SCB

# Daily Market Review

## At-A-Glance 26 August 2026

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## Daily Baht Movement

Expect intraday range:
***32.60 – 32.75***

**USDTHB: The baht moved sideways within the expected range. Meanwhile, oil prices declined as markets grew more optimistic about diplomatic efforts in the Middle East** following positive negotiations between Pakistan and Iran. US Treasury yields fell following the decline in oil prices and strong demand at the 2-year Treasury auction.

| | Support 3 | Support 2 | Support 1 | Resistance 1 | Resistance 2 | Resistance 3 |
|---|---|---|---|---|---|---|
| USD/THB | 32.30 | 32.40 | 32.55 | 32.74 | 32.95 | 33.10 |

**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 | 0.2100 | 0.2150 | 0.2240 | Buy on dips |
| CNH/THB | 4.8000 | 4.8200 | 4.8420 | 4.8650 | 4.9000 | 4.9180 | Sell on rallies |
| EUR/USD | 1.1480 | 1.1550 | 1.1640 | 1.1720 | 1.1800 | 1.1930 | Buy on dips |
| USD/JPY | 156.00 | 157.30 | 158.00 | 159.60 | 160.40 | 162.00 | Sell on rallies |

## Market Highlight

- **Pakistan's Army Chief Field Marshal Asim Munir concluded a one-day visit to Iran as part of efforts to de-escalate tensions between Tehran and Washington and end the conflict.** He met Iranian President Masoud Pezeshkian, Foreign Minister Abbas Araghchi, and other senior officials. Discussions focused on preventing further escalation, reopening the Strait of Hormuz, regional stability, and reaching a negotiated settlement. Pakistani officials described the talks as highly fruitful, with "significant progress" made and expressing hope that the momentum would contribute to lasting regional peace. Separately, Iranian Foreign Minister Abbas Araghchi and Omani Foreign Minister Badr Albusaidi discussed an "interim framework" to resume shipping through the Strait of Hormuz. The developments suggest growing diplomatic efforts to ease the conflict and restore the vital shipping route.

- **Since Bessent announced plans to double Treasury buybacks last week, Treasuries have outperformed equivalent-maturity swaps, narrowing the 30-year swap spread** to its smallest since February. Benchmark Treasury yields have also drifted lower. The expanded buyback program is seen as creating a "Bessent put", providing a potential backstop for the long end and improving the risk-reward of holding longer-dated Treasuries. Although the program's longer-term impact remains uncertain, with some investors criticizing the intervention, traders increasingly recognize the Treasury as a potentially large buyer and are reluctant to position against it. The 10-year swap spread has also narrowed by around 3 bps to 38 bps. Overall, tighter swap spreads reflect expectations that Treasury could further expand buybacks if deemed necessary to support market conditions.

- **Germany's economy grew 0.3% QoQ in Q2, faster than the preliminary estimate of 0.2%, supported by a strong performance in trade.** Business sentiment also improved significantly, with the ifo expectations index rising to 89.1, exceeding all forecasts in a Bloomberg survey. Ifo President Clemens Fuest said the economy is recovering as companies became more satisfied with current conditions and significantly upgraded their outlook. Meanwhile, increased defense and infrastructure spending under Chancellor Merz has boosted manufacturing activity to its strongest level in more than four years, alongside efforts to implement economic reforms. However, political pressure from the far-right Alternative for Germany remains a challenge. Analysts have raised their 2026 growth forecast to 0.8% from 0.6%, expecting growth to accelerate further to 1.2% by 2028.

## Exchange Rates & Government Bond Yields

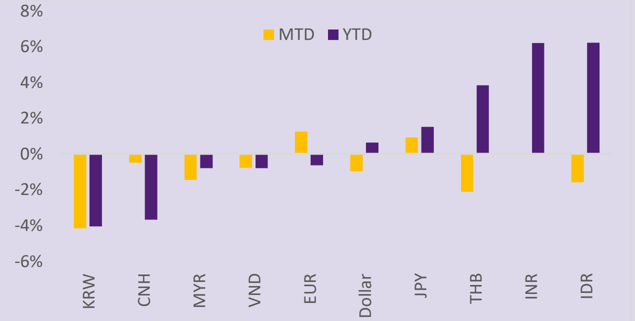
| | Current | MTD change | YTD change |
|---|---|---|---|
| USD/THB | 32.70 | -2.10% | 3.88% |
| JPY/THB | 20.55 | 0.65% | 2.28% |
| EUR/THB | 38.16 | 0.63% | 3.20% |
| GBP/THB | 44.61 | 1.34% | 5.19% |
| EUR/USD | 1.17 | 1.23% | -0.65% |
| GBP/USD | 1.36 | 1.21% | 1.26% |
| USD/JPY | 159.10 | 0.97% | 1.56% |

| | | Current | MTD change | YTD change |
|---|---|---|---|---|
| US Treasury | 3-mth | 3.80% | 2 bps | 16 bps |
| | 2-yr | 4.20% | -9 bps | 73 bps |
| | 5-yr | 4.35% | -11 bps | 64 bps |
| | 10-yr | 4.64% | -11 bps | 49 bps |
| Thai Gov | 3-mth | 0.93% | 7 bps | -16 bps |
| | 2-yr | 1.18% | 2 bps | 5 bps |
| | 5-yr | 1.62% | 3 bps | 33 bps |
| | 10-yr | 2.15% | 6 bps | 49 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 | 1,596.01 | -1.70% | 26.70% |
| WTI Crude Oil | 88.58 | -1.71% | 45.57% |
| Gold | 4,656.59 | 14.88% | 7.60% |

| | Closing Prev. Working Day | MTD change | YTD change |
|---|---|---|---|
| Flows to TH stocks | -957.82 | -16,640 | +59,293 |
| Flows to TH Bonds | -2,283.16 | -6,544 | +12,774 |

## Economic Calendar

| Date | Country | Events | Forecast | Previous |
|---|---|---|---|---|
| Tue, Aug 25, 2026 | GE | GDP (%YOY) | 0.90% | 0.90% |
| | US | Consumer Confidence | 90.3 | 90.8 |
| Wed, Aug 26, 2026 | US | Core PCE (%MOM) | 0.20% | 0.10% |
| | US | GDP (%YOY) | 1.50% | 1.50% |
| | TH | Interest Rate Decision | 1.00% | 1.00% |
| Fri, Aug 28, 2026 | US | Kevin Warsh's Speech @ Jackson Hole | | |