SCB

Daily Market Review

At-A-Glance 4 September 2026

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Daily Baht Movement

Expect intraday range:

32.75 – 33.00

USDTHB: The baht continued to strengthen alongside the yen's sharp appreciation. The yen's gains were driven by expectations of faster rate hikes by the BOJ and speculation that Japan's government pension fund may increase its allocation to domestic bonds. Meanwhile, Fed Governor Waller signaled the possibility of keeping rates unchanged, further weakening the dollar. The stronger-than-expected ISM Services data had a limited impact on the dollar.

	Support 3	Support 2	Support 1	Resistance 1	Resistance 2	Resistance 3
USD/THB	32.50	32.60	32.90	33.00	33.15	33.35

Recommendation *: Buy on dips*

Other currencies:

	Support 3	Support 2	Support 1	Resistance 1	Resistance 2	Resistance 3	Short term strategy
EUR/THB	36.50	37.20	37.80	38.80	39.20	39.94	Buy on dips
JPY/THB	0.1960	0.2000	0.2030	0.2150	0.2240	0.2350	Buy on dips
CNH/THB	4.8500	4.8850	4.9000	4.9120	4.9280	4.9500	Sell on rallies
EUR/USD	1.1300	1.1480	1.1550	1.1640	1.1720	1.1800	Buy on dips
USD/JPY	153.20	154.80	155.25	157.30	158.00	159.40	Sell on rallies

Market Highlight

- **The yen strengthened nearly 2% on Thursday to ¥155.81 per dollar, its strongest daily gain in more than a month, as traders increased bets on BOJ rate hikes** and remained alert to potential official intervention. Sentiment was also boosted by speculation that Japan's Government Pension Investment Fund (GPIF) may raise its allocation to domestic bonds, following an unusual management meeting to discuss asset allocation. The reassessment may reflect the sharp rise in JGB yields, with the 10-year yield reaching 3.015%. Thursday's rally was likely amplified by the unwinding of speculative short-yen positions and hedging demand from domestic investors. However, sustained yen appreciation may require a more hawkish BOJ, greater fiscal prudence from Tokyo, and a weaker US dollar, suggesting further gains could be limited without stronger fundamental catalysts.

- **Fed Governor Christopher Waller said his next interest-rate decision will be heavily influenced by August inflation data due next week.** While his prepared remarks sounded close to supporting a rate hike, he took a more cautious stance during the Q&A, saying he expects consumer and producer inflation readings to be "reasonable." Waller acknowledged that inflation remains meaningfully above the Fed's 2% target but noted recent signs of disinflation, with higher energy costs yet to generate broad-based price pressures. He also expressed concern about raising rates while inflation is declining, suggesting current policy settings may be sufficient to return inflation to target. Waller therefore favored a wait-and-see approach, emphasizing the need to assess upcoming inflation data before determining whether further tightening is warranted.

- **US services activity strengthened in August, with the ISM Services PMI rising 1.3 points to 55.4, above expectations of 54.1.** Business activity, new orders, and backlogs all improved, indicating that firms can absorb higher input costs without a significant slowdown. However, employment remained weak, edging up only to 47.8 from 47.4, suggesting businesses are generating stronger output without a corresponding increase in labor demand, consistent with productivity gains from AI. AI-related demand was also evident, with GPUs and memory products remaining scarce and expensive, alongside strong capital investment in power infrastructure. Meanwhile, inflationary pressures intensified, as prices paid rose to 72.6 from 70.3, with higher prices reported across 15 industries, particularly for petroleum products, freight, and technology inputs.

Exchange Rates & Government Bond Yields

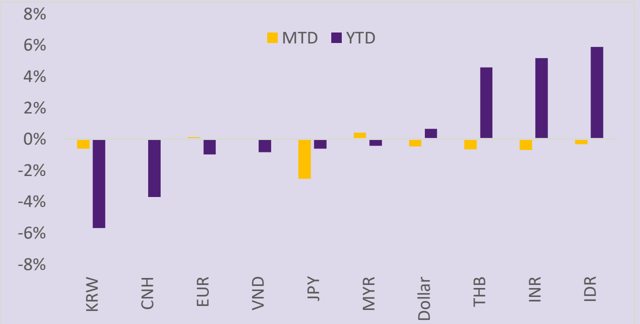
	Current	MTD change	YTD change
USD/THB	32.89	-0.75%	4.48%
JPY/THB	21.12	1.82%	5.14%
EUR/THB	38.25	-0.64%	3.45%
GBP/THB	44.49	-0.74%	4.91%
EUR/USD	1.16	0.12%	-0.98%
GBP/USD	1.35	-0.02%	0.43%
USD/JPY	155.64	-2.56%	-0.64%

		Current	MTD change	YTD change
US Treasury	3-mth	3.84%	1 bps	20 bps
	2-yr	4.33%	-2 bps	87 bps
	5-yr	4.51%	0 bps	80 bps
	10-yr	4.76%	0 bps	61 bps
Thai Gov	3-mth	0.96%	0 bps	-13 bps
	2-yr	1.23%	4 bps	10 bps
	5-yr	1.67%	3 bps	39 bps
	10-yr	2.24%	7 bps	58 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	1,576.92	-1.14%	25.19%
WTI Crude Oil	95.52	5.56%	56.98%
Gold	4,472.86	0.74%	3.97%

	Closing Prev. Working Day	MTD change	YTD change
Flows to TH stocks	+1,955.81	+3,361	+54,730
Flows to TH Bonds	+2,326.19	-7,620	+4,956

Economic Calendar

Date	Country	Events	Forecast	Previous
Mon, Aug 31, 2026	GE	CPI (%MOM)	0.30%	0.80%
Tue, Sep 1, 2026	EU	CPI (%YOY)	3.30%	2.90%
	US	ISM Manufacturing	55.2	55.6
Wed, Sep 2, 2026	US	ADP Nonfarm Employment	47K	44K
Thu, Sep 3, 2026	US	ISM Non-Manufacturing	54.1	54.1
	EU	Composite PMI	52.1	52.1
Fri, Sep 4, 2026	US	Nonfarm Payrolls	58K	-23K

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