

# Weekly Global FX Market Monitor

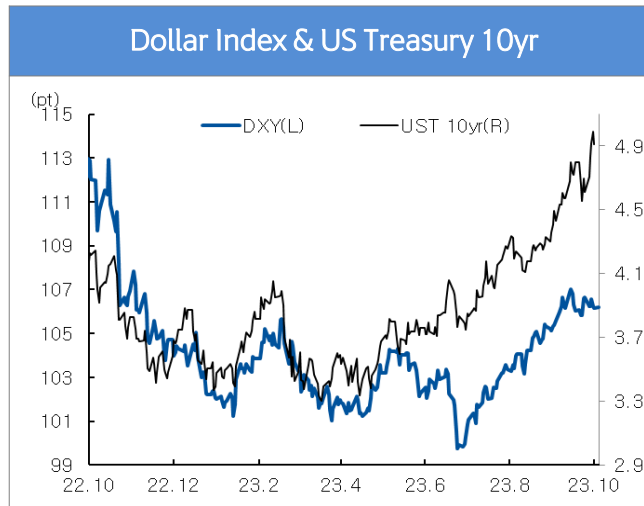
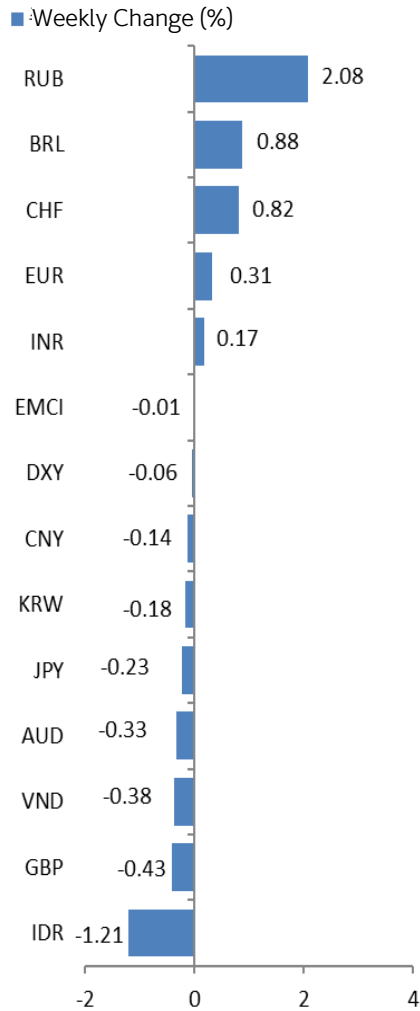
2023.10.23



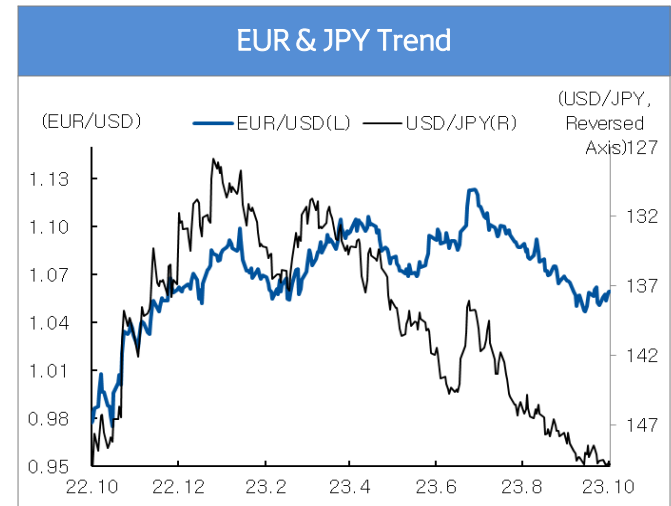
## Global

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

- Last week: Weak USD(-0.06%), Strong EUR(+0.31%), Weak JPY(-0.23%)
- US 10-year bond yield reached 5% due to geopolitical risk and news on US aid to Israel. As US bond yield rose, USD strengthened and DXY closed around 106pt.
- Despite solid US economic indices and rising US bond yield, EUR slightly rose and closed at 1.059 dollar.
- Despite rising US bond yield, USDJPY moved around 149 yen due to Japanese official's comments implying cautions on weakening of yen and burden on hitting the symbolic 150 level.
- US bond yield rose on solid US economy and concerns over US budget deficit. EM currencies weakened while USD rose.
- President Putin's capital controls forcing exporters to sell their foreign currency earnings in Russia seem to be effective. RUB(+2.08%) strengthened.
- INR(+0.17%) strengthened but VND(-0.38%) and IDR(-1.21%) weakened.



Source : Bloomberg , SHB Solution & Trading Center



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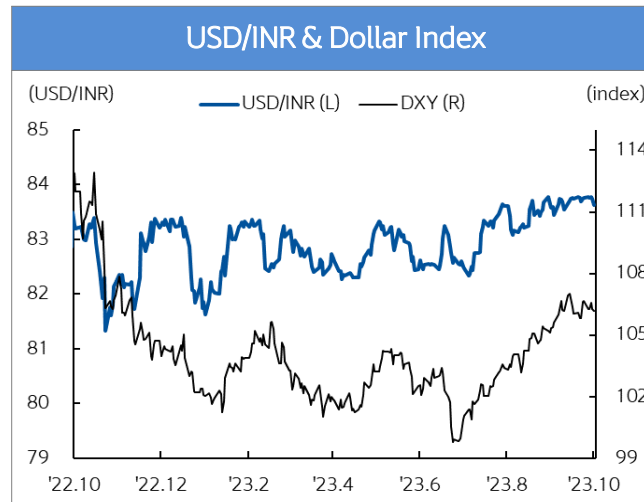


## India

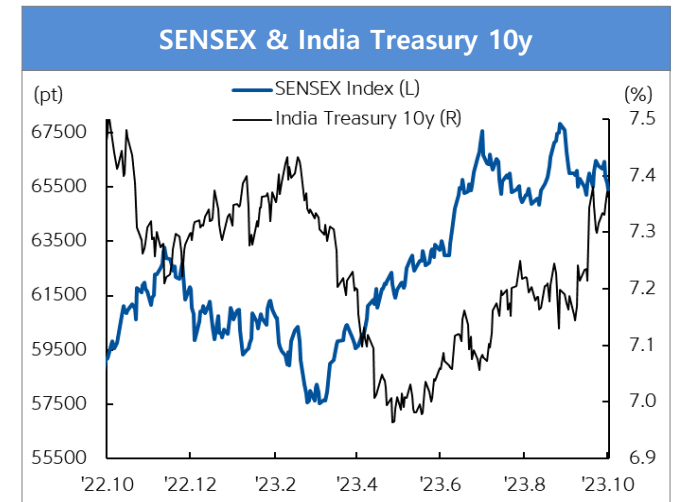
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|   |         |
|---|---------|
| USD/INR                                   | 83.12   |
| 52wk high                                 | 83.29   |
| 52wk low                                  | 80.52   |
| Sensex                                    | 65,398  |
| 52wk high                                 | 67,927  |
| 52wk low                                  | 57,085  |
| Government Bond (10yr,%)                  | 7.36    |
| 52wk high                                 | 7.50    |
| 52wk low                                  | 6.94    |
| <b>Major Indices Snap shot</b>            |         |
| Real GDP Growth Rate(% YoY)               | 7.82    |
| Consumer Prices (% YoY)                   | 5.02    |
| Producer Prices (% YoY)                   | -0.26   |
| RBI rate(%)                               | 6.50    |
| Manufacturing PMI (index)                 | 57.5    |
| Industrial Production (% YoY)             | 10.30   |
| Core Sector Growth(% YoY)                 | 12.07   |
| Exports (% YoY)                           | -2.62   |
| Imports (% YoY)                           | -15.04  |
| Current Account (\$bn)                    | -9.20   |
| Financial Earnings and Expenses (INR10mn) | -37233  |
| FX Reserve (\$mn)                         | 585,895 |

- Last week, USD/INR moved around 83.12~83.28, rose compared to last week.(+0.17%)
- While oil price rose up to \$90 a barrel and uncertainty increased, USDINR fell down to 83 rupee due to the central bank's intervention, lowest in three weeks.
- September wholesale price dropped by 0.26% yoy.
- FPI net sold in equity and net purchase d in bond market.
  - Equity: net sold(10/16~10/19 accumulated: \$329.52 mil), SENSEX dropped.(-1.34%)
  - Bond: net purchased(10/16~10/19 accumulated: \$124.17 mil), bond yield rose.(10y, 7.36%, +4.60bp)
- Amid Israel-Hamas conflict continues, USD is expected to rise due to inflation and risk averse sentiment, pressuring USDINR to rise. But upper level will be limited considering capital inflow in bond market and the central bank's determination to defend currency rate. (Expected Range: 82.6~83.7)



Source: Bloomberg, SHB Solution & Trading Center



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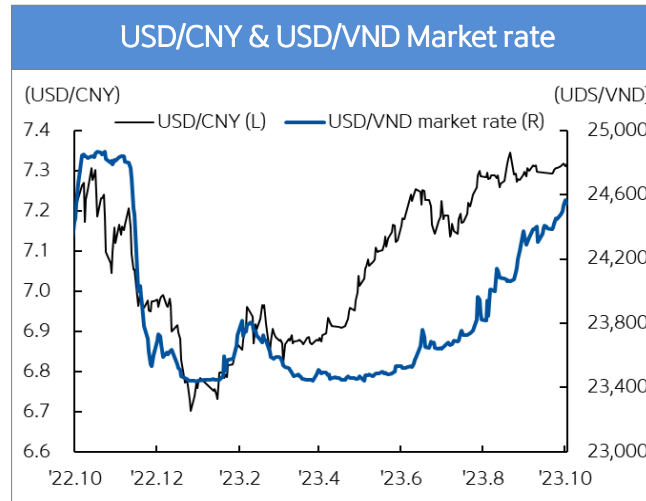


## Vietnam

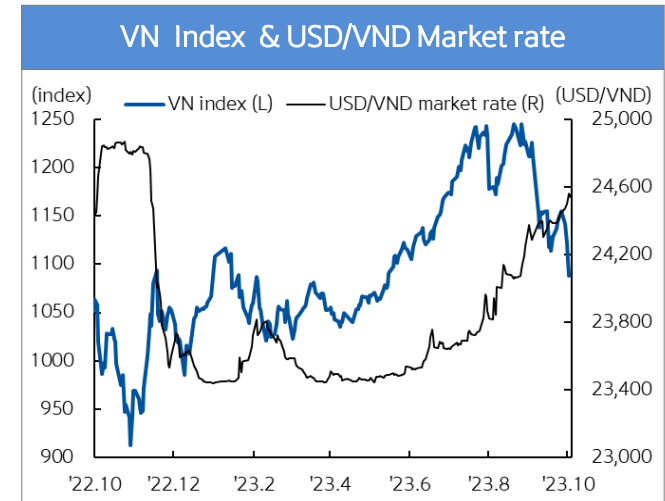
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|   |         |
|---|---------|
| USD/VND                                   | 24,543  |
| 52wk high                                 | 24,874  |
| 52wk low                                  | 23,415  |
| VN index                                  | 1,108   |
| 52wk high                                 | 1,255   |
| 52wk low                                  | 874     |
| Government Bond(10yr,%)                   | 3.35    |
| 52wk high                                 | 5.30    |
| 52wk low                                  | 2.45    |
| <b>Major Indices Snap shot</b>            |         |
| Real GDP Growth Rate(% YoY)               | 5.33    |
| Consumer Prices (% YoY)                   | 3.66    |
| Total Mining Industries                   | 9.18    |
| Producer Price(% YoY)                     | 4.50    |
| Refinance rate(%)                         | 49.7    |
| Manufacturing PMI (index)                 | 5.10    |
| Industrial Production (% YoY)             | 10.00   |
| Retail Sales(% YoY)                       | 4.6     |
| Exports (% YoY)                           | 2.6     |
| Imports (% YoY)                           | 7860.00 |
| Current Account (\$mn)                    | 18,465  |
| Financial Earnings and Expenses (VND10bn) | 89,241  |
| FX Reserve (\$mn)                         |         |

- Last week, USD/VND(market rate) moved around 24,475~24,565, dropped compared to last week.(-0.02%)
- SBV announced central rate at 24,110 (10/20), declined compared to 10/13. (24,077, -0.14%)
- 3Q GDP was above market consensus but CNY still is weakening due to sluggish real estate market. VND remained weak on strong USD and rising USDCNY.
- FPI (equity, bond, mutual fund, ETC, etc.) net purchased \$31.67 million.  
- VN index dropped(-4.04%), and VNIBOR3M rose by 10bps. (3.30%, 10/20)
- While shrinking investor sentiment is inevitable due to the Middle East crisis and rise in US bond yield, USDCNY continues to rise, pressuring USDVND to rise. On the bright side, export, which shrank for the past six months, increased in September and manufacturing PMI recovered. If global demand recovers, growth will expedite and USDVND rate will stabilize. (Expected Range: 24,250~24,670)



Source : Bloomberg , SHB Solution & Trading Center



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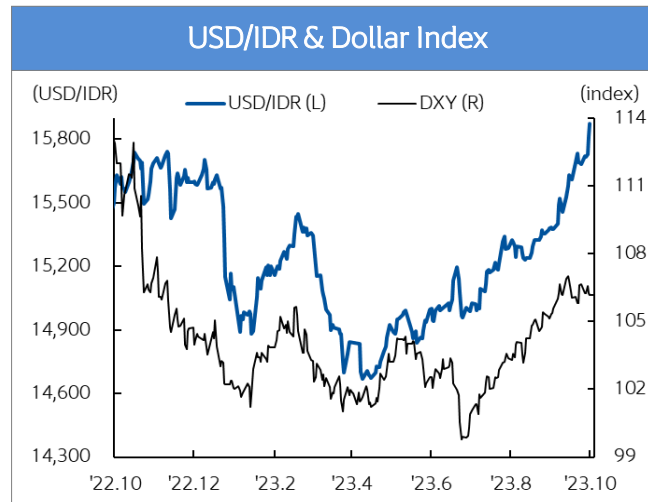


## Indonesia

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|   |          |
|---|----------|
| USD/IDR                                   | 15,875   |
| 52wk high                                 | 15,886   |
| 52wk low                                  | 14,575   |
| Jakarta index                             | 6,849    |
| 52wk high                                 | 7,128    |
| 52wk low                                  | 6,543    |
| Government Bond(10yr,%)                   | 7.10     |
| 52wk high                                 | 7.69     |
| 52wk low                                  | 6.16     |
| <b>Major Indices Snap shot</b>            |          |
| Real GDP Growth                           | 5.17     |
| Rate(% YoY)                               |          |
| Consumer Prices (% YoY)                   | 2.28     |
| Total Mining Industries                   |          |
| Producer Price(% YoY)                     | 3.28     |
| Refinance rate(%)                         | 6.00     |
| Manufacturing PMI (index)                 | 52.3     |
| Industrial Production (% YoY)             | -1.26    |
| Retail Sales(% YoY)                       | 1.00     |
| Exports (% YoY)                           | -16.17   |
| Imports (% YoY)                           | -12.45   |
| Current Account (\$mn)                    | -1,900   |
| Financail Earnings and Expenses (IDR10bn) | -460,420 |
| FX Reserve (\$mn)                         | 135      |

- Last week, USD/IDR(market rate) moved around 15,715~15,875, dropped compared to last week. (-1.21%)
- Bank Indonesia unexpectedly raised rate by 25bps at October monetary policy meeting in a bid to help shore up IDR. But as US 10-year bond yield neared 5%, global capital outflow occurred and IDR weakened.
- September trade surplus was \$3.42 billion.
- Import decreased more significantly. (last month: \$3.12 billion, market consensus: \$2.349 billion)
- FPI net sold in equity and bond market.
  - Equity: net sold(10/16~10/20 accumulated: \$28.29 mil), Jakarta index dropped. (-1.12%)
  - Bond: net sold(10/16~10/18 accumulated: \$39.92 mil), bond yield rose. (10y, 7.36%, +31.70bp)
- USD is expected to strengthen as geopolitical uncertainty triggers preference on safe asset and IDR will weaken accordingly. BI showed its determination to stabilize IDR by raising rate but since global investor sentiment is unlikely to be improved, IDR is expected to weaken. (Expected Range: 15,600~16,100)



Source : Bloomberg , SHB Solution & Trading Center



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## Australia

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AUD/USD 0.6320

52wk High 0.7137

52wk Low 0.6289

S&P/ASX200 6,900

52wk High 7,558

52wk Low 6,643

Government Bond(10yr,%) 4.74

52wk High 4.78

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 (%) -0.88

China Imports from Australia (% USD YoY) 4.9

Exports(%MoM) 4.0

Imports(%MoM) -0.4

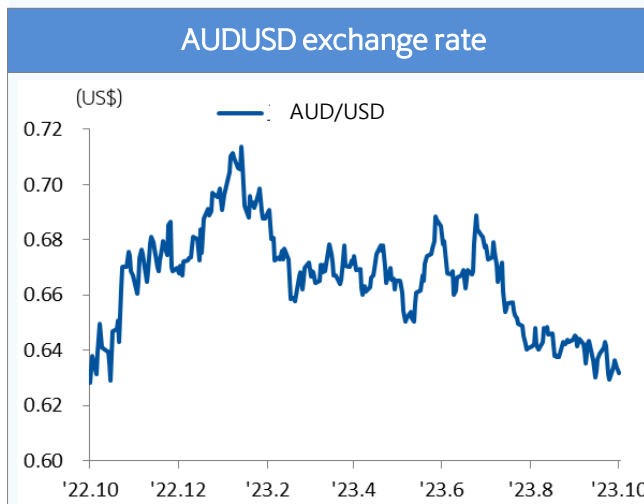
Current Account(% GDP) 1.2

### Last Week :

- Rally in early October was reversed on 12th but slightly recovered during the week. Active involvement of the US in the Middle East contributed to AUD rebound.
- But while the unrest in the Middle East is worsening, USD bond yield rose and pressured AUD.

### Outlook :

- The unrest in the Middle East increased global economic uncertainty and threatens energy crisis, adding pressure on risk sensitive AUD.
- Real estate crisis in China is facing risky situation. Rising US bond yield is pressing market sentiment, triggering preference for safe assets such as USD and additional drop in AUD.



Source : Refinitiv, SHB Solution & Trading Center

\*No changes

### AUD/USD Forecast Distribution \* (as of 10/20)

|             | '23.12 | '24.03 | '24.06 |
|-------------|--------|--------|--------|
| A N Z       | 0.65   | 0.68   | 0.68   |
| Wells Fargo | 0.62   | 0.61   | 0.62   |
| MUFG        | 0.64   | 0.65   | 0.66   |
| JPMorgan    | 0.68   | 0.70   | 0.69   |

Source : Bloomberg, SHB Solution & Trading Center

# Major Price Variations in Global Markets 2023.10.23

| SORT       | NAME                          | DATE                  | PRICE            | YTD(%)       | YTD(%)       | YTD(%)       | YTD(%)        | YTD(%)         | YTD(%)         |
|------------|-------------------------------|-----------------------|------------------|--------------|--------------|--------------|---------------|----------------|----------------|
| FX - DM    | Dollar Index (DXY)            | 2023-10-23            | 106.18           | -0.06        | 0.57         | 5.06         | 4.28          | -5.21          | 2.57           |
|            | Euro (EUR/USD)                | 2023-10-23            | 1.06             | 0.31         | 0.00         | -4.26        | -4.10         | 7.28           | -1.05          |
|            | Yen (USD/JPY)                 | 2023-10-23            | 149.86           | -0.23        | -0.65        | -5.59        | -10.42        | -0.63          | -12.51         |
|            | Pound (GBP/USD)               | 2023-10-23            | 1.22             | -0.43        | -0.38        | -5.18        | -2.57         | 7.86           | 0.68           |
|            | Switzerland (USD/CHF)         | 2023-10-23            | 0.89             | 0.82         | 2.16         | -2.58        | -0.56         | 12.12          | 3.56           |
|            | Australia (AUD/USD)           | 2023-10-23            | 0.63             | -0.33        | -1.60        | -6.20        | -5.60         | 0.14           | -7.22          |
|            | FX - EM                       | South Korea (USD/KRW) | 2023-10-20       | 1,352.50     | -0.18        | -1.65        | -6.13         | -2.19          | 5.92           |
|            | China (USD/CNY)               | 2023-10-21            | 7.32             | -0.14        | -0.39        | -1.85        | -6.03         | -1.38          | -5.69          |
|            | <b>India (USD/INR)</b>        | <b>2023-10-20</b>     | <b>83.12</b>     | <b>0.17</b>  | <b>-0.05</b> | <b>-1.35</b> | <b>-1.16</b>  | <b>-0.43</b>   | <b>-0.46</b>   |
|            | Indonesia (USD/IDR)           | 2023-10-20            | 15,875.00        | -1.21        | -3.09        | -5.59        | -6.49         | -1.90          | -1.93          |
|            | <b>Vietnam (USD/VND)</b>      | <b>2023-10-21</b>     | <b>24,543.00</b> | <b>-0.38</b> | <b>-1.03</b> | <b>-3.63</b> | <b>-4.29</b>  | <b>0.01</b>    | <b>-3.71</b>   |
|            | Brazil (USD/BRL)              | 2023-10-21            | 5.03             | 0.88         | -3.07        | -4.70        | 0.30          | 3.58           | 4.89           |
|            | Russia (USD/RUB)              | 2023-10-21            | 95.70            | 2.08         | 0.53         | -5.50        | -14.80        | -35.69         | -22.48         |
| Stock - DM | United States Dow Jones       | 2023-10-21            | 33,127.28        | -1.61        | -2.46        | -5.96        | -2.02         | 6.58           | -0.06          |
|            | United States NASDAQ          | 2023-10-21            | 12,983.81        | -3.16        | -1.73        | -7.48        | 7.55          | 19.56          | 24.05          |
|            | United States S&P 500         | 2023-10-21            | 4,224.16         | -2.39        | -2.22        | -6.88        | 2.19          | 12.56          | 10.02          |
|            | Japan NIKKEI225               | 2023-10-20            | 31,259.36        | -3.27        | -3.53        | -3.23        | 9.43          | 16.25          | 19.79          |
|            | United Kingdom FTSE           | 2023-10-21            | 7,402.14         | -2.60        | -3.67        | -3.41        | -6.47         | 6.20           | -0.67          |
|            | France CAC40                  | 2023-10-21            | 6,816.22         | -2.67        | -5.13        | -8.30        | -10.04        | 12.94          | 5.29           |
|            | Germany DAX                   | 2023-10-21            | 14,798.47        | -2.56        | -4.88        | -8.52        | -6.82         | 16.24          | 6.28           |
| Stock - EM | South Korea KOSPI             | 2023-10-20            | 2,375.00         | -3.30        | -5.31        | -9.00        | -6.66         | 7.31           | 6.20           |
|            | China Shanghai Stock Exchange | 2023-10-20            | 2,983.06         | -3.40        | -4.77        | -5.83        | -9.64         | -1.84          | -3.44          |
|            | <b>India Sensex</b>           | <b>2023-10-20</b>     | <b>65,397.62</b> | <b>-1.34</b> | <b>-0.93</b> | <b>-1.93</b> | <b>9.63</b>   | <b>10.27</b>   | <b>7.49</b>    |
|            | Indonesia Jakarta             | 2023-10-20            | 6,849.17         | -1.12        | -2.39        | -0.46        | 0.40          | -2.40          | -0.02          |
|            | <b>Vietnam VN index</b>       | <b>2023-10-20</b>     | <b>1,108.03</b>  | <b>-4.04</b> | <b>-7.13</b> | <b>-6.57</b> | <b>6.24</b>   | <b>8.65</b>    | <b>10.02</b>   |
|            | Russia RTS                    | 2023-10-21            | 1,081.29         | 4.56         | 8.13         | 6.81         | 6.09          | 2.92           | 11.40          |
|            | Brazil Bovespa                | 2023-10-21            | 113,155.28       | -2.25        | -2.46        | -5.87        | 8.42          | -5.65          | 3.12           |
| Rates - DM | United States                 | 2023-10-20            | 4.91             | 30.13        | 50.67        | 106.34       | 138.19        | 68.54          | 103.89         |
|            | Germany                       | 2023-10-20            | 2.89             | 15.20        | 18.70        | 39.90        | 44.40         | 48.50          | 31.80          |
|            | United Kingdom                | 2023-10-20            | 4.65             | 26.50        | 43.60        | 37.40        | 88.40         | 73.80          | 97.90          |
|            | Japan                         | 2023-10-20            | 0.84             | 8.10         | 11.50        | 37.50        | 37.00         | 58.70          | 42.00          |
|            | Rates - EM                    | South Korea           | 2023-10-20       | 4.32         | 15.20        | 36.50        | 70.70         | 91.50          | -11.80         |
|            | <b>India</b>                  | <b>2023-10-20</b>     | <b>7.36</b>      | <b>4.60</b>  | <b>18.80</b> | <b>28.00</b> | <b>16.40</b>  | <b>-11.40</b>  | <b>3.50</b>    |
|            | Indonesia                     | 2023-10-20            | 7.10             | 31.70        | 35.00        | 88.70        | 42.80         | -41.20         | 16.20          |
|            | <b>Vietnam</b>                | <b>2023-10-20</b>     | <b>3.35</b>      | <b>25.00</b> | <b>45.00</b> | <b>55.00</b> | <b>-15.00</b> | <b>-165.00</b> | <b>-160.00</b> |
|            | Russia                        | 2023-10-20            | 12.32            | 28.27        | 59.49        | 110.39       | 132.71        | 348.30         | 201.58         |
|            | Brazil                        | 2023-10-20            | 11.93            | 10.50        | 62.70        | 102.70       | -67.30        | -5.70          | -75.50         |
| Commodity  | WTI (\$/bbl)                  | 2023-10-23            | 87.77            | 1.28         | -2.51        | 13.88        | 12.71         | 3.20           | 9.36           |
|            | Brent (\$/bbl)                | 2023-10-23            | 91.81            | 2.41         | -1.57        | 13.25        | 12.43         | -1.81          | 6.87           |
|            | Gold (\$/oz)                  | 2023-10-23            | 1,977.56         | 2.99         | 3.22         | 1.17         | -0.58         | 19.87          | 8.42           |

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.

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