dropped dramatically and had contracted for the first-time in years, which below market expectation, resulting from a deceleration of exports of goods and services, as well as gross fixed capital formation particularly in government investment. For the first nine months, Thai economy expanded by 2.4%. In addition, NESDC maintained its GDP growth forecast for 2025 but it is expected to decelerate in 2026.

Financial Markets

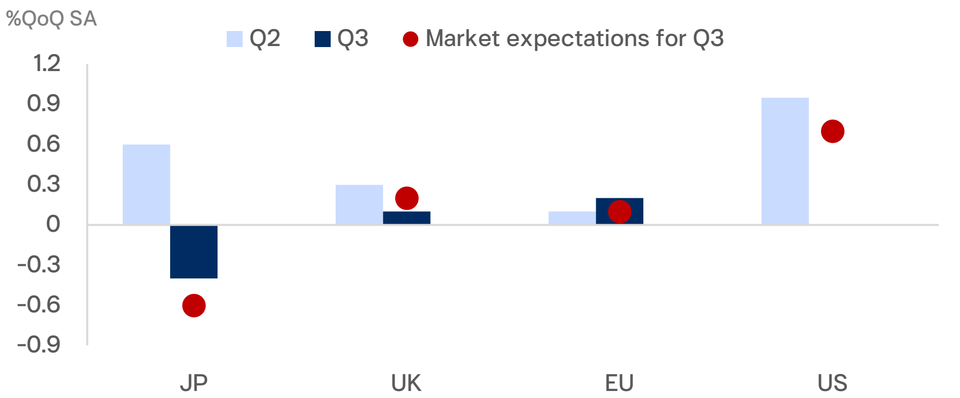
- US Treasury yields rose across the curve, supported by hawkish Fed comments and unavailable labor data, reducing the likelihood of a December rate cut. In contrast, Thai government bond yields were mixed across the curve compared with the previous period. Looking ahead, the Thai bond yield curve is expected to decline toward year-end, supported by seasonal patterns and a rising likelihood of an MPC rate cut at the final meeting of the year.
- The dollar strengthened, supported by hawkish Fed comments that lowered expectations of a December rate cut. A government shutdown delayed key economic data, limiting policy-moving information. The Thai baht remained range-bound over the past month, despite typically strong seasonal trends.

PART 1

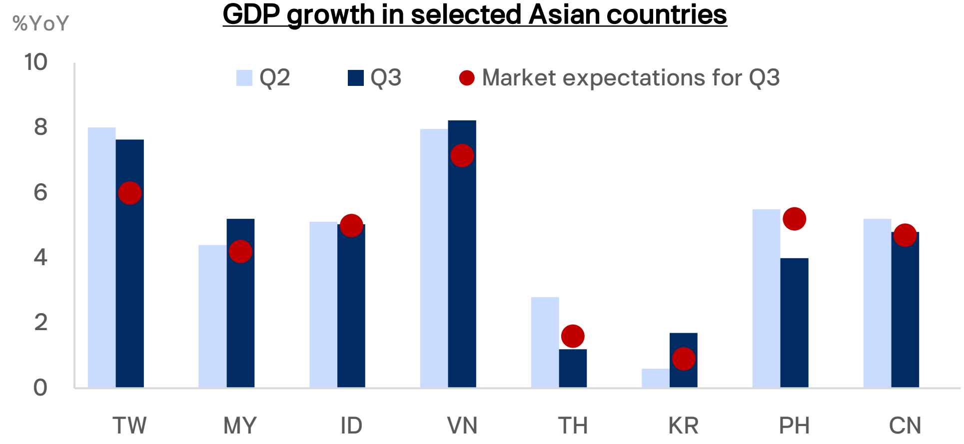
Global Economy

Global economy slows in Q3, yet recent indicators point to ongoing expansion

GDP growth in selected DM countries

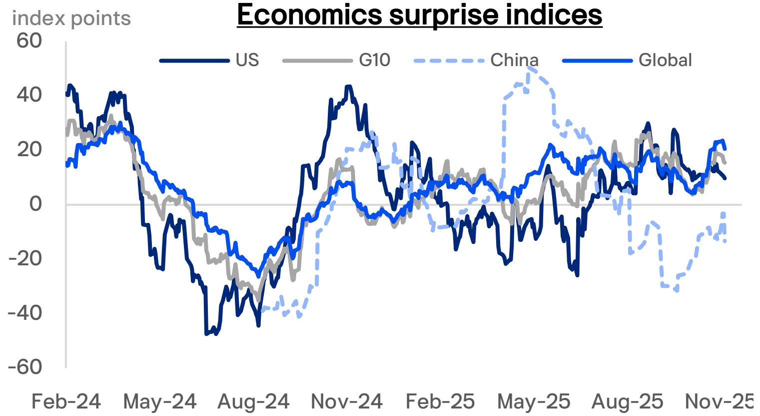


GDP growth in selected Asian countries

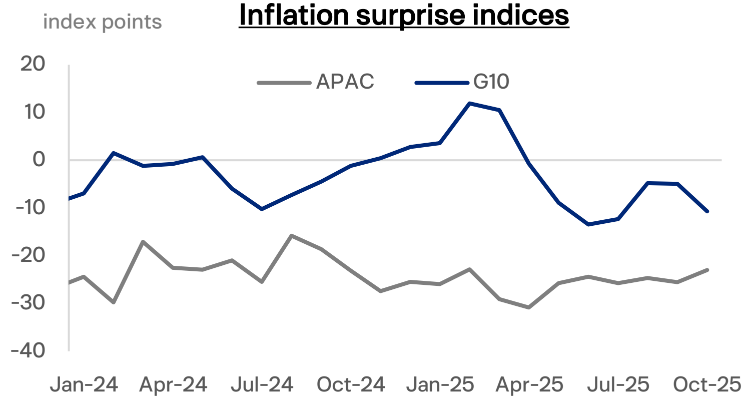


Notes: Market expectations for Q3 GDP based on Bloomberg's weighted average

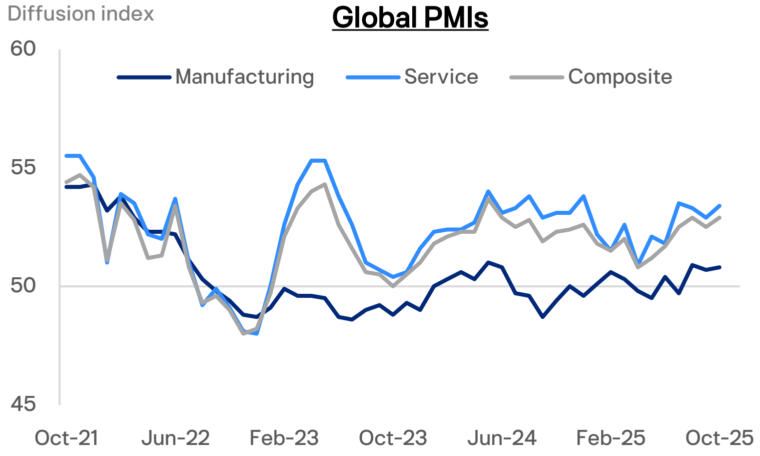
Economics surprise indices



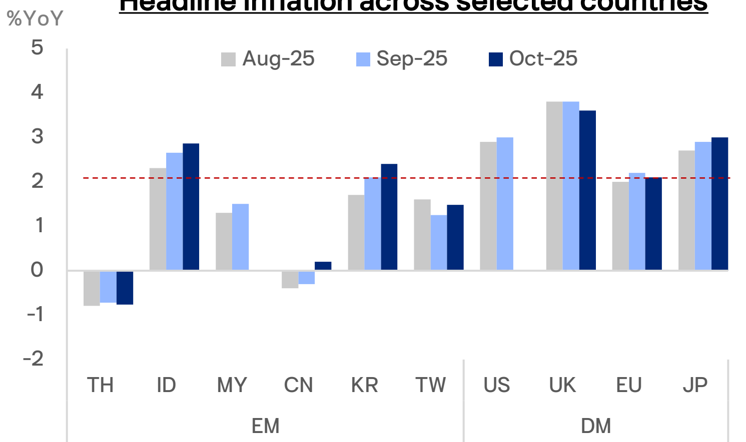
Inflation surprise indices



Global PMIs



Headline inflation across selected countries

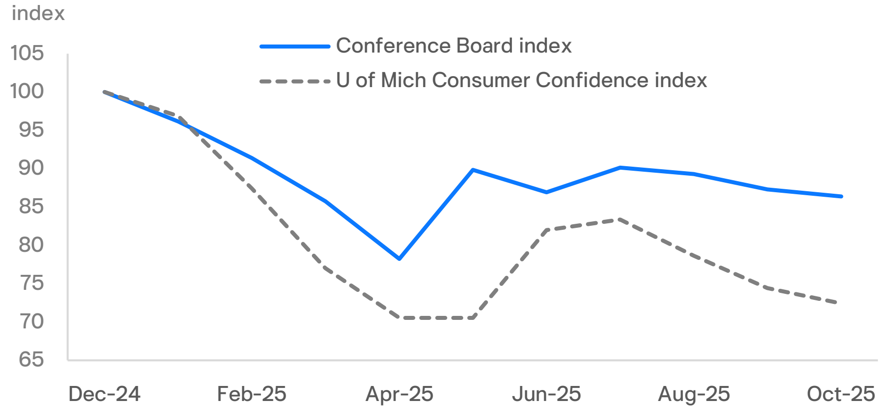


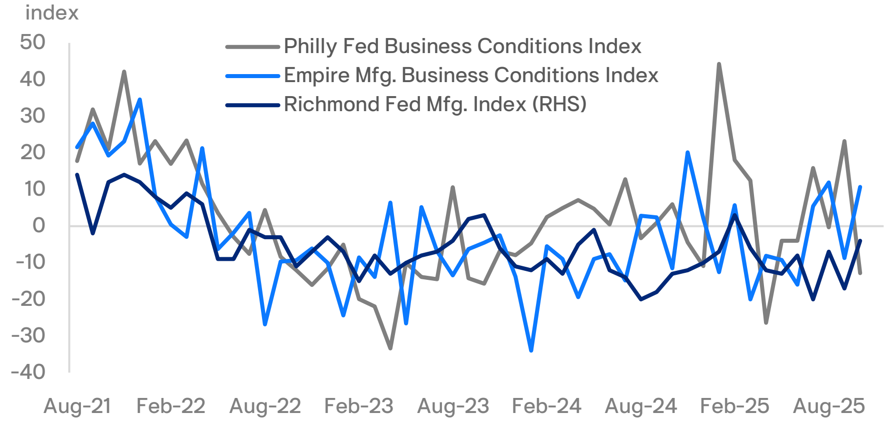
- Overall GDP growth slowed in the third quarter, partly due to a pullback after front-loaded exports, though the pace was broadly in line with—or slightly above—market expectations, with some economies even managing to defy the broader slowdown. Meanwhile, recent economic data continue to signal stronger-than-expected conditions, as reflected in a positive economic surprise index. For PMI data, a leading indicator, economic expansion continued into the final quarter, with both manufacturing and services gaining momentum. By region, both developed markets (DM) and emerging markets (EM) appear resilient. Nonetheless, weaker trade conditions and falling business confidence signal potential headwinds ahead. In terms of price pressures, Asian inflation edged up slightly but remained under control, while developed market inflation stayed relatively higher than in Asia.

Source: Bloomberg, CEIC and ttb analytics

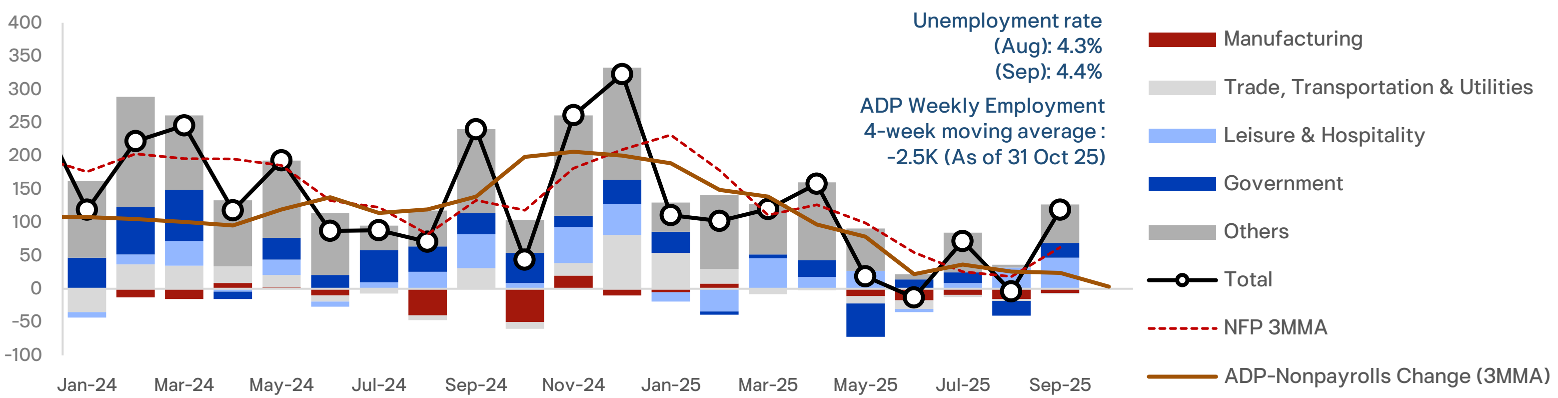
Government shutdown ends, US economic data resumes amid slowdown expectations

US soft data indicators

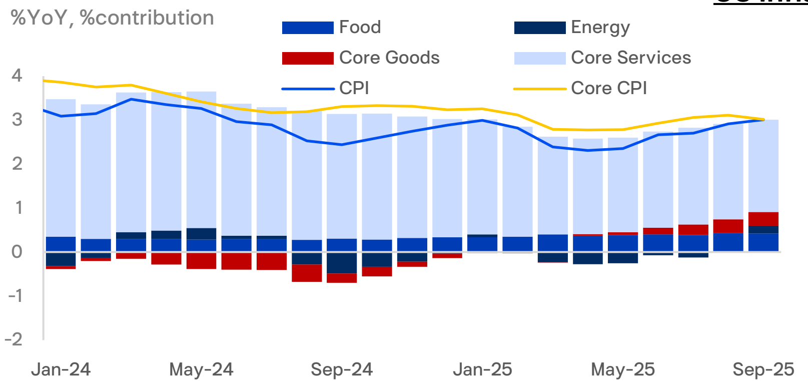


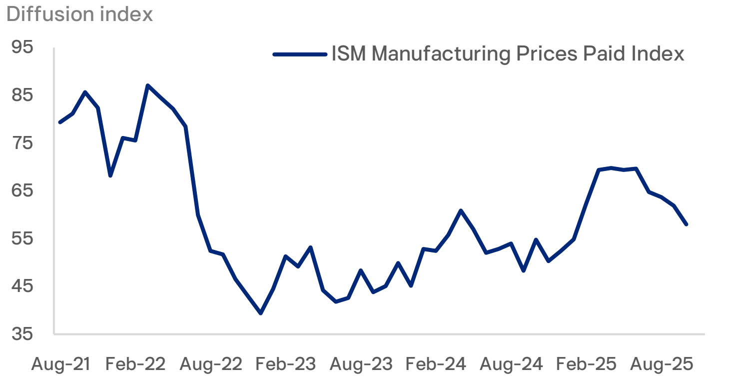


US labor market



US Inflation

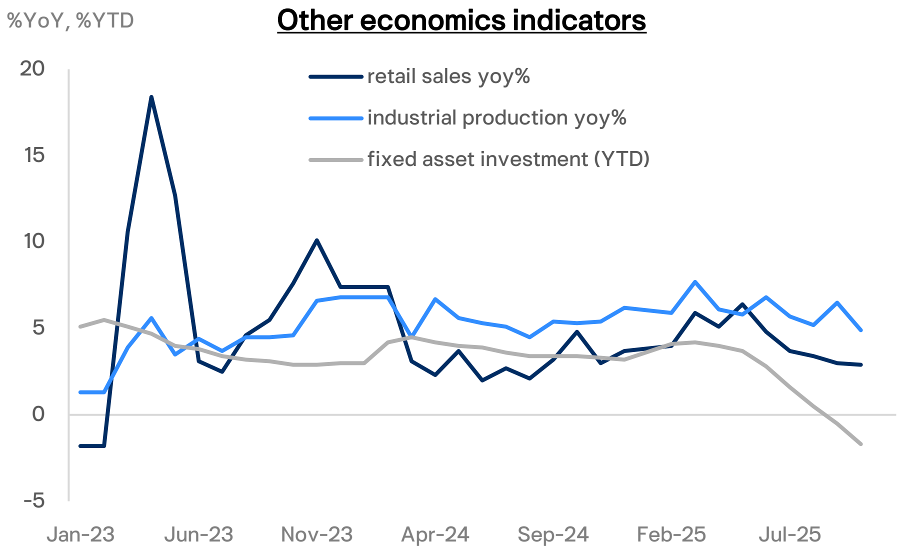


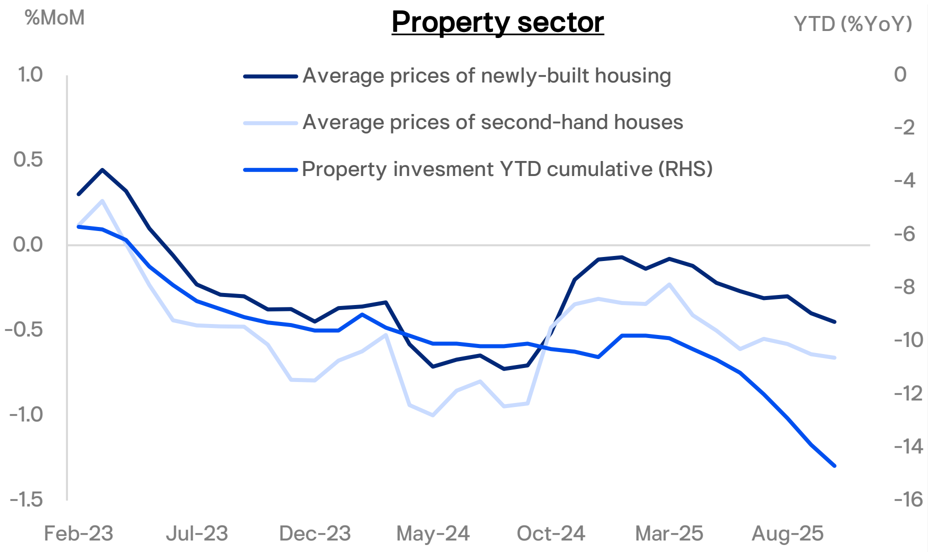


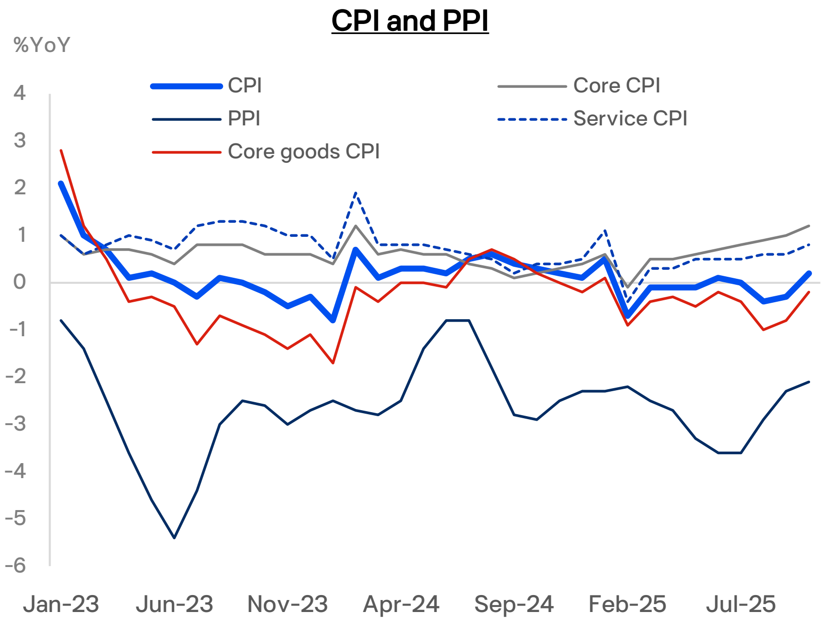
- US economic data resume following the end of the longest government shutdown on record. However, some key releases may miss the Fed's final policy meeting of the year. According to Kevin Hassett, the shutdown is expected to reduce Q4 GDP growth by about 1.5%. Meanwhile, recent private-sector surveys continue to signal an economic slowdown. Consumer sentiment continued to decline, as reflected by the University of Michigan and Conference Board indices, while business sentiment, based on Fed surveys, remains mixed.
- For Fed-focused indicators, other labor market metrics point to further slowing, with weekly ADP data turning negative and the ISM survey showing employment in contraction. September NFP exceeded expectations, despite downward revisions and a higher unemployment rate, but being dated, it's unlikely to sway the Fed. For inflation, September CPI rose to 3%, driven by core goods as the impact of tariffs gradually feeds through. Despite this picture, cost pass-through is expected to proceed gradually as the prices paid index ticks down.

Source: Bloomberg, CEIC and ttb analytics

October data shows soft Q4 momentum, not strong enough for new stimulus







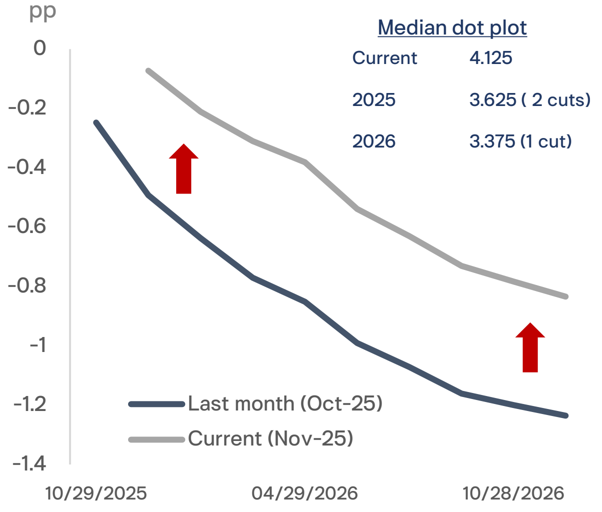
- China's economic activity cooled more than expected in October, with industrial production rising 4.9% yoy—below the 5.5% forecast and down from 6.5% in September. Retail sales grew 2.9%, marking a fifth straight month of slowdown, while fixed-asset investment fell 1.7% through October.
- Meanwhile, China's exports fell in October as weak global demand, especially from the US, offset gains elsewhere. Exports to non-US markets rose 3.1%, but shipments to the US dropped over 25%. A 10% US tariff cut could lift trade, though Chinese goods still face higher duties than competitors like Vietnam.
- The property downturn deepened, with new-home prices across 70 cities falling 0.45% mom—the steepest drop in a year—and resale values sliding 0.66%, the fastest decline in 13 months.
- China's CPI rose 0.2% yoy in October, driven by holiday-related demand for travel, food, and transport, with service costs also up. Economists expect the rise to be temporary, as deflationary pressures persist and growth slows in Q4. For banking, new bank loans fell sharply from the previous month, missing expectations amid continued weak credit demand.

Source: Bloomberg, CEIC and ttb analytics

Uncertainty around Fed easing rises amid global easing cycles nearing completion

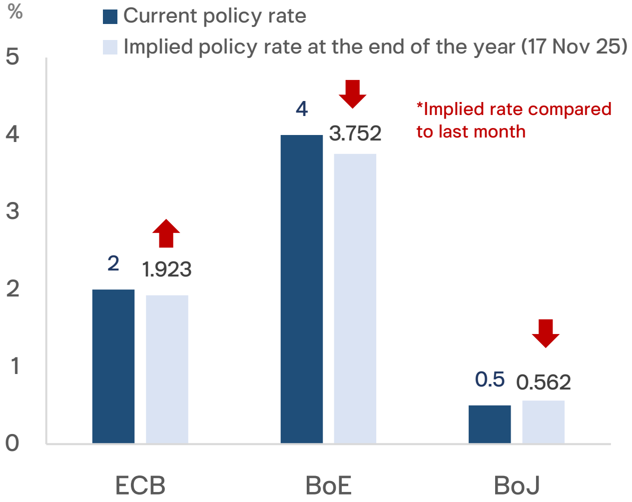
Expected policy rate changes by selected major central banks by the end of 2025

US policy-implied rate change



Notes: The implied policy rate are based on FFR

Implied rate changes by major central banks



Notes: The implied policy rate are based on OIS
ECB policy rate is deposit facility rate

Asian countries' expectations

Country	Current Policy Rate	Changes in policy rate in 2025 (bps)	Forecast policy rate at the end of 2025 (%)
MY	2.75	-25	2.68 ↑
KR	2.50	-50	2.35 ↑
ID	4.75	-125	4.47 ↑
IN	5.50	-100	5.24
PH	5.00	-100	4.54 ↓
TW	2.00	0	1.97 ↑
VN	4.50	0	4.38 ↑

Notes: Forecast policy at the end of 2025 based on Bloomberg weighted average
**Arrows indicates change in end-year policy rate compared to last month*

Latest Monetary Policy development

DM

- **The Fed's December rate cut looks unlikely** despite the November rate cut, as officials deliver broadly hawkish comments and key economic data releases are delayed, with some possibly missing the meeting such as Oct and Nov NFP figures.
- **The ECB is likely to keep rates steady through year-end** following a series of cuts this year. Meanwhile, recent data, including CPI and GDP, support the ECB's decision to wait for the effects of policy transmission and the impact of US tariffs.
- **The BOJ is likely to delay further rate hikes until next year** due to recent weak economic data, despite elevated inflation. Meanwhile, the new PM aims to boost the economy with a stimulus package, raising fiscal concerns, while tension with China are growing.
- **The BOE is likely to cut rates at year-end** due to weak labor data and sluggish GDP growth. Meanwhile, recent CPI slows, and the Finance Minister has postponed the income tax hike.

EM

- **The PBoC held the loan prime rate steady and may delay further easing until next year**, complementing fiscal stimulus to boost credit growth and support the economy. Recent slow data is unlikely to threaten the annual target or prompt faster stimulus.
- **Asian central banks remain in an easing cycle amid slower economic growth.** Nonetheless, the threshold for further rate cuts is rising as the cycle nears its end, with some shifting focus to currency or domestic financial stability. This is reflected in Asia's recent policy decisions to hold rates steady

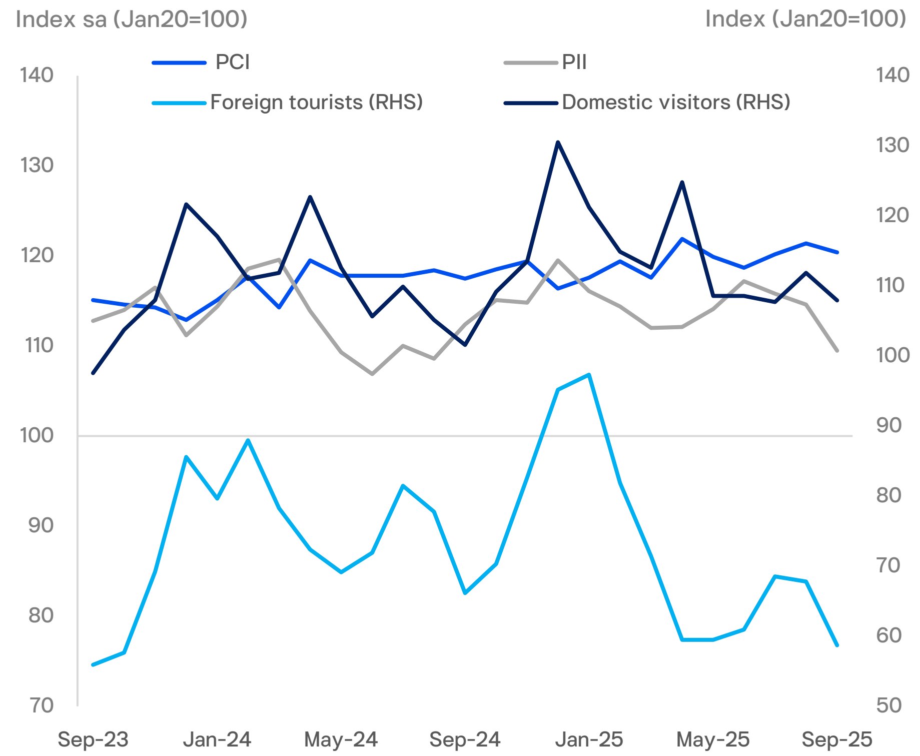
Source: Bloomberg, CEIC, ttb analytics (Data as of 19 Nov 25)

PART 2

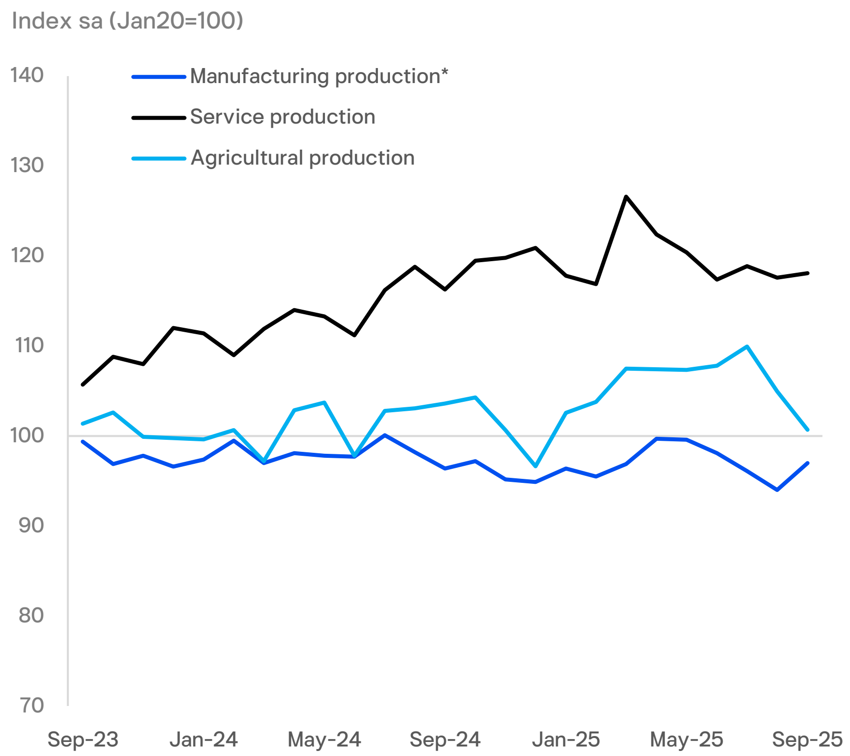
Thai Economy

In September 2025, Thailand economic activities rebounded, as strongly supported by foreign demand, while both consumption and investment soften

Demand-side indicators



Supply-side indicators



- In September 2025, overall economic activity picked up, driven by rising merchandise exports aligning with rebound manufacturing production. Nonetheless, domestic demand moderated, with both private consumption and investment softened.
- On the economic stability front, headline inflation in October 2025 remained negative for seventh consecutive month. Notably, trade balance (Custom basis) turned surplus due to elevated export to the US and major markets.

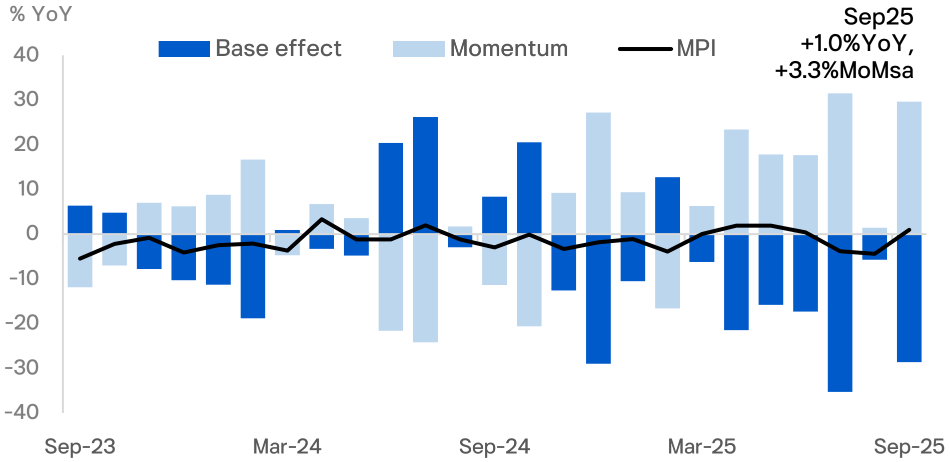
Leading Economic Index (sa) (Jan2020=100)

Leading Economic Index and Components (SA)	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Authorized Capital of Newly Registered Companies (Million Baht)	125.2	171.1	137.4	129.7	141.4	92.7	219.4	183.4	108.0	103.3	125.8	132.6	126.1
Construction Areas Permitted (1000 sq. m)	102.3	97.2	100.6	104.0	77.1	83.1	100.3	83.9	99.7	97.4	99.7	107.5	99.1
Export Volume index (exclude Gold)	115.1	115.1	119.6	119.3	120.5	126.9	123.9	121.5	132.5	125.6	126.0	125.8	126.7
Business Sentiment Index (3 months)	99.9	102.1	99.8	97.9	97.6	99.3	99.8	95.6	97.0	97.2	96.5	100.5	100.8
SET index	95.7	96.8	94.3	92.5	86.8	79.5	76.5	79.1	75.9	72.0	82.6	84.5	85.4
Oil Price Inverse Index (Dubai)	1.4	1.3	1.4	1.4	1.2	1.3	1.4	1.5	1.6	1.4	1.4	1.4	1.5

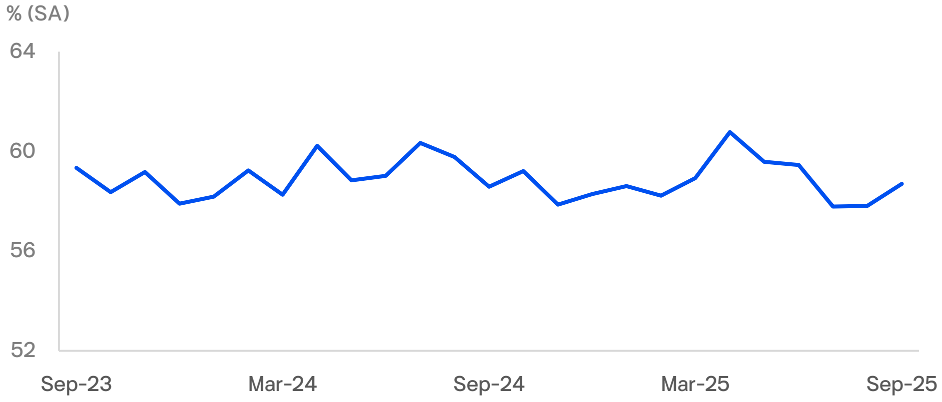
Source: Bank of Thailand and ttb analytics
Remark: *rebase Jan21 due to OIE new rebase data

Manufacturing production indicator improved, partly benefited from resumed operations in major sectors

Manufacturing Production Index (MPI)



Capacity Utilization (CapU)



MPI by sector (base year 2021)

- As of September 2025, Manufacturing Production Index (MPI) improved considerably due to the resumed operations in petroleum and alcoholic beverage products after temporarily halt production. In addition, production in auto vehicles increased particularly in hybrid and EV-based engines. Moreover, production of computer, parts and electronic parts remained robust aligning with global demand.

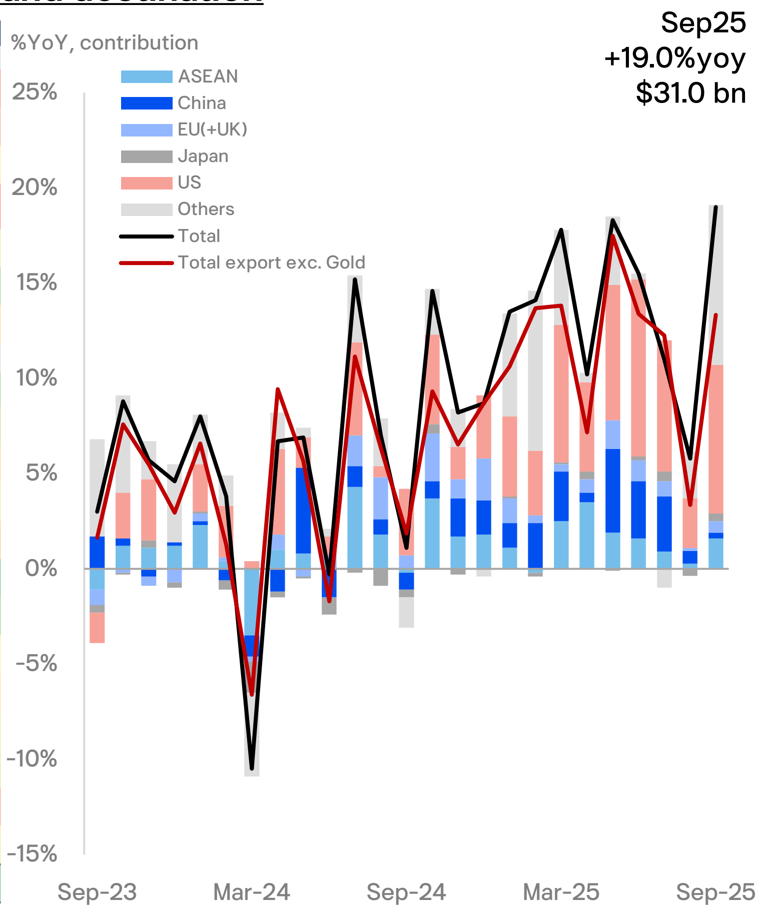
Source: Bank of Thailand, The Office of Industrial Economics and ttb analytics.

September's merchandise export showed a solid momentum as continued support in electronic product export

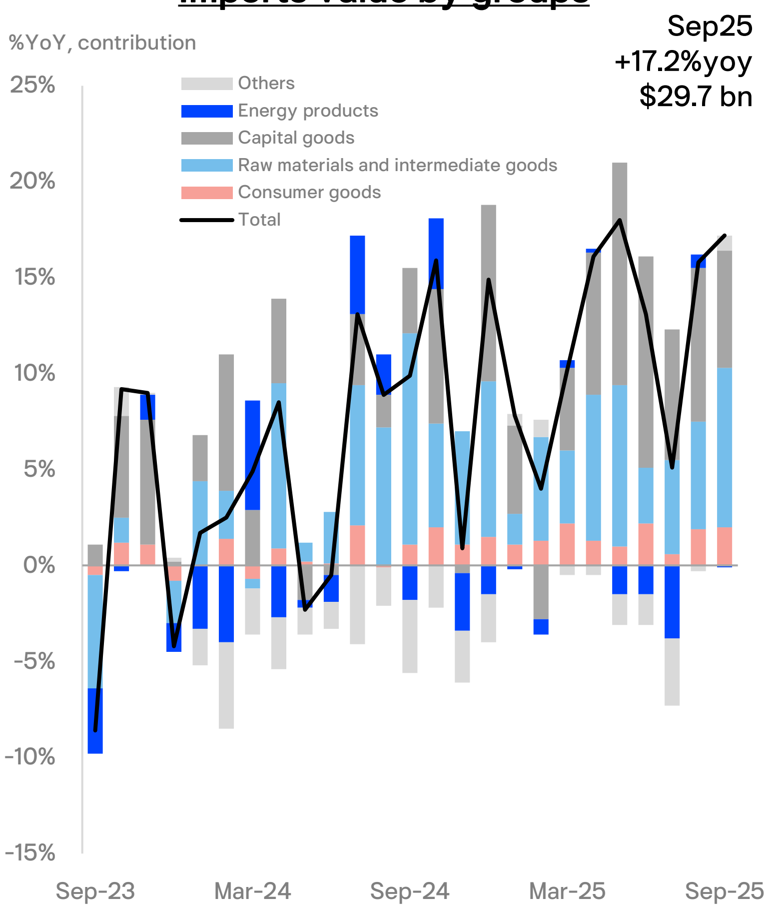
Exports value by product and destination

Unit: %YoY

	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Agri-agro products													
Rice	15.2%	10.1%	-20.6%	-8.5%	-32.4%	-34.2%	-23.4%	-44.1%	-9.9%	-41.1%	-16.3%	-30.0%	-31.4%
Rubber	47.4%	32.6%	14.1%	48.5%	45.5%	35.7%	19.5%	22.5%	-7.8%	-0.2%	-19.9%	-27.9%	-15.4%
Tapioca products	-29.2%	-30.5%	-6.3%	7.8%	-7.9%	-15.8%	-15.1%	-5.8%	15.5%	6.1%	-12.6%	-5.6%	-9.8%
Fresh, Frozen & Dried vegetable and Fruit	-14.0%	7.3%	33.8%	10.7%	-2.8%	8.3%	14.0%	-29.1%	11.8%	48.5%	74.0%	-11.0%	-35.6%
Poultry	-0.4%	12.4%	12.0%	7.1%	12.3%	9.3%	5.1%	8.6%	9.3%	15.8%	9.8%	-3.8%	6.4%
Sugar	-8.9%	-11.8%	-21.3%	-29.9%	0.0%	27.3%	-26.8%	37.7%	-1.1%	42.6%	36.2%	-14.2%	43.4%
Animal feeding	21.5%	18.2%	18.1%	9.7%	12.9%	14.4%	12.5%	10.1%	6.7%	10.9%	9.1%	-5.6%	2.9%
Industrial products													
Motor Cars, Parts, Accessories	-10.6%	-13.0%	-0.3%	-6.2%	-13.1%	2.7%	0.3%	-7.8%	15.3%	-8.6%	4.2%	1.3%	15.4%
Computer and parts	25.5%	77.5%	40.7%	43.5%	45.0%	51.3%	80.2%	75.1%	104.0%	57.7%	61.0%	44.1%	57.9%
HDD	3.8%	124.9%	47.8%	18.0%	36.7%	45.1%	45.5%	40.4%	42.1%	13.0%	14.9%	-6.8%	-7.2%
Integrated Circuits	1.2%	1.9%	3.9%	-2.6%	9.0%	24.8%	41.5%	39.0%	41.4%	46.2%	54.9%	37.0%	8.1%
Air Conditioning Machine	22.5%	44.9%	35.8%	28.7%	33.2%	32.8%	19.1%	1.2%	8.0%	9.7%	6.8%	-14.0%	-5.9%
Refrigerating	-17.8%	-6.6%	16.0%	-15.5%	-20.9%	4.4%	-1.5%	35.5%	50.6%	40.8%	56.8%	22.4%	86.3%
Electronic Machines	8.2%	29.6%	9.6%	12.8%	17.3%	21.6%	47.8%	34.4%	53.2%	33.5%	35.2%	28.3%	42.6%
Plastic pallet	-5.2%	4.8%	2.2%	10.3%	4.1%	1.3%	7.6%	-5.6%	-4.4%	0.7%	-7.1%	-8.7%	-4.3%
Chemical Products	4.4%	18.7%	10.7%	20.1%	6.6%	19.5%	6.4%	8.7%	-1.3%	-4.3%	-15.2%	-8.5%	-0.6%
Machinery & Parts	8.7%	43.0%	16.7%	35.6%	28.1%	21.5%	17.3%	-13.1%	34.8%	16.4%	44.1%	10.2%	11.3%
Rubber Products	15.7%	27.2%	24.8%	22.5%	19.9%	16.9%	17.7%	15.9%	34.2%	23.3%	9.7%	-3.1%	7.4%
Refined oil	-29.8%	-21.4%	-16.3%	-33.7%	-4.3%	-3.6%	-8.0%	-3.6%	-20.3%	-20.0%	-43.5%	-23.7%	-30.4%
Jewelry ex gold	-0.8%	-1.8%	24.3%	79.5%	148.8%	106.3%	69.8%	42.1%	2.4%	8.4%	41.9%	24.4%	16.9%
Total export	1.1%	14.6%	8.2%	8.7%	13.6%	14.0%	17.8%	10.2%	18.4%	15.5%	11.0%	5.8%	19.0%



Imports value by groups

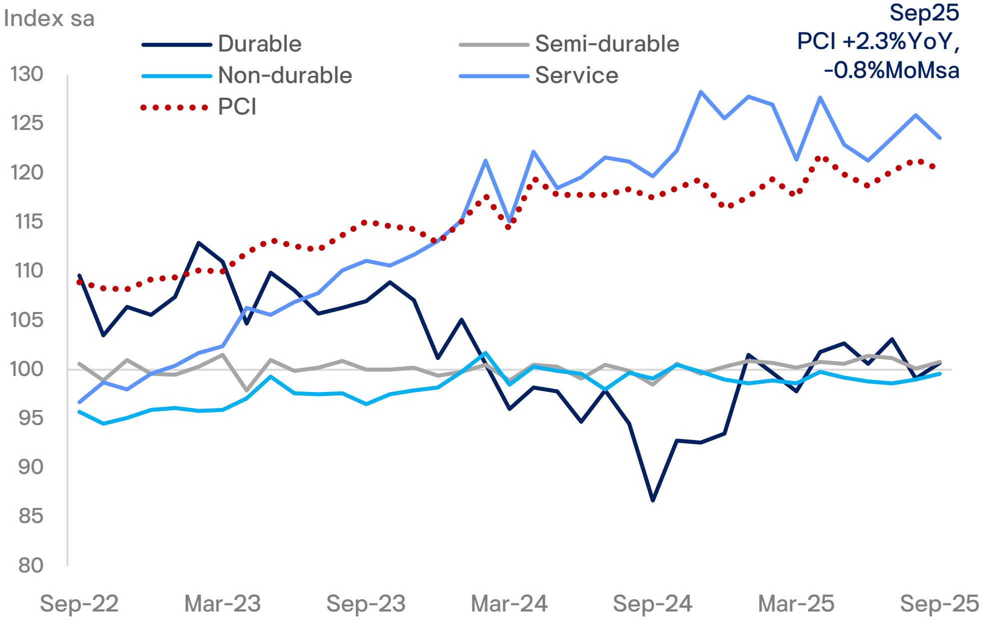


- Thailand's exports growth in September 2025 indicated a solid momentum with more broad-based growth by destinations aligning with a clarity of US reciprocal tariff implementation, which strongly supported by export of electronic products such as computer and parts, electronic machines and electrical appliance, auto parts as well as gold, while contraction in major agricultural product exports remained persisted. On the other hand, the import value growth also continued to expand in most categories, led by import of raw materials and intermediate goods such as electrical circuit board, which resulting in a trade surplus of USD 1.3 billions (The first nine months of 2025, trade deficit of USD 429 millions).

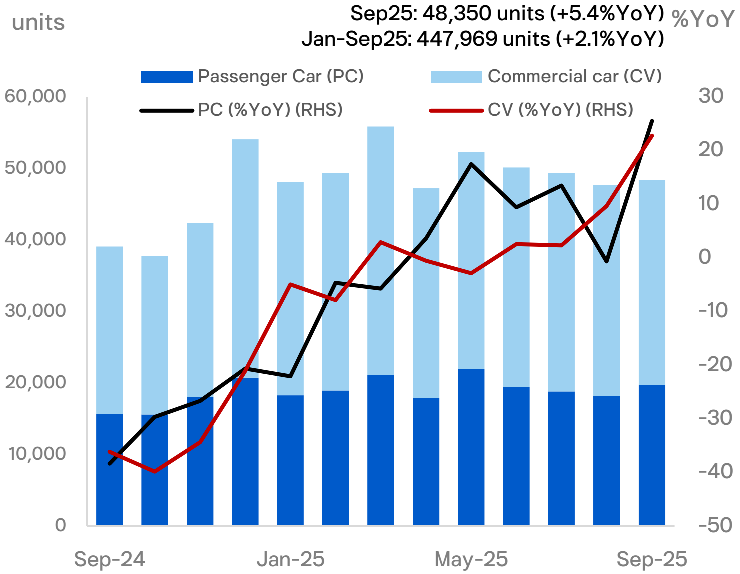
Source: Ministry of Commerce and ttb analytics Remark: Custom basis

Overall private consumption indicators dropped from the previous month, led by lower spending in tourism service from both Thai visitors and foreign arrivals

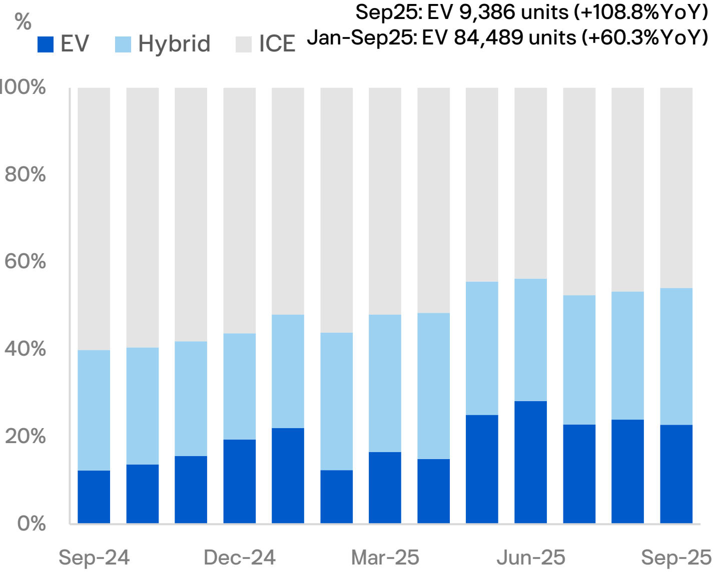
Private Consumption Indicators (SA)



Domestic car sales**

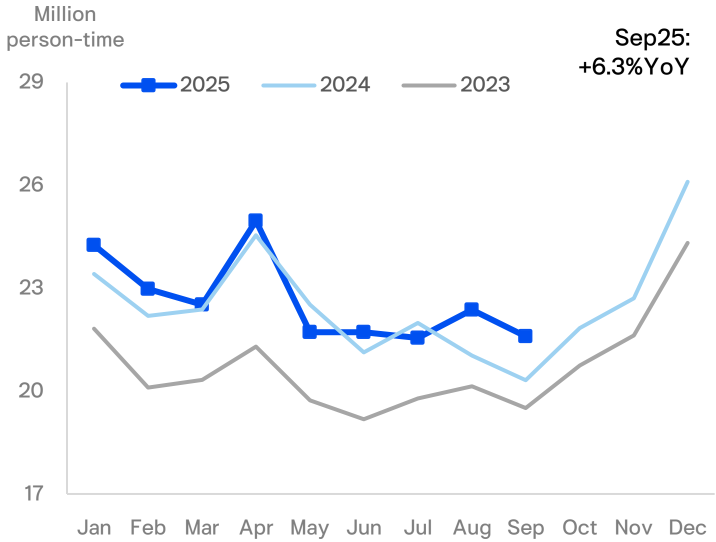


EV penetration of type 1 registration

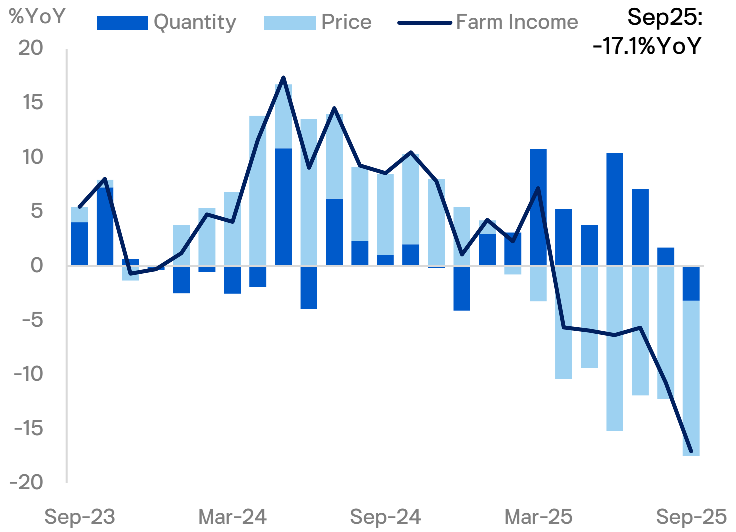


- Private consumption indicators declined from the previous month mainly due to reduced spending on services, as reflected by lower tourist expenditures after a surge during the "Thai Half-Half Travel" campaign in the preceding month and lower number of foreign arrivals during low seasons. However, spending in other categories increased.
- Domestic car sale growth remained elevated as supported by higher sales of EV and partly from new HEV model launches.
- Farm income in September contracted further for the sixth consecutive month, primarily due to falling prices of several agricultural products e.g., rice and rubber.

Thai domestic visitors*



Farm Incomes

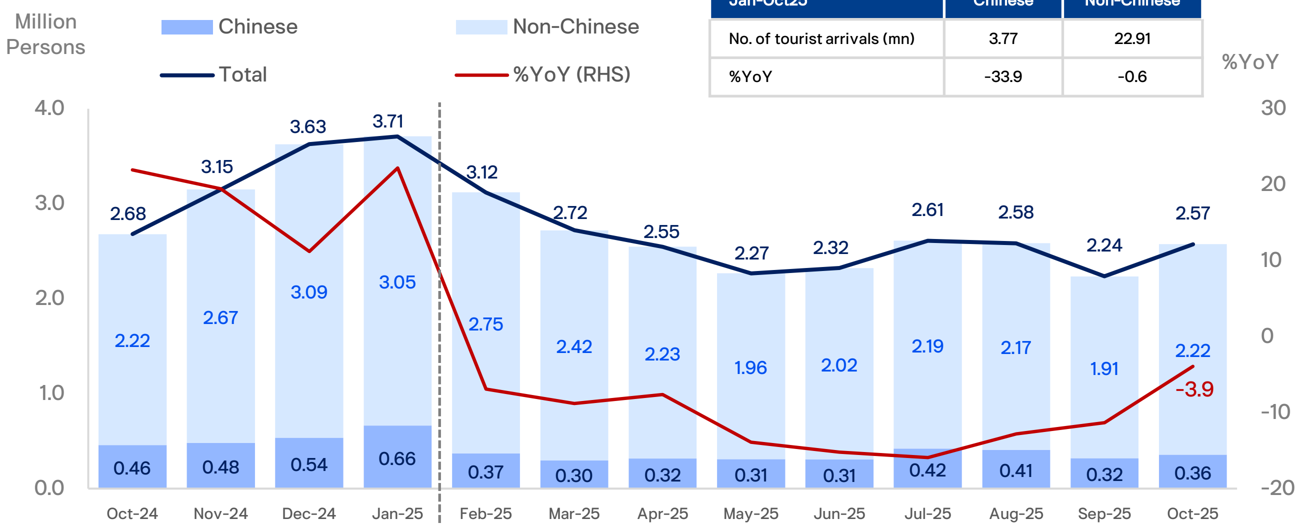


Source: Bank of Thailand, The Federation of Thai Industries, CEIC and ttb analytics
Remark: *Data not include replication in number of visitors **Commercial Vehicle (CV) * covering pickup, PPV and others commercial car, Passenger Car (PC) ** covering sedan and SUVs,

Foreign arrivals regained a widespread momentum in October

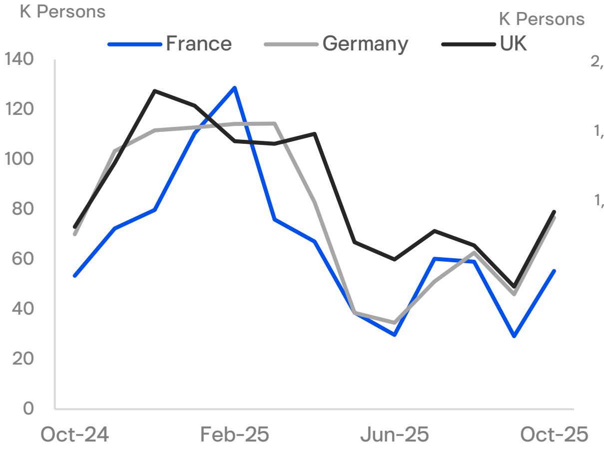
Total Foreign Tourist Inbounds

Jan-Oct25	Chinese	Non-Chinese
No. of tourist arrivals (mn)	3.77	22.91
%YoY	-33.9	-0.6

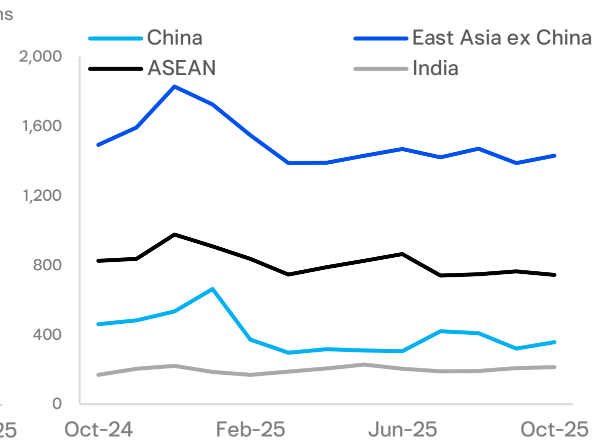


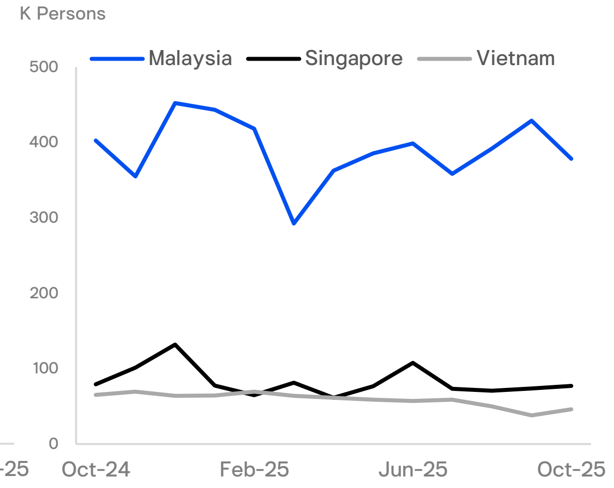
Foreign Tourist Inbounds by key regions

Europe

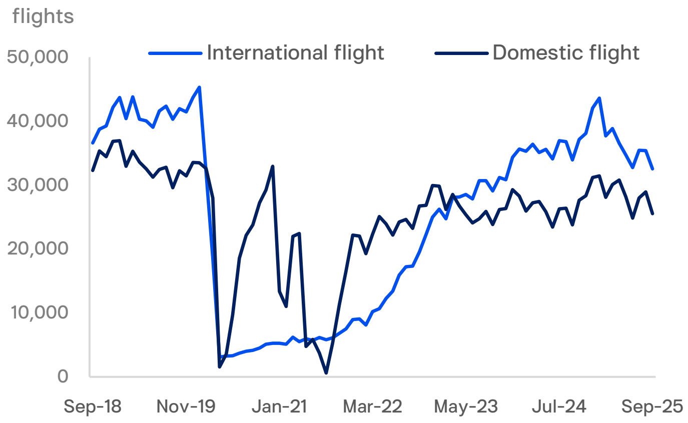


East Asia and India

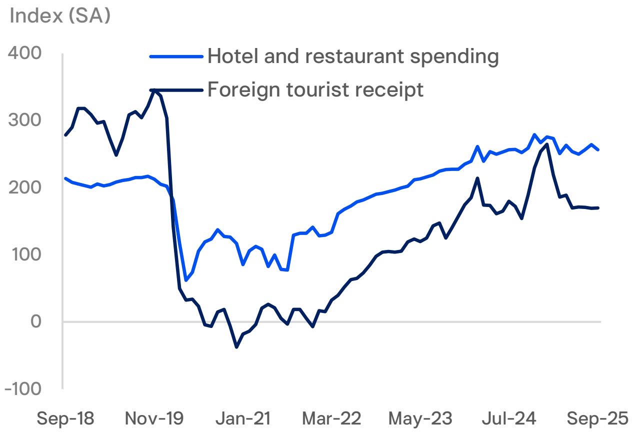




Number of flights via Thailand's airports (total)



Spending indicators

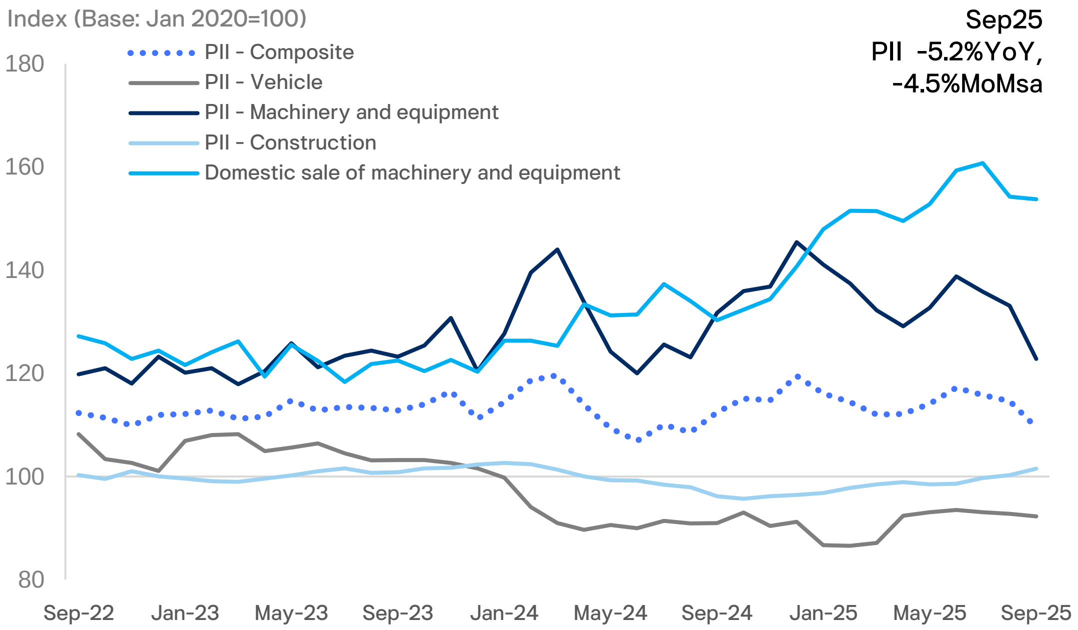


- In October 2025, foreign tourist arrivals was slightly improved compared to last month. Tourists from North-east, South Asia, Europe and the Americas indicated a remarkable increase, while tourists from ASEAN declined particularly in Malaysian after effect of extended national holidays in the previous month.

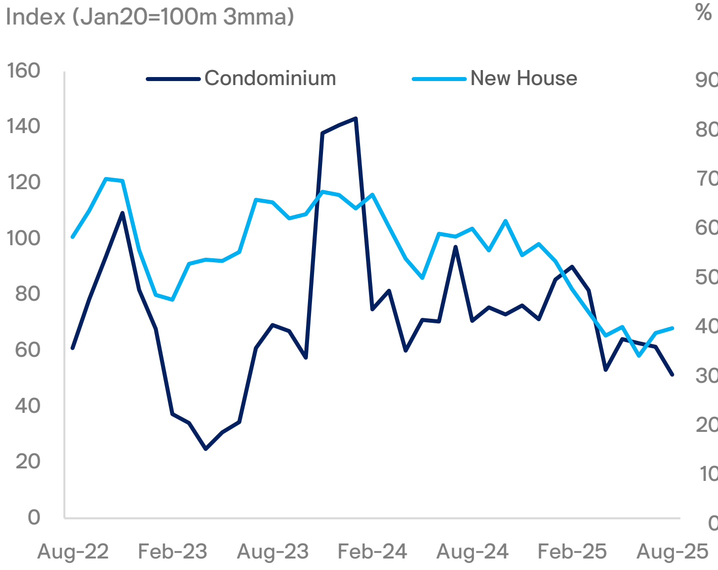
Source: CEIC, TAT Intelligence Center and ttb analytics

Private investment indicators continued to decline in several categories

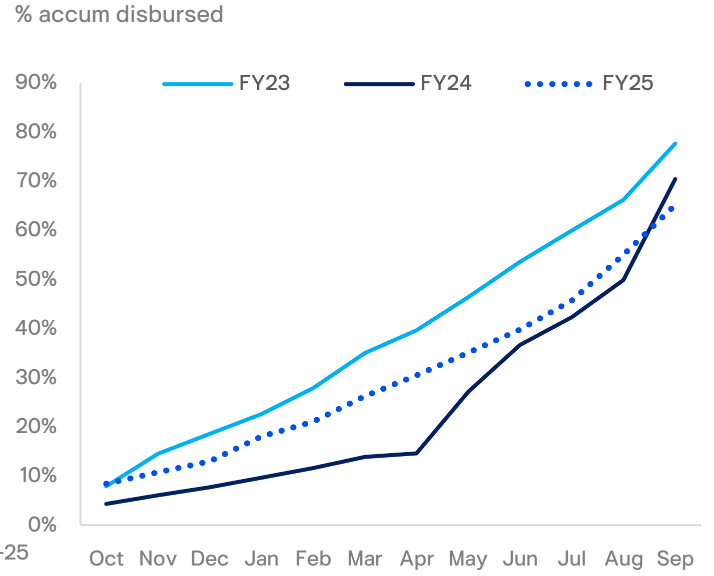
Private Investment Indicators (SA)



Unit of housing registration (Nationwide)

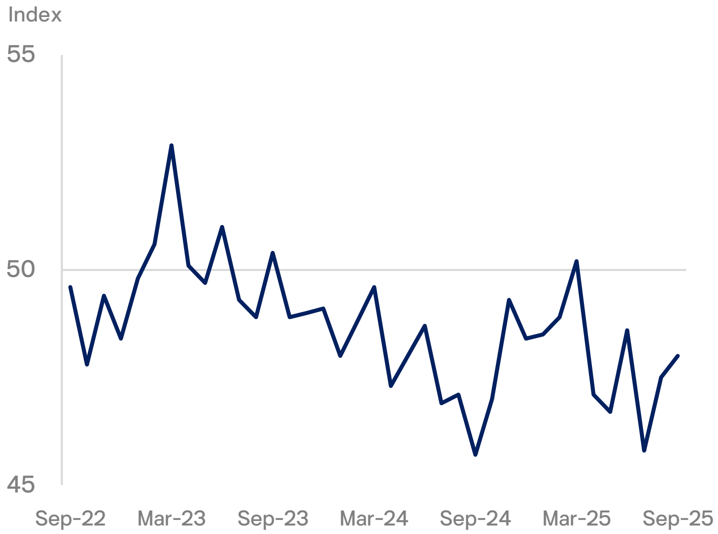


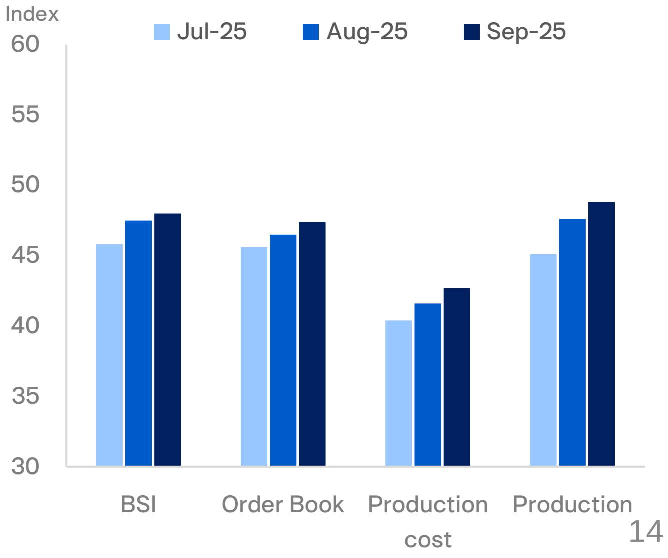
Accumulated govt capital budget disbursement



- Private investment continued to decline from the previous month in several categories, driven by reduced investment in machinery and equipment aligning with lower imports of capital goods for domestic use, particularly communication equipment. Investment in vehicles also decreased, mainly due to a drop in aircraft import value. However, car registrations increased across all categories. Meanwhile, construction investment edged up slightly, led by industrial factory construction.
- Overall BSI continued to improve but still below the 50-mark, thanks to the increase of non-manufacturing index in several sectors, led by hotels and restaurants, following the expected benefit from government campaign.

Business Sentiment Index (BSI)

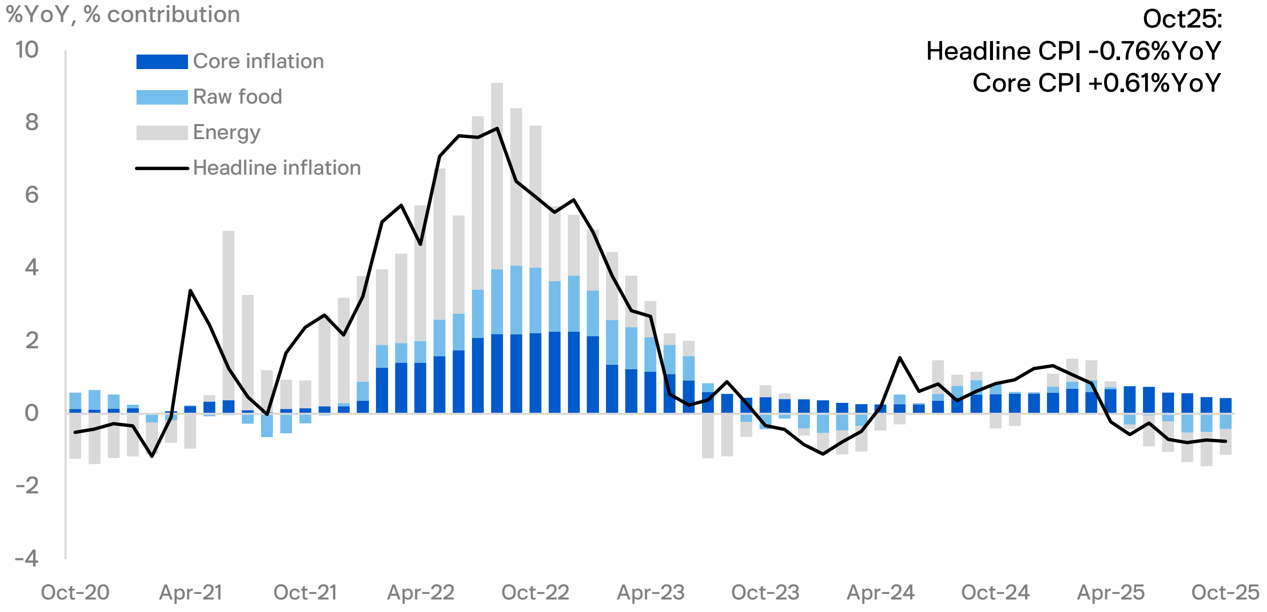




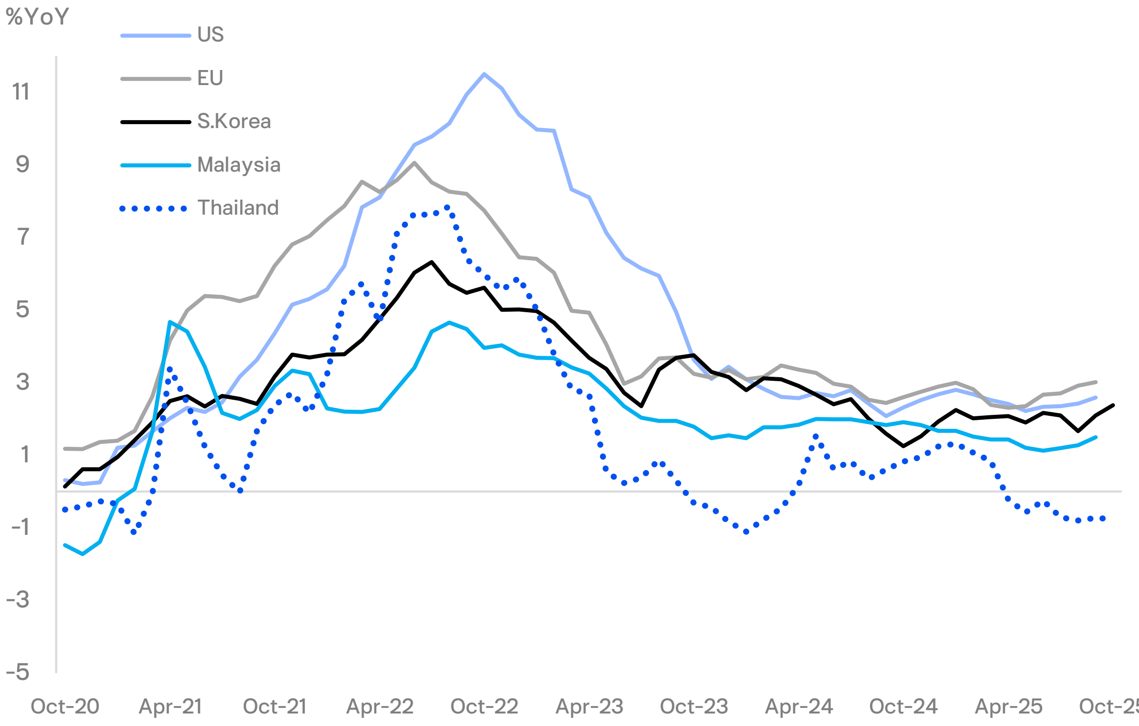
Source: Bank of Thailand and ttb analytics.

October's headline inflation remained in the negative territory amid the persistently decelerated core inflation rate

Thailand's inflation contribution to growth



Headline inflation in selected countries



Price change in top categories

%YoY

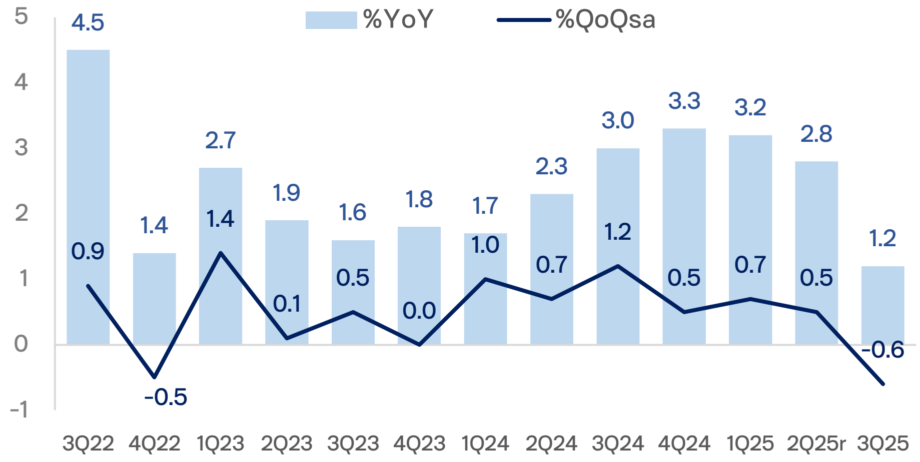
	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
Headline inflation	0.83	0.94	1.24	1.32	1.08	0.84	-0.22	-0.57	-0.25	-0.70	-0.79	-0.72	-0.76
Raw food	1.64	0.24	0.17	0.97	1.13	1.90	0.30	-1.76	-0.23	-1.23	-2.99	-2.89	-2.44
Prepared food	2.33	2.27	2.33	2.53	2.68	2.37	2.61	3.41	3.40	2.53	2.54	1.99	1.67
Meat and Poultry	0.33	0.59	0.25	0.41	1.39	3.04	5.04	5.39	4.98	4.18	3.36	1.71	-0.05
Eggs and dairy products	1.44	-0.50	-0.95	-0.53	0.45	-0.46	-1.94	-1.52	-3.94	-3.46	-3.72	-3.78	-3.74
Utilities	1.45	1.45	1.44	1.47	1.45	0.06	-2.84	-1.42	-1.41	-1.36	-1.36	-2.09	-2.11
Energy	-0.08	2.72	5.01	4.25	1.23	-0.93	-6.73	-6.58	-6.31	-7.33	-5.55	-4.46	-5.40
Core inflation	0.77	0.80	0.80	0.83	0.99	0.86	0.98	1.09	1.06	0.84	0.81	0.65	0.61

- The headline inflation (CPI) contracted further in October 2025. The main factors were primarily attributed to the falling prices of several food items due to persistently low in raw food prices transmission. Moreover, the energy prices also declined following the global energy prices including electricity price regarding to government subsidy measures. The core inflation also soften, marked a 15-month low. Overall, Thailand's inflation for the first-ten month of 2025 stood at -0.09%YoY and the core increased by 0.87%YoY.

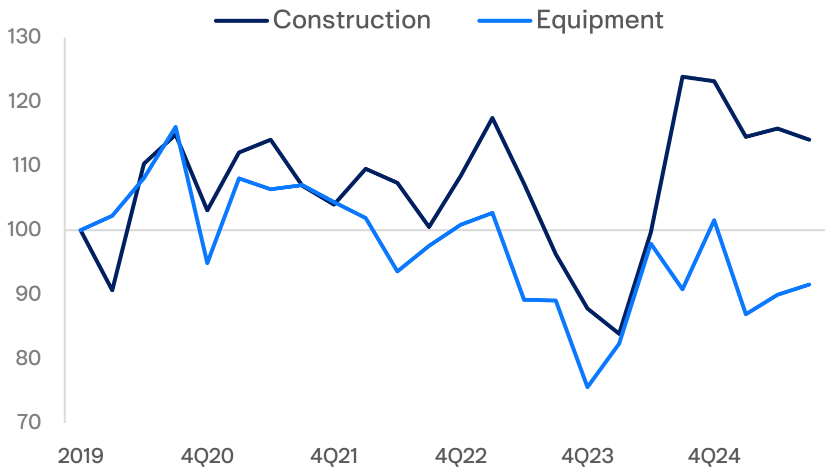
Source: Ministry of Commerce, CEIC and ttb analytics

Thailand's GDP in Q3/2025 contracted in QoQ growth for the first time in years, reflecting a pronounced slowdown in both domestic investment and external demand

Thailand's real GDP growth



Government investment development from pre-covid level



- In Q3/25, Thai economy rose by 1.2%yoy, which dramatically below market expectation, resulting from a deceleration of exports of goods and services, as well as gross fixed capital formation particularly in government investment. For the first nine months, Thai economy expanded by 2.4%.
- In addition, NESDC maintained its GDP growth forecast for 2025 but it is expected to decelerate in 2026.

GDP growth composition

%YoY	2023		2024				2025		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2r	Q3
GDP	**1.6**	**1.8**	**1.7**	**2.3**	**3.0**	**3.3**	**3.2**	**2.8**	**1.2**
Private consumption (64%)	7.4	6.7	6.6	4.5	3.3	3.4	2.5	2.6	2.6
Private investment (18%)	3.6	4.8	4.6	-6.8	-2.5	-2.1	-0.9	4.1	4.2
Government consumption (8%)	-5.0	-3.1	-2.3	0.4	6.1	5.4	3.4	2.2	-3.9
Public investment (16%)	-3.0	-19.6	-28.0	-4.2	25.2	39.4	26.3	10.1	-5.3
Export of goods (70%)	-2.4	3.9	-1.5	2.4	7.5	8.9	13.8	14.3	10.8
Import of goods (63%)	-11.3	4.2	3.6	-1.3	9.6	9.4	3.9	15.3	7.8
Export of Service (12%)	29.6	19.9	32.0	24.7	22.3	22.9	7.0	-2.6	-10.7
Import of Service (12%)	-3.8	7.7	13.7	11.2	13.2	3.9	-4.3	-5.5	-8.6

NESDC GDP growth projection 2025-2026

%YoY	2022	2023	2024	2025F		2026F
				As of Aug 25	As of Nov 25	As of Nov 25
GDP	2.6	2.0	2.5	2.0	2.0	1.7 (1.2-2.2)
Private consumption	6.2	6.9	4.4	2.1	2.8	2.1
Private investment	4.6	3.1	-1.6	1.0	2.0	0.9
Government consumption	0.1	-4.7	2.5	1.2	0.3	1.2
Public investment	-3.9	-4.2	4.8	5.2	6.8	2.9
Export value (USD)	5.4	-1.5	5.9	5.5	11.2	-2.7
Foreign arrivals (mn person)	11.2	28.1	35.5	33	33	35
Headline inflation	6.1	1.2	0.4	0.3	-0.2	0.5
Current account (% of GDP)	-3.5	1.4	2.1	2.1	2.8	2.4

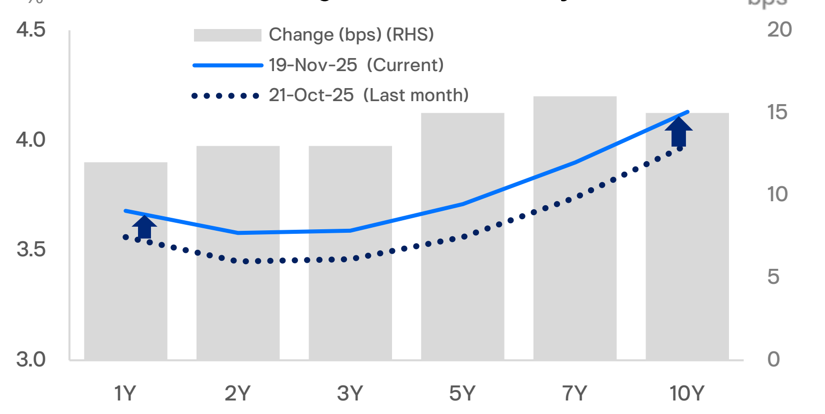
Source: NESDC, ttb analytics *Remark: (.) indicates share to GDP*

PART 3

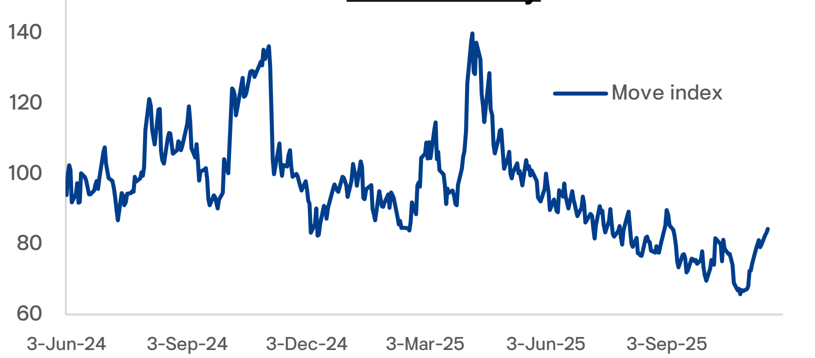
Financial Market

US Treasury yields rose across the curve, supported by hawkish Fed comments and delayed labor data. Meanwhile, Thai government bond yields were mixed across the curve

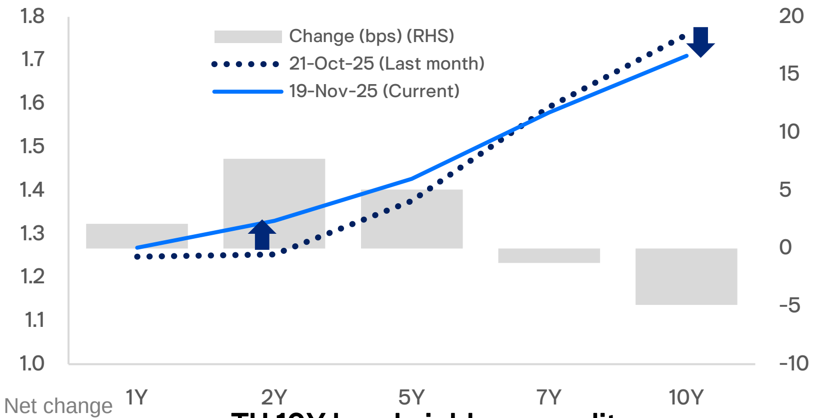
US government bond yield



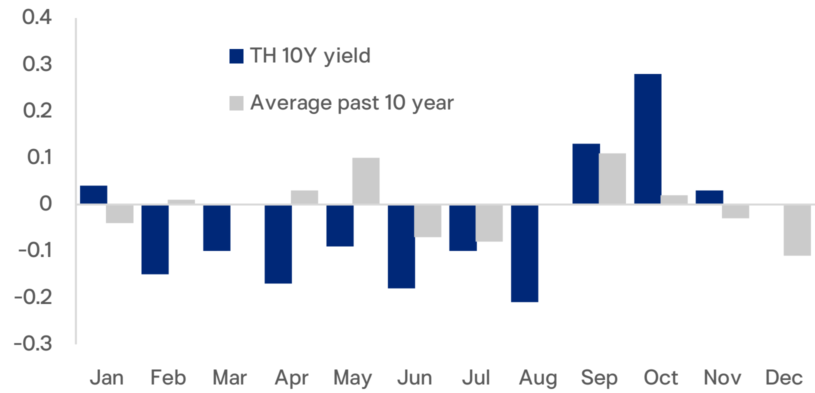
Bond volatility



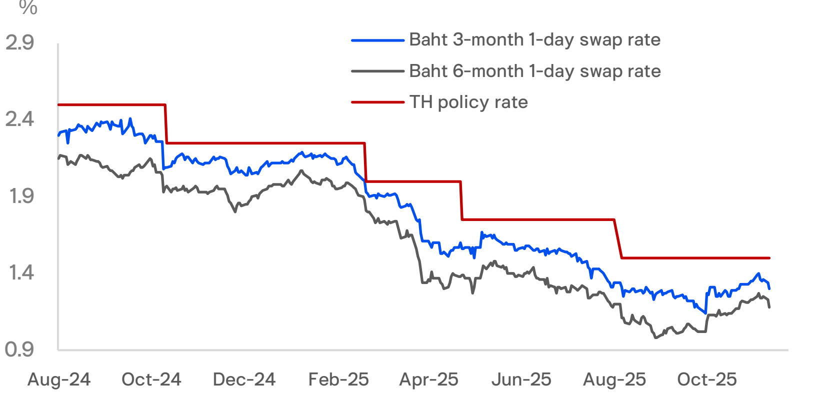
Thailand government bond yield



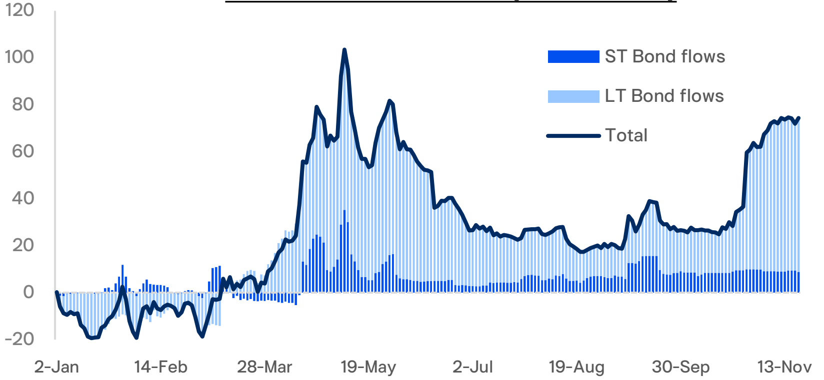
TH 10Y bond yield seasonality



Thai policy rate and market expectation



Foreign portfolio flows in Thai bond markets (cumulative)



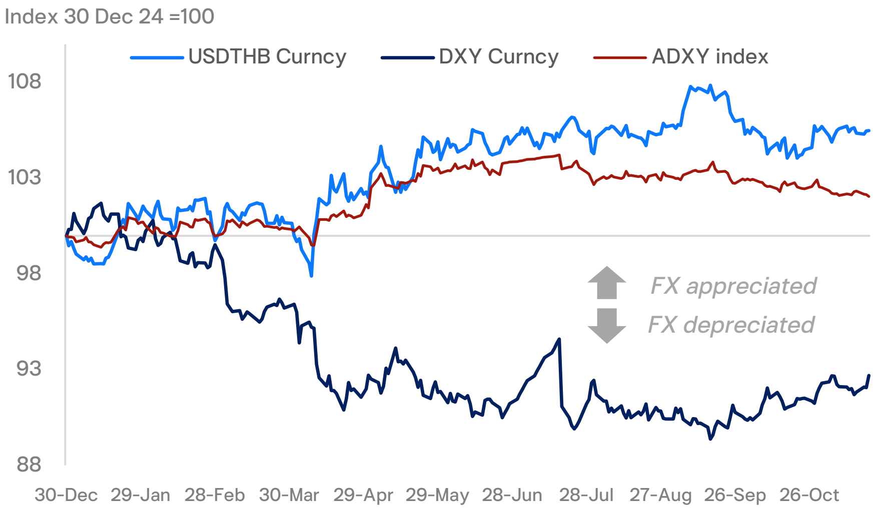
- US Treasury yields rose across the curve, supported by hawkish Fed comments and unavailable labor data, reducing the likelihood of a December rate cut. Easing US-China trade tensions also lowered safe-haven demand. Meanwhile, the end of the government shutdown adds volatility as backlogged economic data is released. Looking ahead, curve steepening may continue amid Fed easing and ongoing fiscal concerns, including deficit risks after the Supreme Court's IEEPA hearing

- In contrast, Thai government bond yields were mixed across the curve compared with the previous period. Local investors were the main sellers, while non-residents were net buyers, as reflected by bond inflows from October to mid-November—particularly at the long end, where yields appeared attractive. Looking ahead, the Thai bond yield curve is expected to decline toward year-end, supported by seasonal patterns and a rising likelihood of an MPC rate cut at the final meeting of the year, following weaker-than-expected Q3 GDP and continued contraction in commercial bank lending.

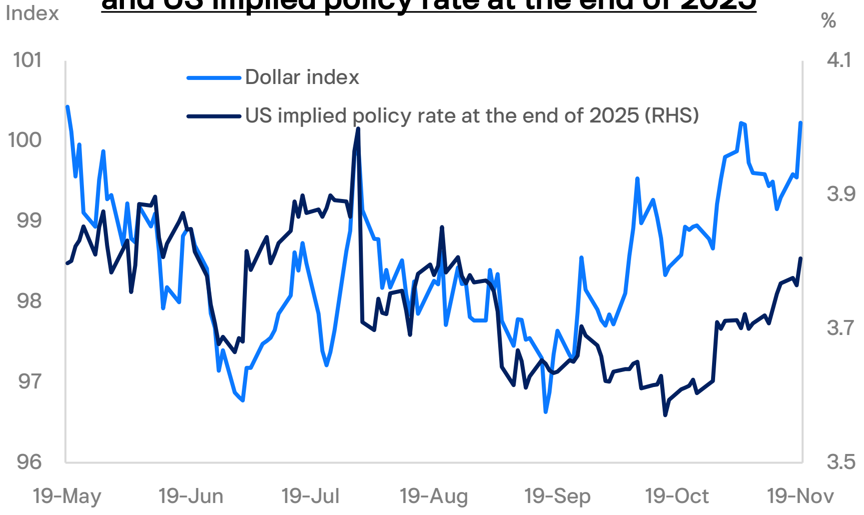
Source: Bloomberg CEIC and ttb analytics (Data as of 19 Nov 25)

Dollar gains as December rate cut odds fall; Thai Baht stays range-bound

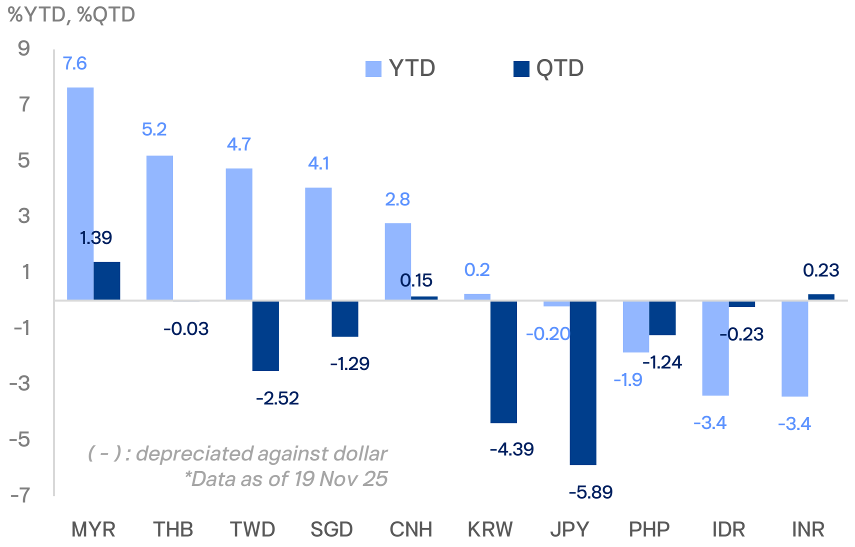
FX movement in 2025



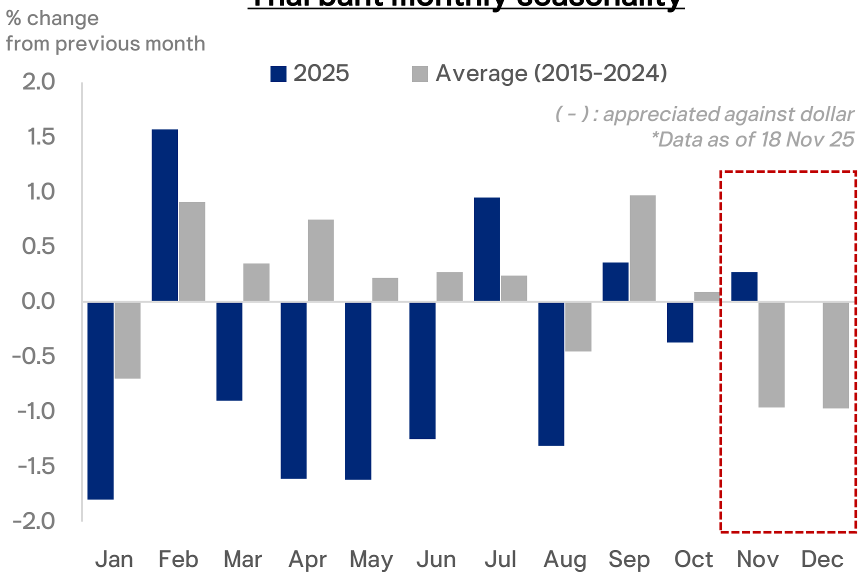
Relationship between dollar index and US implied policy rate at the end of 2025



Selected FX spot return against US dollar



Thai baht monthly seasonality



- The dollar strengthened, returning to the 100 level, supported by hawkish Fed comments that lowered expectations of a December rate cut. A government shutdown delayed key economic data, limiting policy-moving information. A weaker yen, amid delayed BoJ rate-hike expectations and fiscal concerns, further boosted the dollar. Looking ahead, upside risks remain, though USD softness may emerge next year as Fed easing continues and US growth slows.

- The Thai baht remained range-bound over the past month, despite typically strong seasonal trends. With a weak tourism sector, payback from export front-loading, upside risk from the dollar, and reduced correlation with gold prices, the baht is unlikely to see significant appreciation by year-end, particularly compared to the mid-September low of 32.61.

Source: Bloomberg, CEIC and ttb analytics (Data as of 19 Nov 25) ttb | a·n·a·l·y·t·i·c·s