

Daily Market Review

At-A-Glance

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Daily Baht Movement



Expect intraday range:

32.50 – 32.75

USDTHB: Baht remained rangebound as the US dollar index moved sideways overnight. The dollar initially declined following higher-than-expected US weekly jobless claims data and the ECB meeting. However, it rebounded after reports of a phone call between Presidents Trump and Xi. The euro strengthened in response to the ECB's hawkish rate cut, while the yen weakened amid optimism over potential US-China trade talks.

	Support 3	Support 2	Support 1	Resistance 1	Resistance 2	Resistance 3
USD/THB	32.00	32.30	32.50	32.80	33.00	33.30
Recommendation : Buy on dips						

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	1.0950	1.1100	1.1300	1.1570	1.1650	1.1800	Sell on rallies
USD/JPY	140.00	141.40	142.50	144.40	146.00	148.50	Sell on rallies

Market Highlight

- **Trump and Xi Jinping held a 90-minute call on Thursday, agreeing to resume trade talks to address disputes over tariffs and rare earth mineral supplies.** Trump acknowledged past tensions but said the relationship is now "in very good shape," with further negotiations planned soon. Both leaders extended reciprocal invitations for state visits. However, uncertainties remain, including whether China will expedite export licenses for rare earth magnets and what concessions Trump may have offered. Meanwhile, the U.S. Treasury refrained from labeling any country a currency manipulator but criticized China for its lack of transparency and warned against unfair currency practices. In its semiannual foreign-exchange report, the Treasury said it would enhance scrutiny of partners' currency policies and added Ireland and Switzerland to its watchlist for closer monitoring.
- **The European Central Bank cut its deposit rate by 25 bps to 2%, marking its eighth reduction in a year. President Christine Lagarde signaled the ECB is nearing the end of its easing cycle,** as inflation has fallen to 1.9%, just below the 2% target for the first time in eight months. New projections show inflation at 1.6% in 2026, with GDP growth forecast at 0.9% this year and 1.1% next year. The ECB cited ongoing trade uncertainty and geopolitical risks but expects fiscal support to aid growth. The ECB also conducted alternative scenarios. In mild case, it suggested weaker growth but with limited inflation impacts. However, in severe scenario it pointed to weaker growth and inflation due to tariff effects and weaker domestic demand. Markets reduced expectations for further cuts, lifting German 2-year yields and boosting the euro higher.
- **US initial jobless claims rose by 8,000 to 247,000, the highest since October and above expectations, reinforcing signs of a cooling labor market.** The four-week moving average also climbed to 235,000, its highest level since October. While continuing claims edged down to 1.9 million, they remain elevated year-over-year, suggesting it is taking longer for unemployed individuals to find work. Separately, U.S. employers announced approximately 93,800 job cuts in May—lower than April but still high relative to 2023 levels, with services and retail leading reductions. Meanwhile, the U.S. trade deficit narrowed sharply in April due to a record drop in imports following earlier front-loading ahead of tariffs.

Exchange Rates & Government Bond Yields

	Current	MTD change	YTD change
USD/THB	32.64	-0.64%	-4.45%
JPY/THB	22.72	-0.36%	4.33%
EUR/THB	37.36	0.23%	5.09%
GBP/THB	44.31	0.21%	3.34%
EUR/USD	1.14	0.86%	10.55%
GBP/USD	1.36	0.85%	8.49%
USD/JPY	143.70	-0.24%	-8.37%

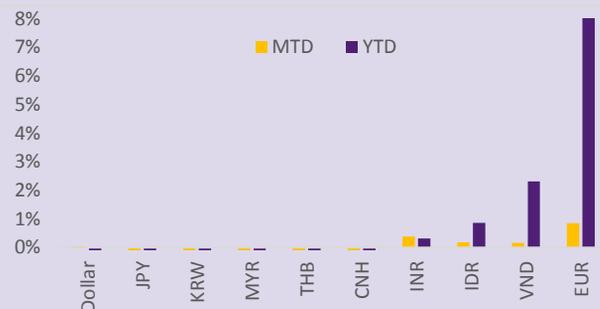
	Current	MTD change	YTD change
US Treasury			
3-mth	4.35%	0 bps	2 bps
2-yr	3.92%	1 bps	-33 bps
5-yr	3.99%	1 bps	-40 bps
10-yr	4.40%	-2 bps	-18 bps
Thai Gov			
3-mth	1.53%	-2 bps	-40 bps
2-yr	1.51%	-6 bps	-51 bps
5-yr	1.54%	-8 bps	-56 bps
10-yr	1.71%	-9 bps	-59 bps

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	1,140.63	-0.74%	-18.54%
WTI Crude Oil	65.34	2.25%	-12.46%
Gold	3,353.12	2.20%	28.11%

	Closing Prev. Working Day	MTD change	YTD change
Flows to TH stocks	-115.73	-982	-71,721
Flows to TH Bonds	-3,060.01	-570	+63,022

Economic Calendar

Date	Country	Events	Forecast	Previous
Wed, Jun 4, 2025	US	ISM Nonmanufacturing PMI	52.1	51.6
	US	ADP Employment Change	111K	62K
	EU	Service PMI	48.9	50.1
Thu, Jun 5, 2025	TH	CPI (%YOY)	-0.83%	-0.22%
	EU	ECB's Rate Decision (Deposit Facility)	2.00%	2.25%
Fri, Jun 6, 2025	US	Nonfarm Payrolls	130K	177K
	US	Unemployment Rate	4.20%	4.2%
	GE	Industrial Production (%MOM)	-0.90%	3.0%

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