

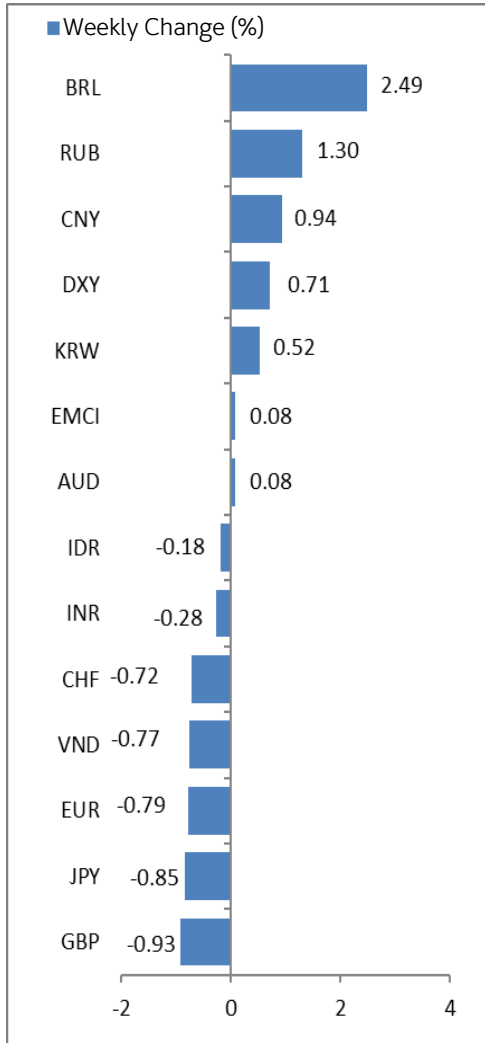
Weekly Global FX Market Monitor

2023.9.18

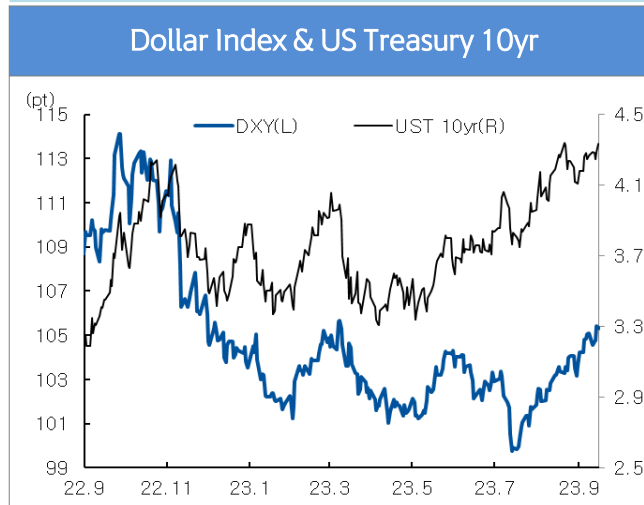


Global

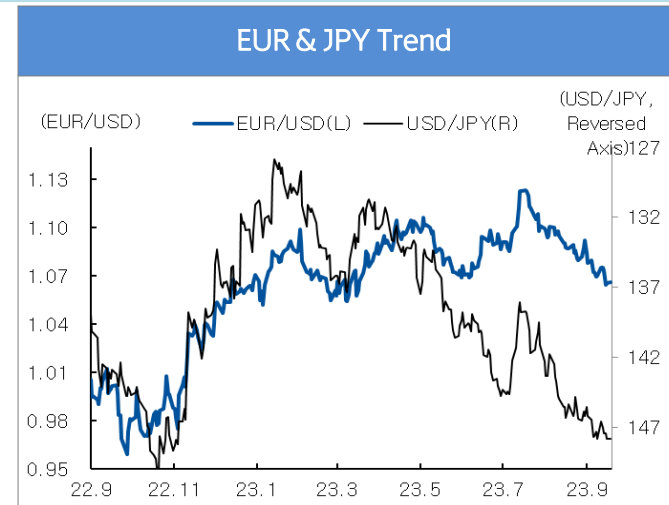
Solution & Trading Center, Seo Jae Kim
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Translation: Jae Yeon Hyun



- Last week, Strong USD (+0.71%), Weak EUR (-0.79%), Weak JPY (-0.85%).
 - Despite the slowdown in core prices, the headline CPI and PPI exceeded market forecasts, which revived the Fed's caution and showed a strong US dollar. The possibility of the ECB's interest rate hike cycle ending is also a factor in the strength of the US dollar.
 - Albeit the sluggish economy, the ECB raised interest rates at the September meeting to counter inflation, but as the possibility of final tightening increased, EURUSD fell to \$1.06.
 - USDJPY temporarily fell below 146 after an interview with the BOJ governor, who said that negative interest rates could end when confidence in inflation increases, but rose again to 147 range later in the week.
- EM currencies showed mixed trends, showing different trends for each raw material exporter and importer due to the rise in raw material prices
 - As industrial production and retail sales in China showed signs of recovery in Aug, exceeding market expectations, raw material prices rose. The currency of some Latin American countries have strengthened. (Strong BRL +2.49%)
 - Weak INR(-0.28%), VND (-0.77%), and IDR (-0.18%)



Source : Bloomberg , SHB Solution & Trading Center



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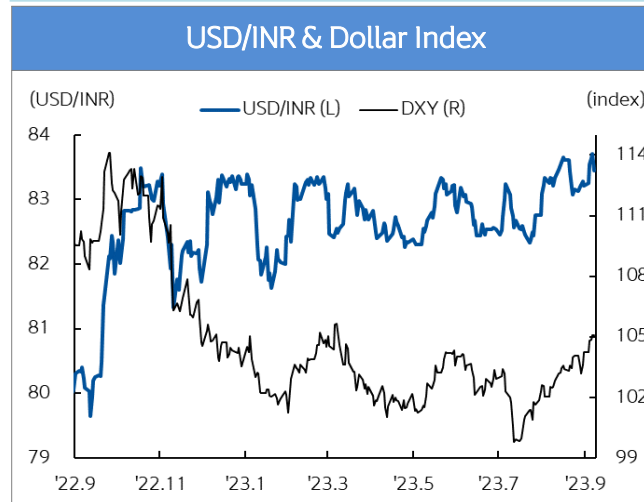


India

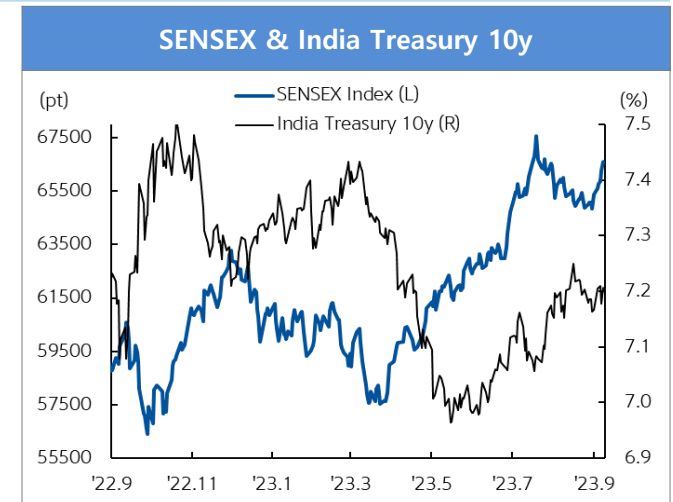
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USD/INR	83.18
52wk high	83.29
52wk low	79.58
Sensex	67,839
52wk high	67,927
52wk low	56,147
Government Bond (10yr,%)	7.20
52wk high	7.54
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	7.82
Consumer Prices (% YoY)	6.83
Producer Prices (% YoY)	-0.52
RBI rate(%)	6.50
Manufacturing PMI (index)	58.6
Industrial Production (% YoY)	5.70
Core Sector Growth(% YoY)	7.98
Exports (% YoY)	-6.84
Imports (% YoY)	-5.24
Current Account (\$bn)	-1.34
Financial Earnings and Expenses (INR10mn)	-1542
FX Reserve (\$mn)	593,904

- Last week, USD/INR moved in the range of 82.92~83.18, finished bearish. (-0.28%)
- INR showed weak flows due to rising crude oil prices with the burden of rising U.S. bond yields and concerns over supply shortage, despite news of an increased possibility of Indian bonds being included in global bond indices.
- Mining and industrial production in July increased 5.7% yoy while consumer prices in Aug recorded 6.83% yoy, slightly easing the inflation trend. Exports and imports in Aug decreased by 6.8% and 5.2% yoy, resulting in a trade balance of \$2.4153 billion in deficit.
- FPI net sold in equity and net purchased in bond markets.
 - Equity: net sold (9/11~9/14 accumulated: \$56.33 mil), SENSEX rose (+1.86%)
 - Bond: net purchased (9/11~9/14 accumulated: \$165.26 mil), bond yield rose (10y, 7.20%, -0.70bp)
- The trade deficit has become larger than expected due to increased oil imports, but INR exchange rate is likely to be limited due to increased service exports and foreign direct investment and portfolio inflows. (Expected Range: 82.7~83.7)



Source: Bloomberg, SHB Solution & Trading Center



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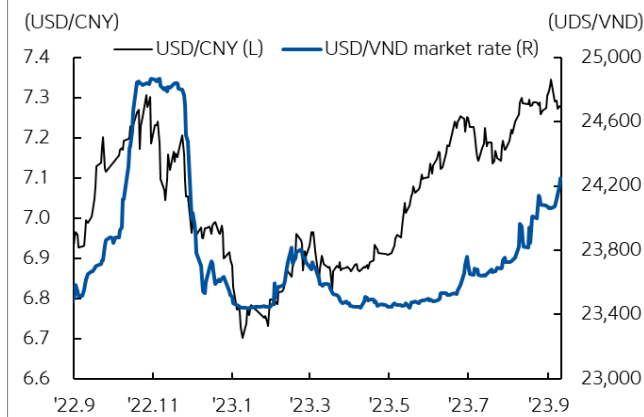
Vietnam

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USD/VND	24,248
52wk high	24,874
52wk low	23,415
VN index	1,227
52wk high	1,255
52wk low	874
Government Bond(10yr,%)	2.71
52wk high	5.21
52wk low	2.49
Major Indices Snap shot	
Real GDP Growth	4.14
Rate(% YoY)	
Consumer Prices (% YoY)	2.96
Total Mining Industries	
Producer Price(% YoY)	9.18
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.5
Industrial Production (% YoY)	2.60
Retail Sales(% YoY)	10.00
Exports (% YoY)	-7.6
Imports (% YoY)	-8.3
Current Account (\$mn)	5966.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,679

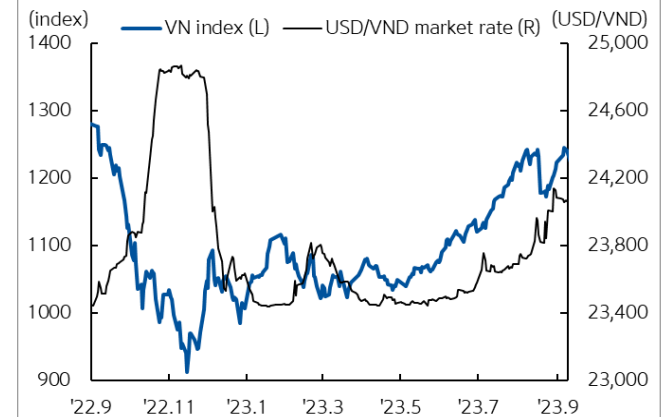
- Last week, USD/VND(market rate) moved in the range of 24,074~24,248, finished bearish(-0.77%)
- SBV announced central rate at 24,036 (9/15), dropped compared to 9/8 (23,993, -0.18%)
- The rise in CNY exchange rate has slowed down due to the People's Bank of China's reserve requirement rate cut, but DXY continues to rise despite the possibility of an FOMC freeze in September, so VND appears to be weakening.
- Automobile sales in August plummeted 21.4% yoy. This is due to a decrease in consumption of non-essential goods with the economic slowdown.
- FPI (equity, bond, mutual fund, ETF, etc.) sold a net of \$89.37 mil.
 - VN index fell (-1.14%), and VNIBOR declined by 45bps (3.05%, 9/15)
- Amid continued instability due to real estate in China, US consumer prices are showing downward rigidity due to the recent rise in oil prices, increasing the possibility that the Fed will maintain high interest rates for a longer period than expected. There is a possibility of further rise in VND exchange rate. (Expected Range: 23,960~24,260)

USD/CNY & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

VN Index & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

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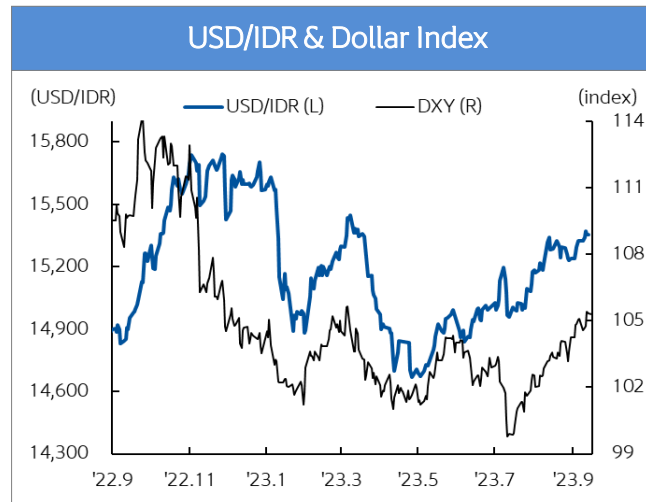


Indonesia

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USD/IDR	15,353
52wk high	15,763
52wk low	14,575
Jakarta index	6,983
52wk high	7,299
52wk low	6,543
Government Bond(10yr,%)	6.69
52wk high	7.69
52wk low	6.16
Major Indices Snap shot	
Real GDP Growth	5.17
Rate(% YoY)	
Consumer Prices (% YoY)	3.27
Total Mining Industries	3.72
Producer Price(% YoY)	
Refinance rate(%)	5.75
Manufacturing PMI (index)	53.9
Industrial Production (% YoY)	-1.26
Retail Sales(% YoY)	6.27
Exports (% YoY)	-21.21
Imports (% YoY)	-14.77
Current Account (\$mn)	-1,900
Finanail Earnings and Expenses (IDR10bn)	-775,064
FX Reserve (\$mn)	137

- Last week(9/11~9/15) USD/IDR(market rate) moved around 15,325~15,370, dropped compare to last week. (-0.18%)
- As capital outflows due to global economic uncertainty, IDR weakened. Strengthening of USD also added to weak IDR.
- Export and import in August dropped by -21.21%, -14.77% yoy. Trade surplus was \$3.12 billion, higher than adjusted trade surplus of last month (\$1.29 billion) and market expectation. (\$1.5 billion)
- FPI net sold in both equity and bond market.
 - Equity: Net sold(9/11~9/15 accumulated: \$118.33 million), Jakarta index rose. (+0.84%)
 - Bond: Net sold(9/11~9/13 accumulated: \$433.63 million), bond yield rose. (10y, 6.69%, +13.80bp)
- IDR is expected to weaken after FOMC this week. The market expects no change in the fed-funds rate but if there is any change in the dot chart, IDR may fall. Monetary policy meeting is scheduled for this week. The central bank is expected to freeze rate due to concerns over dollar outflow despite stable inflation. (Expected Range: 15,270~15,460)



Source : Bloomberg , SHB Solution & Trading Center



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Weekly Global FX Market Monitor

2023.9.18



Australia

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AUD/USD 0.6439

52wk High 0.7137

52wk Low 0.6199

S&P/ASX200 7,237

52wk High 7,558

52wk Low 6,457

Government Bond(10yr,%) 4.21

52wk High 4.32

52wk Low 3.19

Major Indices Snapshot

Real GDP Groth Rate (% YoY) 2.1

Consumer Prices (% YoY) 6

Producer Prices (% YoY) 3.9

Policy Rate (%) 4.10

AU-US 2yr Spread (%) -1.11

China Imports from Australia (% USD YoY) -0.8

Exports(% MoM) -2.0

Imports(% MoM) 2.5

Current Account(% GDP) 1.2

Last Week :

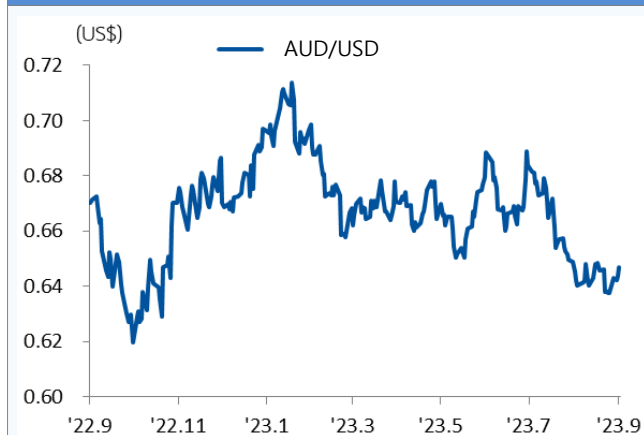
- Downward trend of AUD has been eased since Sep. 5 and AUD rebounded slightly to 0.64 level.
- China's strong measures to prevent weakening of the yuan and comments from BOJ chief caused dollar to weaken on Sep 11. Australia's favorable employment in August, rise in iron ore price, and China's improved production and consumption indices in August were all factored in.

Outlook :

- Rising momentum of USD has been eased but AUD rebound will be limited. While the US and global economy differ, downward risk of AUD increases due to weakening of EUR. Also, China is merely managing the crisis, far from dramatic rebound.
- At the FOMC(9/19~20), no change in the fed-funds rate is expected, but the market will react to the dot chart.

*No changes .

AUDUSD exchange rate



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 9/15)

	'23.12	'24.03	'24.06
A N Z	0.65	0.68	0.68
Wells Fargo	0.62	0.63	0.65
MUFG	0.64	0.65	0.67
JPMorgan	0.70	0.70	0.69

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations In Global Markets

2023.9.18

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2023-09-18	105.31	0.71	1.87	3.00	1.54	-4.06	1.73
	Euro (EUR/USD)	2023-09-18	1.07	-0.79	-1.91	-2.34	-0.52	6.39	-0.37
	Yen (USD/JPY)	2023-09-18	147.85	-0.85	-1.66	-3.97	-11.18	-3.14	-11.32
	Pound (GBP/USD)	2023-09-18	1.24	-0.93	-2.68	-3.12	0.94	8.42	2.57
	Switzerland (USD/CHF)	2023-09-18	0.90	-0.72	-1.71	-0.18	3.54	7.49	3.03
	Australia (AUD/USD)	2023-09-18	0.64	0.08	0.47	-6.06	-4.20	-4.33	-5.53
FX - EM	South Korea (USD/KRW)	2023-09-15	1,326.00	0.52	0.35	-3.44	-1.67	5.13	-4.56
	China (USD/CNY)	2023-09-16	7.28	0.94	0.17	-2.13	-5.08	-3.86	-5.18
	India (USD/INR)	2023-09-15	83.18	-0.28	-0.27	-1.20	-0.69	-4.19	-0.54
	Indonesia (USD/IDR)	2023-09-15	15,353.00	-0.18	-0.08	-2.66	0.08	-2.96	1.40
	Vietnam (USD/VND)	2023-09-16	24,248.00	-0.77	-1.18	-2.94	-2.75	-2.60	-2.54
	Brazil (USD/BRL)	2023-09-16	4.86	2.49	2.45	-1.05	8.72	7.86	8.55
Russia (USD/RUB)	2023-09-16	96.70	1.30	1.43	-13.62	-20.87	-37.76	-23.28	
Stock - DM	United States Dow Jones	2023-09-16	34,618.24	0.12	0.34	0.93	8.65	12.32	4.44
	United States NASDAQ	2023-09-16	13,708.33	-0.39	3.14	0.14	17.87	19.74	30.97
	United States S&P 500	2023-09-16	4,450.32	-0.16	1.84	0.92	13.63	14.90	15.91
	Japan NIKKEI225	2023-09-15	33,533.09	2.84	6.62	-0.51	22.68	21.64	28.51
	United Kingdom FTSE	2023-09-16	7,711.38	3.12	6.18	0.90	5.13	6.56	3.48
	France CAC40	2023-09-16	7,378.82	1.91	3.00	-0.13	6.55	21.42	13.98
	Germany DAX	2023-09-16	15,893.53	0.94	2.05	-2.84	7.62	24.74	14.15
Stock - EM	South Korea KOSPI	2023-09-15	2,601.28	2.10	3.86	-0.93	8.58	9.17	16.32
	China Shanghai Stock Exchange	2023-09-15	3,117.74	0.03	-0.45	-4.75	-4.09	-0.28	0.92
	India Sensex	2023-09-15	67,838.63	1.86	4.45	7.03	16.98	15.29	11.50
	Indonesia Jakarta	2023-09-15	6,982.79	0.84	1.79	4.24	4.56	-2.60	1.93
	Vietnam VN index	2023-09-15	1,227.36	-1.14	4.19	10.06	17.43	-0.54	21.87
	Russia RTS	2023-09-16	1,029.15	1.65	-1.71	-1.75	8.45	-19.28	6.03
	Brazil Bovespa	2023-09-16	118,757.53	2.99	2.90	-0.00	16.45	8.67	8.22
Rates - DM	United States	2023-09-15	4.33	6.83	12.14	61.59	87.76	88.35	45.76
	Germany	2023-09-15	2.68	6.50	0.30	17.10	54.50	90.50	10.40
	United Kingdom	2023-09-15	4.36	-6.50	-23.10	-2.60	103.70	119.30	68.60
	Japan	2023-09-15	0.72	6.00	8.30	28.60	38.60	45.60	29.30
Rates - EM	South Korea	2023-09-15	3.93	4.10	2.70	24.20	50.70	13.70	19.20
	India	2023-09-15	7.20	-0.70	-0.60	15.80	-14.30	-0.10	-12.90
	Indonesia	2023-09-15	6.69	13.80	27.00	39.40	-7.70	-49.30	-25.10
	Vietnam	2023-09-15	2.71	-3.00	12.00	-34.00	-159.00	-108.00	-237.00
	Russia	2023-09-15	11.64	-16.24	27.99	67.49	80.04	280.40	133.68
	Brazil	2023-09-15	11.31	1.60	19.90	9.30	-183.80	-88.70	-138.10
Commodity	WTI (\$/bbl)	2023-09-18	90.95	4.19	11.94	26.71	36.28	6.86	13.32
	Brent (\$/bbl)	2023-09-18	93.99	3.70	10.84	22.69	28.81	2.89	9.41
	Gold (\$/oz)	2023-09-18	1,923.23	0.05	1.80	-1.40	-2.81	14.76	5.44

Source : Bloomberg, Datastream, Soluton & Trading Center

1) Periodical fluctuation rates in 'FX' categories mean appreciation(+) or depreciation(-) compared to dollar

2) 'Rates' categories mean Treasury 10 year yield, fluctuation rate is in bp (=0.01%) measure.

This report is provided only for a reference. Investors should judge market conditions for themselves before making any investment decisions