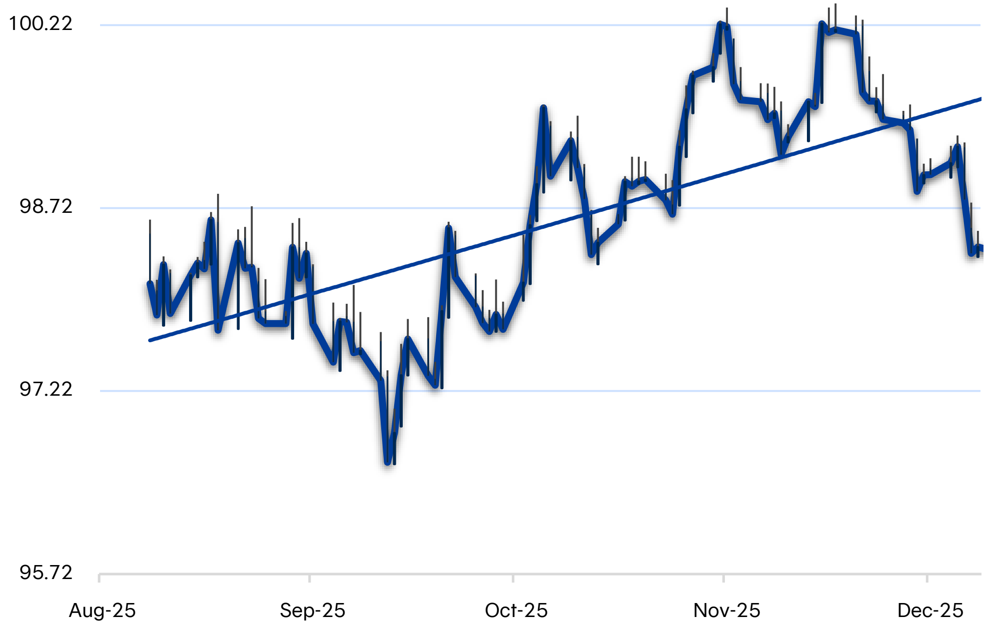
Bangkok Bank

FX Compass

15 Dec 2025 - 19 Dec 2025

Dollar Index

Currency Pulse



Quick Take

• Early Week: The U.S. dollar began the week on a softer note, pressured by profit-taking and cautious positioning ahead of key remarks from Federal Reserve officials.

• During midweek: Losses deepened after dovish comments from the Fed Chair and other policymakers signaled concerns over slowing economic growth, prompting markets to increase bets on further interest rate cuts.

• FOMC Decision (10/12): The Federal Open Market Committee voted 9–3 to lower the benchmark federal funds rate by 25 basis points to a range of 3.50%–3.75%. This marked the third rate cut of the year and brought rates to their lowest level in three years.

• Toward the end of the week, the dollar found limited support from safe-haven flows amid geopolitical tensions and global growth worries. However, these factors were insufficient to offset the broader weakening trend.

Performance

Last Week Close	98.99	**Monthly High**	100.40
Week Open	98.97	**Monthly Low**	98.13
Week Close	98.40	**30 Days Average**	99.44
Weekly High	99.31	**90 Days Average**	98.63
Weekly Low	98.13	**YTD Change**	-9.34%

Outlook

• Markets will closely monitor speeches from Federal Reserve officials for confirmation of a dovish policy stance, especially amid recent concerns about U.S. labor market weakness.

• Any guidance on the timing and magnitude of future rate cuts could significantly influence the U.S. dollar. Key U.S. economic data releases to watch this week includes October retail sales, Nonfarm payrolls and the unemployment rate, Consumer Price Index (CPI), November existing home sales, PMI readings, Preliminary consumer sentiment index for December, Private-sector employment figures and weekly jobless claims

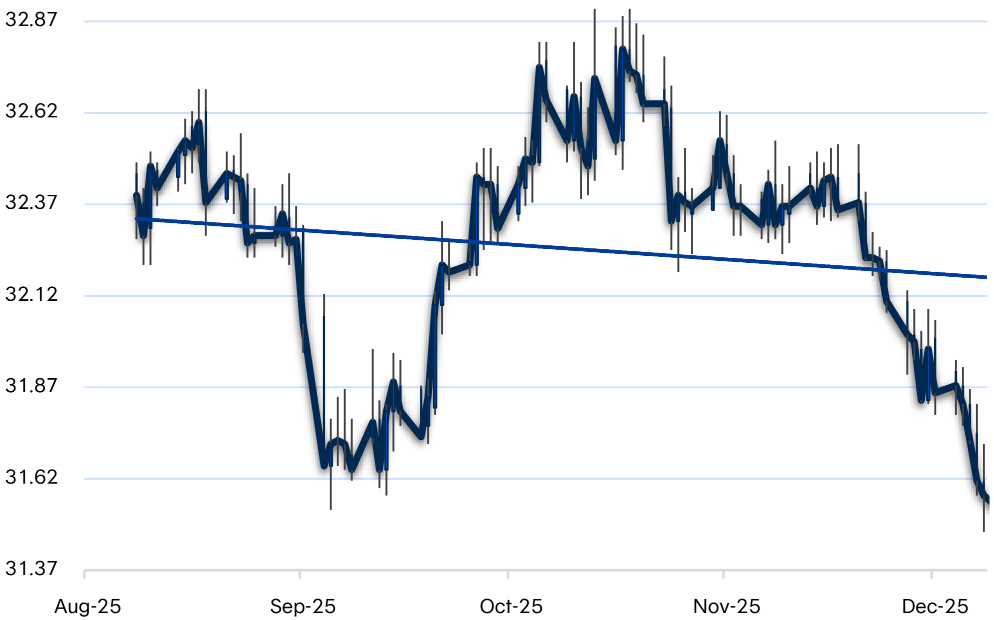
Lower Bound	**97.50**	**Upper Bound**	**99.00**
Forecast	Depreciation		

Impact Events

Events	Period	Date	Forecast	Previous
Non-Farm Payrolls	Nov	16-Dec	35k	119k
Unemployment Rate	Nov	16-Dec	4.4%	4.4%
Average Earnings YY	Nov	16-Dec		3.8%
Retail Sales MM	Oct	16-Dec	0.2%	0.2%
S&P Global Comp PMI Flash	Dec	16-Dec		54.2
Core CPI MM, SA	Nov	18-Dec		0.2%
CPI MM, SA	Nov	18-Dec		0.3%
Initial Jobless Clm	8 Dec, w/e	18-Dec		236k
Core PCE Price Index MM	Oct	19-Dec		0.2%

Thai Baht

Currency Pulse



Outlook

• Looking ahead this week, key factors to monitor include the Bank of Thailand's Monetary Policy Committee (MPC) meeting on December 17, remarks from Federal Reserve officials, foreign fund flows, movements in Asian currencies and global gold prices, domestic political developments, and the Thailand–Cambodia situation.

• The main highlight will be the MPC meeting. We expect the committee may consider cutting the policy rate by 25 basis points to 1.25% to support the economy, particularly as Thailand faces pressures from recent flooding and tensions along the Thai–Cambodian border.

• We expect the baht to trade sideways with a slight appreciation, supported by fundamental factors such as the tourism high season. However, the pace of appreciation may slow as market participants await signals from central bank meetings and key U.S. economic data scheduled for release this week.

Lower Bound	31.40	Upper Bound	31.70
Forecast	Appreciation		

Quick Take

• The Thai baht strengthened notably last week, supported by both external and domestic factors. Early week, the baht appreciated in line with broader Asian currency gains as the U.S. dollar weakened following increasingly dovish signals from the Federal Reserve. Expectations of future U.S. rate cuts pressured the dollar and boosted emerging-market currencies, including the baht.

• The baht extended its rally during mid-week, breaking through the 31.60 level against the U.S. dollar and touching 31.55—its strongest level in nearly four and a half years. This move was reinforced by a surge in global gold prices, which lifted THB sentiment, along with steady foreign capital inflows into regional assets.

• Meanwhile, on Thursday (11/12), PM Anutin Charnvirakul announced the dissolution of parliament via his personal Facebook page, stating: "I return the power to the people."

• Toward the end of the week, the baht consolidated near strong levels as profit-taking emerged and investors turned cautious ahead of major central bank meetings and key U.S. economic data.

Performance

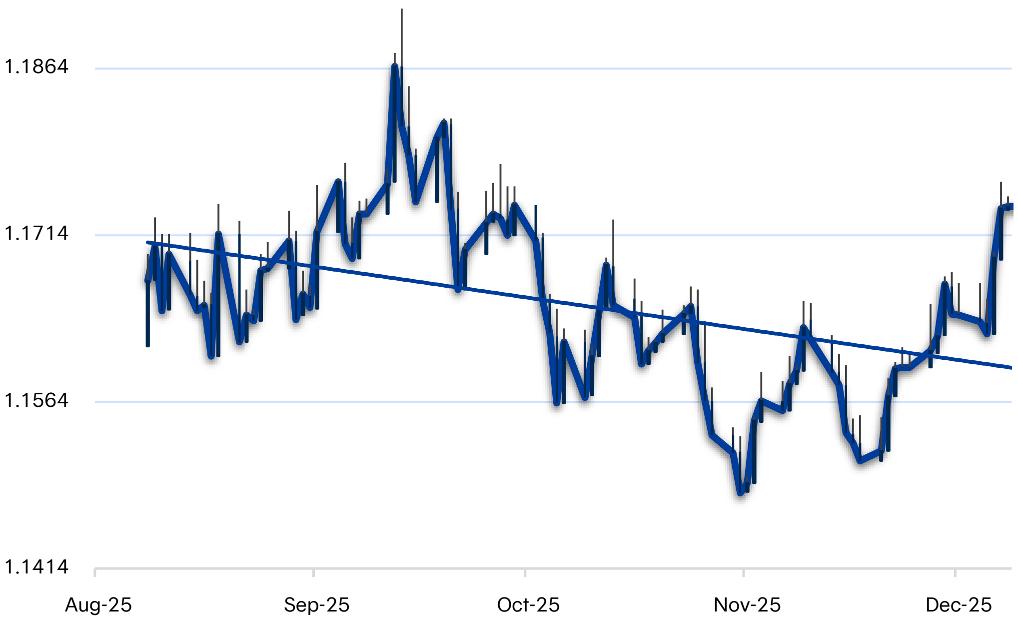
Last Week Close	31.97	THB/USD	**Monthly High**	32.13	THB/USD
Week Open	31.91	THB/USD	**Monthly Low**	31.52	THB/USD
Week Close	31.57	THB/USD	**30 Days Average**	32.17	THB/USD
Weekly High	31.94	THB/USD	**90 Days Average**	32.26	THB/USD
Weekly Low	31.47	THB/USD	**YTD Change**	-7.76%	

Impact Events

Events	Period	Date	Forecast	Previous
1-Day Repo Rate		17-Dec	1.25%	1.50%

Euro

Currency Pulse



Quick Take

• Last week, EUR/USD traded with moderate volatility but maintained a firm upward bias, driven primarily by broad U.S. dollar weakness.

• Early of the week, the pair moved cautiously as investors awaited key signals from the Federal Reserve, while lingering geopolitical risks and global growth concerns limited aggressive positioning.

• In the middle of the week, the EUR/USD strengthened as the U.S. dollar came under pressure following dovish comments from Fed officials, which highlighted concerns about a cooling U.S. labor market and reinforced expectations for future rate cuts.

• Toward the end of the week, the pair consolidated gains as investors booked profits ahead of upcoming central bank meetings and major economic data releases. The euro remained supported despite cautious remarks from European Central Bank (ECB) officials, who reiterated a data-dependent policy approach.mments from European Central Bank (ECB) officials, who continued to emphasize a data-dependent policy stance.

• Overall, EUR/USD ended the week higher, reflecting U.S. dollar softness driven by easing policy expectations, while Eurozone-related risks remained largely contained.

Performance

Last Week Close	1.1642	USD/EUR	**Monthly High**	1.1762	USD/EUR
Week Open	1.1640	USD/EUR	**Monthly Low**	1.1590	USD/EUR
Week Close	1.1740	USD/EUR	**30 Days Average**	1.1606	USD/EUR
Weekly High	1.1762	USD/EUR	**90 Days Average**	1.1650	USD/EUR
Weekly Low	1.1614	USD/EUR	**YTD Change**	+13.40%	

Outlook

• For this week, EUR/USD is expected to trade with a cautious to mildly bullish bias, driven primarily by U.S. dollar developments. Markets will closely monitor U.S. inflation and labor market data, along with remarks from Federal Reserve officials, for confirmation of a dovish policy outlook and clues on the timing of further rate cuts. Continued declines in U.S. Treasury yields would likely keep the dollar under pressure, supporting the euro.

• On the euro side, attention will focus on ECB communication and Eurozone inflation data, with policymakers expected to maintain a cautious, data-dependent stance. Additionally, global risk sentiment and geopolitical developments could influence short-term flows.

• Overall, EUR/USD may find support from dollar weakness, while upside could be capped if U.S. data surprises to the upside or if ECB rhetoric turns more cautious.

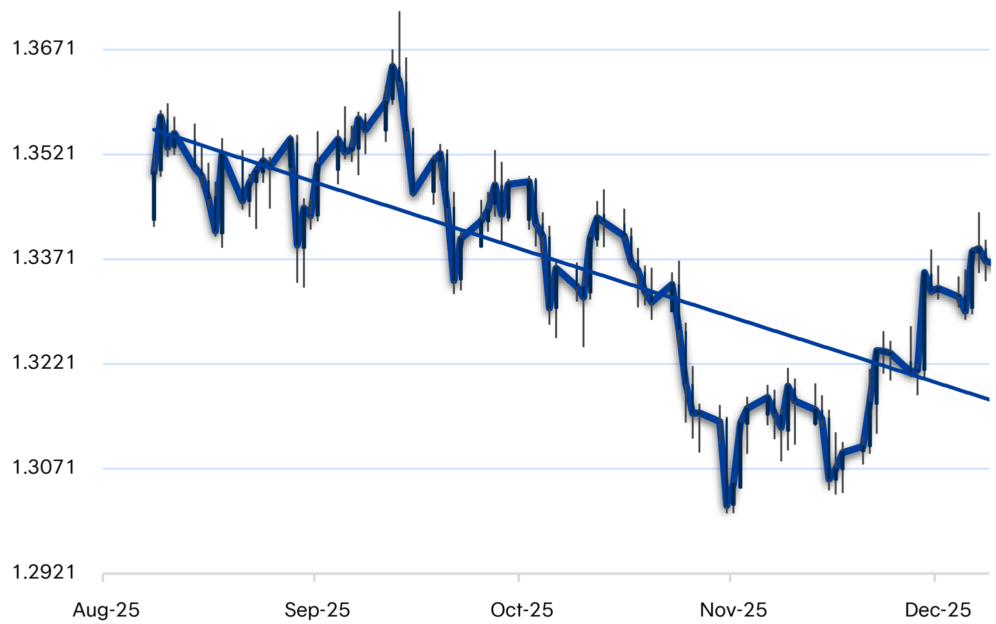
Lower Bound	**1.1600**	**Upper Bound**	**1.1900**
Forecast	Appreciation		

Impact Events

Events	Period	Date	Forecast	Previous
Industrial Production MM	Oct	15-Dec		0.2%
Industrial Production YY	Oct	15-Dec		1.2%
HCOB Composite Flash PMI	Dec	16-Dec		52.8
ZEW Economic Sentiment	Dec	16-Dec	40.0	38.5
HICP Final MM	Nov	17-Dec		0.2%
HICP Final YY	Nov	17-Dec	2.2%	2.2%
ECB Refinancing Rate	Dec	18-Dec	2.15%	2.15%
ECB Deposit Rate	Dec	18-Dec	2.00%	2.00%
Consumer Confid. Flash	Dec	19-Dec	-14.0	-14.2

Pound Sterling

Currency Pulse



Quick Take

• Last week, GBP/USD traded with moderate volatility, largely influenced by U.S. dollar movements and shifting monetary policy expectations.

• At the start of the week, the pound faced mild pressure as the U.S. dollar held relatively firm amid cautious market sentiment and ongoing geopolitical uncertainties.

• In the middle of the week, GBP/USD recovered and moved higher after dovish signals from the Federal Reserve weighed on the dollar. Falling U.S. Treasury yields and growing expectations of future Fed rate cuts provided support for the pound.

• Toward the end of the week, the pair consolidated gains as investors balanced U.S. dollar weakness against lingering concerns over UK inflation and economic growth, while remaining cautious ahead of upcoming central bank meetings and key data releases.

Performance

Last Week Close	1.3329	USD/GBP	**Monthly High**	1.3438	USD/GBP
Week Open	1.3320	USD/GBP	**Monthly Low**	1.3180	USD/GBP
Week Close	1.3368	USD/GBP	**30 Days Average**	1.3201	USD/GBP
Weekly High	1.3438	USD/GBP	**90 Days Average**	1.3359	USD/GBP
Weekly Low	1.3284	USD/GBP	**YTD Change**	+6.79%	

Outlook

• For this week, GBP/USD is expected to trade with a neutral to mildly bullish bias, primarily driven by U.S. dollar movements. Markets will closely monitor U.S. inflation and labor market data, along with comments from Federal Reserve officials, for further clarity on the outlook for U.S. interest rates. Continued signs of U.S. economic cooling would likely keep the dollar under pressure, offering support to the pound.

• On the UK side, attention will focus on Bank of England communication and key UK data, particularly inflation and growth indicators, as investors assess how long the BoE can maintain its restrictive policy stance.

• Overall, GBP/USD could find support from dollar weakness, while upside may be limited if U.S. data surprises to the upside or if UK data reinforces economic uncertainty.

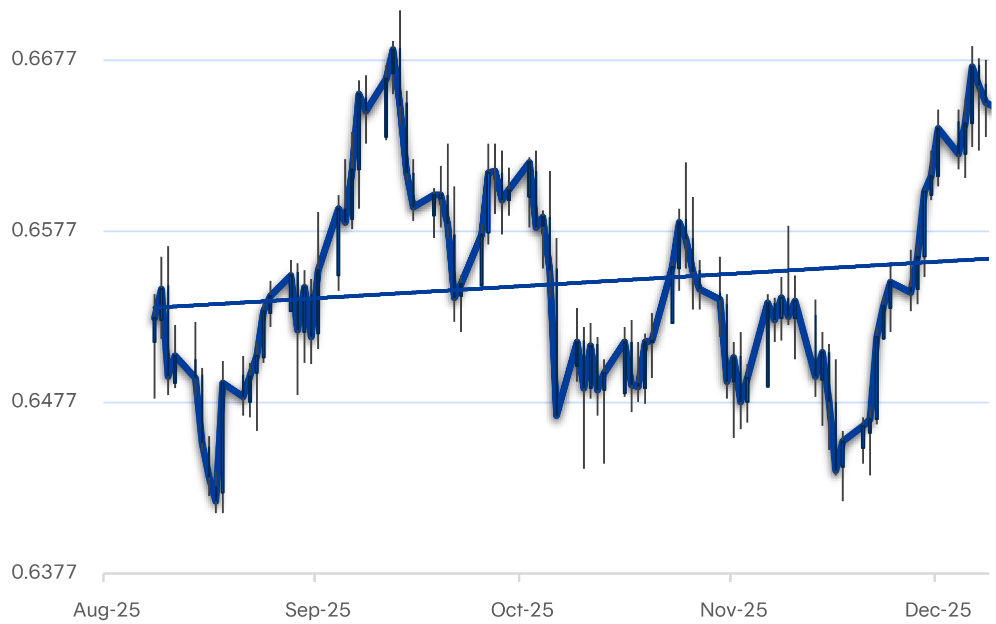
Lower Bound	**1.3250**	**Upper Bound**	**1.3500**
Forecast	Appreciation		

Impact Events

Events	Period	Date	Forecast	Previous
House Price Rightmove MM	Dec	15-Dec		-1.8%
ILO Unemployment Rate	Oct	16-Dec		5.0%
Flash Composite PMI	Dec	16-Dec		51.2
Flash Manufacturing PMI	Dec	16-Dec		50.2
Flash Services PMI	Dec	16-Dec		51.3
Core CPI YY	Nov	17-Dec		3.4%
CPI YY	Nov	17-Dec		3.6%
BOE Bank Rate	Dec	18-Dec	3.75%	4.00%
Retail Sales MM	Nov	19-Dec		-1.1%

Australian Dollar

Currency Pulse



Quick Take

• During last week, AUD/USD traded with moderate volatility and a slightly firmer tone, largely influenced by U.S. dollar movements, commodity prices, and global risk sentiment.

•At the start of the week, the Australian dollar came under mild pressure as softer domestic economic indicators reinforced expectations that the Reserve Bank of Australia (RBA) may adopt a more dovish stance in the near term. This capped gains despite limited U.S. dollar strength.

• In the middle of the week, AUD/USD rebounded modestly as the U.S. dollar weakened following dovish signals from Federal Reserve officials. Rising commodity prices, particularly metals, provided additional support to the Aussie.

• Toward the end of the week, the pair consolidated within a narrow range as investors remained cautious ahead of major central bank meetings and key U.S. data releases. Concerns over China's economic outlook and global growth limited further upside.

Performance

Last Week Close	0.6637	USD/AUD	**Monthly High**	0.6685	USD/AUD
Week Open	0.6641	USD/AUD	**Monthly Low**	0.6538	USD/AUD
Week Close	0.6652	USD/AUD	**30 Days Average**	0.6572	USD/AUD
Weekly High	0.6685	USD/AUD	**90 Days Average**	0.6548	USD/AUD
Weekly Low	0.6608	USD/AUD	**YTD Change**	0.0742	

Outlook

• For this week, AUD/USD is expected to trade with a neutral to slightly volatile bias, driven by a combination of U.S. dollar dynamics, Australian economic data, and global risk sentiment.

• On the domestic front, investors will closely monitor Australian economic indicators and any signals from the Reserve Bank of Australia (RBA), particularly regarding growth and inflation trends, as expectations of future policy easing remain a key headwind for the Aussie.

• Additionally, China-related data and commodity price movements—especially metals—will play an important role in shaping market sentiment.

• Overall, AUD/USD may find support if the U.S. dollar weakens and risk appetite improves, while upside could be limited by concerns over Australia's economic outlook and China's growth momentum.

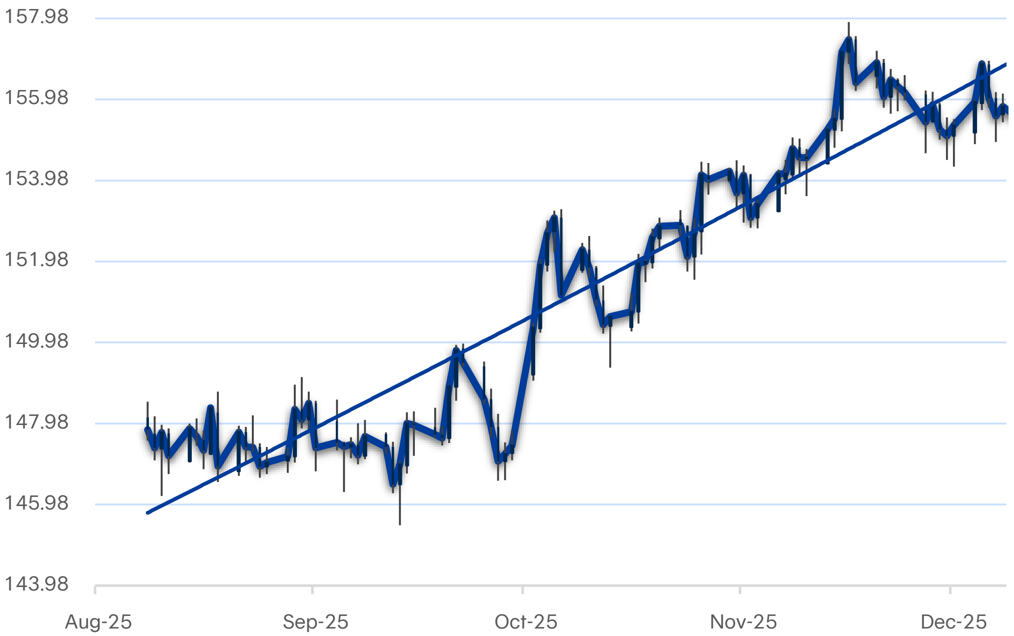
Impact Events

Events	Period	Date	Forecast	Previous
S&P Global Mfg PMI Flash	Dec	16-Dec		51.6
S&P Global Svs PMI Flash	Dec	16-Dec		52.8
S&P Global Comp PMI Flash	Dec	16-Dec		52.6
Consumer Sentiment	Dec	16-Dec		12.8%

Lower Bound	**0.6500**	**Upper Bound**	**0.6800**
Forecast	Appreciation		

Japanese Yen

Currency Pulse



Quick Take

• Last week, the yen traded with heightened volatility within the 155–157 USD/JPY range, driven mainly by shifting expectations for U.S. monetary policy and changes in global risk sentiment.

•At the beginning of the week, the pair moved lower as the U.S. dollar faced selling pressure following dovish signals from the Federal Reserve. Policymakers expressed concern about signs of weakness in the U.S. labor market, prompting markets to price in the possibility of additional Fed rate cuts. This weighed on U.S. yields and the dollar, while supporting the yen.

• In the middle of the week, USD/JPY attempted a modest rebound, supported by brief upticks in U.S. Treasury yields and some stabilization in global equity markets. However, gains were limited as investors remained cautious ahead of key U.S. data and upcoming central bank meetings.

• Toward the end of the week, the pair eased again as renewed risk-off sentiment, concerns over global growth, and ongoing geopolitical uncertainties boosted safe-haven demand for the yen.

Performance

Last Week Close	155.34	JPY/USD	**Monthly High**	156.95	JPY/USD
Week Open	155.16	JPY/USD	**Monthly Low**	154.35	JPY/USD
Week Close	155.81	JPY/USD	**30 Days Average**	147.48	JPY/USD
Weekly High	156.95	JPY/USD	**90 Days Average**	147.48	JPY/USD
Weekly Low	154.88	JPY/USD	**YTD Change**	-0.91%	

Outlook

• This week, the yen is likely to remain relatively supported if markets continue to price in a dovish Federal Reserve outlook, particularly amid signs of cooling in the U.S. labor market and softer U.S. economic data, which would weigh on the dollar. Markets will closely monitor U.S. inflation, labor market indicators, and comments from Fed officials for clues on the timing of further rate cuts.

• On the Japanese side, attention will focus on Bank of Japan communication and any signals regarding policy normalization, as well as potential verbal intervention if currency volatility becomes excessive.

• Additionally, geopolitical risks and shifts in global risk appetite could trigger safe-haven flows into the yen.

Lower Bound	154.00	Upper Bound	157.00
Forecast	Appreciation		

Impact Events

Events	Period	Date	Forecast	Previous
Tankan Big Mf Idx	Q4	15-Dec	15	14
S&P Global Mfg PMI Flash SA	Dec	16-Dec		48.7
S&P Global Comp Op Flash SA	Dec	16-Dec		52.0
S&P Global SVC PMI Flash SA	Dec	16-Dec		53.2
Exports YY	Nov	17-Dec	4.8%	3.6%
Imports YY	Nov	17-Dec	2.5%	0.7%
Trade Balance Total Yen	Nov	17-Dec	71.2B	-231.8B
JP BOJ Rate Decision		19-Dec	0.75%	0.50%
CPI, Core Nationwide YY	Nov	19-Dec	3.0%	3.0%

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