

# Daily Market Review

## At-A-Glance

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Wachirawat Banchuen  
Senior Market Strategist  
Wachirawat.Banchuen@scb.co.th



### Daily Baht Movement



Expect intraday range:

**32.35 – 32.60**

**USDTHB: Baht strengthened significantly following a decline in the US Dollar Index, as markets grew concerned over President Trump's threat of sweeping 50% tariffs on goods from the EU.** The yen also appreciated amid increased demand for safe-haven assets. The pound gained following the release of better-than-expected retail sales data. Meanwhile, US Treasury yields declined in response to the tariff threats.

	Support 3	Support 2	Support 1	Resistance 1	Resistance 2	Resistance 3
USD/THB	32.00	32.15	32.30	32.55	32.80	33.00
<b>Recommendation : Buy on dips</b>						

### Other currencies:

	Support 3	Support 2	Support 1	Resistance 1	Resistance 2	Resistance 3	Short term strategy
EUR/THB	36.00	36.50	36.80	37.40	38.00	38.50	Sell on rallies
JPY/THB	0.2160	0.2200	0.2260	0.2300	0.2370	0.2410	Buy on dips
CNH/THB	4.300	4.450	4.500	4.650	4.700	4.800	Sell on rallies
EUR/USD	1.0700	1.0950	1.1200	1.1400	1.1570	1.1650	Sell on rallies
USD/JPY	138.00	140.00	141.40	143.00	144.40	146.00	Sell on rallies

### Market Highlight

- President Donald Trump threatened to impose 50% tariffs on EU goods starting June 1, citing stalled trade negotiations. However, he extended the deadline to July 9** after a phone call with European Commission President Ursula von der Leyen. Von der Leyen expressed the EU's willingness to accelerate talks but emphasized that reaching a fair agreement would require time. The tariff extension calmed markets, with U.S. equity futures rising and the dollar fluctuating. Trump reiterated his aim to use tariffs to incentivize domestic manufacturing, simultaneously threatening 25% tariffs on smartphones made abroad by firms like Apple and Samsung. Nonetheless, he aligned with Treasury Secretary Scott Bessent's view that reshoring textile production is unnecessary, signaling a selective approach to trade reindustrialization.
- UK retail sales rose by 1.2% in April, outperforming economists' expectations of a 0.3% gain and marking the fourth consecutive monthly increase.** The strong performance, driven partly by record sunshine and warm weather, lifted hopes that the UK economy may withstand pressures from tax hikes and rising household costs. Sales of food and alcohol notably increased. However, economists caution the boost may be temporary. April also saw the implementation of a £26 billion national insurance hike and increases in basic living costs. Despite these headwinds, the pound remained firm. Money markets continued to price in a 50% probability of a Bank of England rate cut in August, with another expected by year-end.
- European Central Bank President Christine Lagarde stated that global trade will be permanently reshaped by ongoing tariff tensions,** even as major economies move toward potential compromises. Speaking during the G7 meeting in Canada, Lagarde acknowledged that while negotiations will continue, international trade dynamics have been fundamentally altered. G7 finance officials focused on addressing "excessive imbalances" in the global economy, a message widely interpreted as directed at China. In a separate interview, Lagarde noted the difficulty in assessing the inflationary impact of tariffs. While retaliatory measures could raise import costs, deflationary pressures might arise from a redirection of lower-cost Chinese goods into European markets in the short term.

## Exchange Rates & Government Bond Yields

	Current	MTD change	YTD change
USD/THB	32.43	-2.82%	-5.06%
JPY/THB	22.75	-2.46%	4.47%
EUR/THB	36.96	-2.21%	3.98%
GBP/THB	44.00	-1.05%	2.64%
EUR/USD	1.14	0.66%	10.13%
GBP/USD	1.36	1.85%	8.48%
USD/JPY	142.55	-0.36%	-9.11%

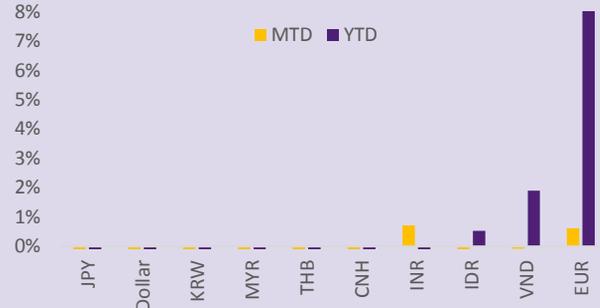
	Current	MTD change	YTD change
3-mth	4.35%	5 bps	2 bps
2-yr	3.99%	37 bps	-27 bps
5-yr	4.08%	32 bps	-32 bps
10-yr	4.51%	34 bps	-7 bps
3-mth	1.57%	-7 bps	-37 bps
2-yr	1.60%	6 bps	-42 bps
5-yr	1.65%	6 bps	-45 bps
10-yr	1.86%	-3 bps	-44 bps

## Change in Exchange Rates

USDTHB movement



Change in regional currencies, against the US Dollar



## Other Indicators

	Closing Prev. Working Day	MTD change	YTD change
SET Index	1,176.36	-1.75%	-15.99%
WTI Crude Oil	64.78	2.63%	-13.21%
Gold	3,356.99	1.71%	27.44%

	Closing Prev. Working Day	MTD change	YTD change
Flows to TH stocks	+1,737.79	-559	-55,150
Flows to TH Bonds	+3,421.62	+11,113	+78,362

## Economic Calendar

Date	Country	Events	Forecast	Previous
Tue, May 27, 2025	US	Durable Goods Orders (%MOM)	-7.90%	7.50%
Wed, May 28, 2025	FR	GDP (%YOY)	0.80%	0.60%
Thu, May 29, 2025	US	GDP (%QOQ)	-0.30%	-0.30%
Fri, May 30, 2025	US	Core PCE Price Index (%MOM)	0.10%	0%
	US	1-Year Inflation Expectations	7.30%	7.3%

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