

Weekly Global FX Market Monitor

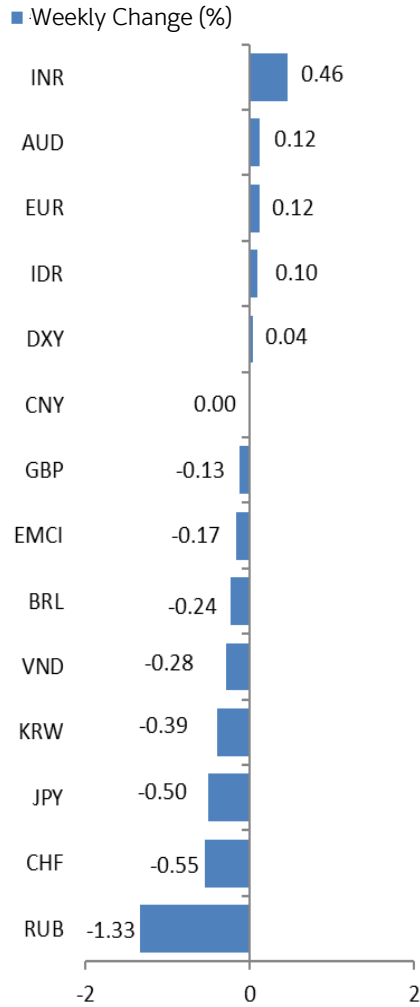
2024.02.19



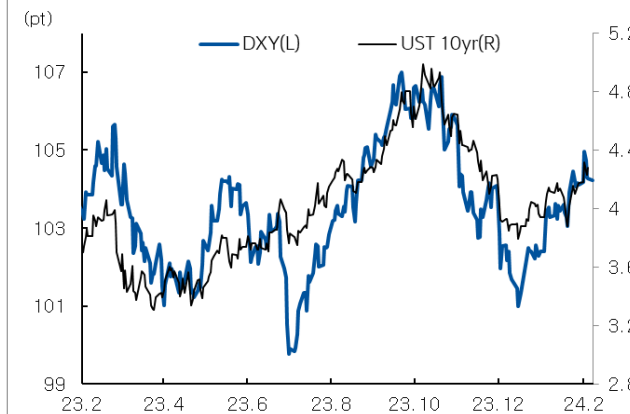
Global

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Translation: Jae Yeon Hyun

- Last week: Steady USD(+0.04%), Strong EUR(+0.12%), Weak JPY(-0.50%)
- Stronger-than-expected US January PPI triggered strong USD but DXY slightly as the difference between the market and the Fed diminished and closed at 104.2pt.
- The Eurozone surprise index neared 0, confirming more promising indicators than the market anticipated. But due to high US CPI, EUR failed to rise up, closing at 1.077 dollar.
- US bond yields rose after confirming January CPI and USDJPY neared 151 yen. Sluggish 4Q growth was confirmed but USDJPY plunged, closing at 150.2 yen.
- EM currencies weakened on strong US CPI but risk taking sentiment maintained. EM currency indicators rebounded with strong EM stock markets but slightly dropped later in the week.
 - Russia's central bank held its key interest rate at 16% at the last monetary policy meeting before the presidential election in March. RUB(-1.33%) weakened.
 - INR(+0.46%) strengthened while VND(-0.28%) weakened and IDR(+0.10%) remained steady.

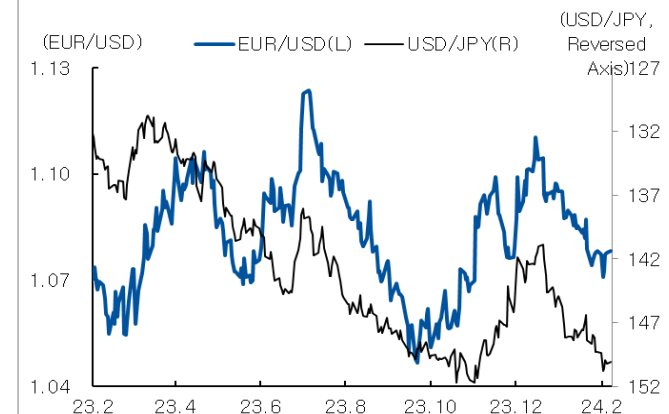


Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

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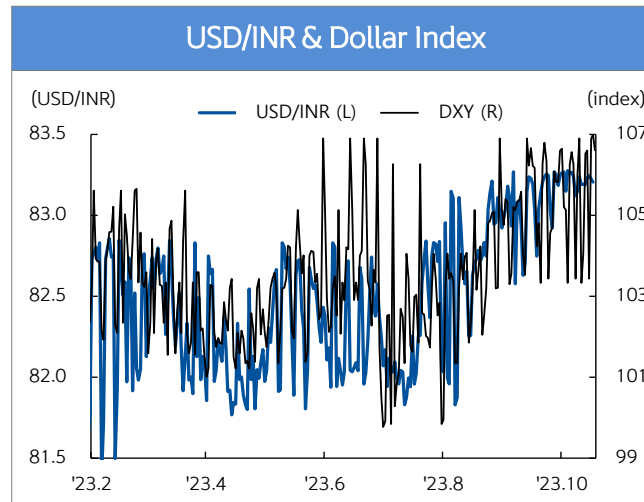


India

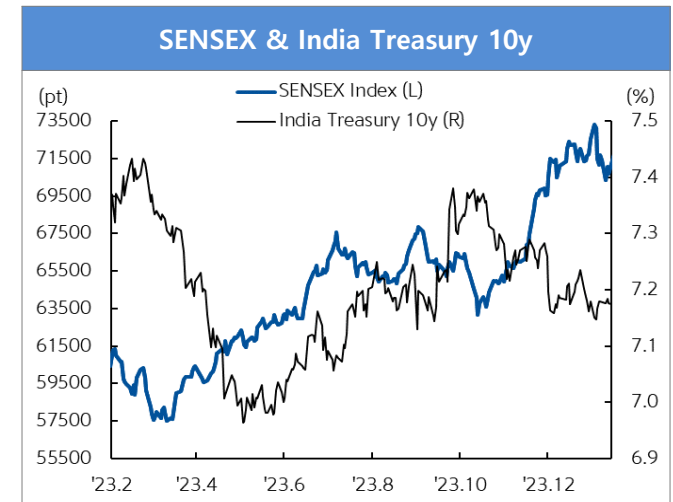
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USD/INR	83.02
52wk high	83.50
52wk low	81.61
Sensex	72,427
52wk high	73,428
52wk low	57,085
Government Bond (10yr,%)	7.10
52wk high	7.45
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth	7.64
Rate(% YoY)	
Consumer Prices (% YoY)	5.1
Producer Prices (% YoY)	0.27
RBI rate(%)	6.50
Manufacturing PMI (index)	56.5
Industrial Production (% YoY)	3.80
Core Sector Growth(% YoY)	3.82
Exports (% YoY)	3.12
Imports (% YoY)	2.99
Current Account (\$bn)	-8.30
Financial Earnings and Expenses (INR10mn)	-75694
FX Reserve (\$mn)	617,230

- Last week, USD/INR moved in the range of 83.00~83.04, strengthened compared to last week. (+0.46%)
- INR strengthened, despite strong USD on retreat of expectations on the Fed's early rate cuts and selling of foreign capital in the stock market, due to decrease in trade deficit.
- January export/import increased 3.1%, 3.0% yoy while trade deficit recorded 9-month low (\$1.749 billion) on decrease in raw material prices and decrease in shipments due to rising tension in the Red Sea region.
- FPI net sold in equity market and net purchased in bond market.
 - Equity: net sold(2/12~2/15 cumulative: \$123.93 million), SENSEX rose. (+1.16%)
 - Bond: net purchased(2/12~2/15 cumulative: \$260.84 million), bond yield dropped. (10y, 7.10%, -0.70bp)
- USDINR is expected to rise as oil price rebounds due to unstable supply chain while the Fed's tightening is expected to lengthen due to US inflation pressure. (Expected Range: 82.4~83.1)



Source: Bloomberg, SHB Solution & Trading Center



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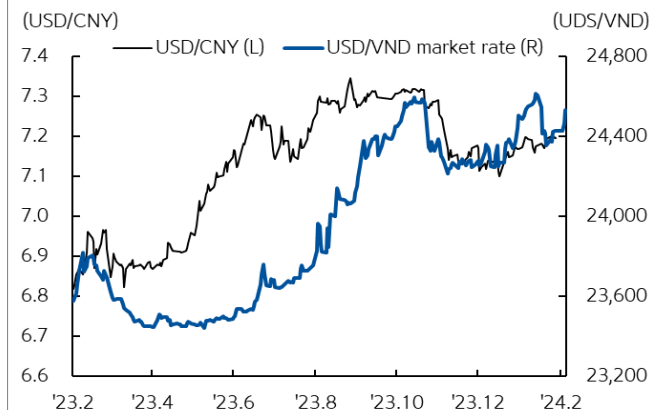
Vietnam

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USD/VND	24,493
52wk high	24,620
52wk low	23,415
VN index	1,210
52wk high	1,255
52wk low	1,013
Government Bond(10yr,%)	2.38
52wk high	4.75
52wk low	2.20
Major Indices Snap shot	
Real GDP Growth	6.72
Rate(% YoY)	
Consumer Prices (% YoY)	3.37
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.3
Industrial Production (% YoY)	18.30
Retail Sales(% YoY)	8.10
Exports (% YoY)	42
Imports (% YoY)	33.3
Current Account (\$mn)	9673.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,200

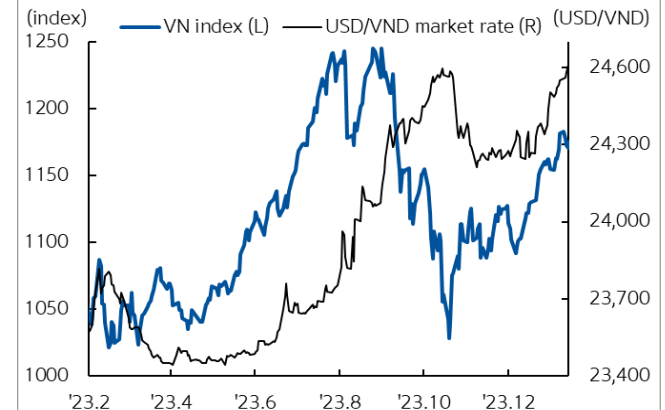
- Last week, USD/VND ranged from 24,424~24,531. Weak VND(-0.28%) compared to the previous week.
- SBV set the central rate at 23,971(2/16), indicating a weekly depreciation (0.06%) compared to 2/13(23,959).
- While the Chinese yuan rose due to unexpected U.S CPI results, VND also surged to around 24,500 amid expectations of a delay in Fed rate cuts.
- FPI(stocks, bonds, funds, ETF, etc.) net sold \$29.65 million.
 - The weekly VN index rose(+3.17%), 3M-VNIBOR recorded 2.467%, down 23.3 bps.
- This week, VND is expected to rise due to factors such as an increase in international oil prices and concerns about resumed inflation. However, the strengthening of the USD may be limited even though by higher-than-expected U.S PPI, and increased consumer spending expectations during the Chinese New Year holiday could also constrain exchange rate appreciation. (Expected Range:24,350 – 24,750)

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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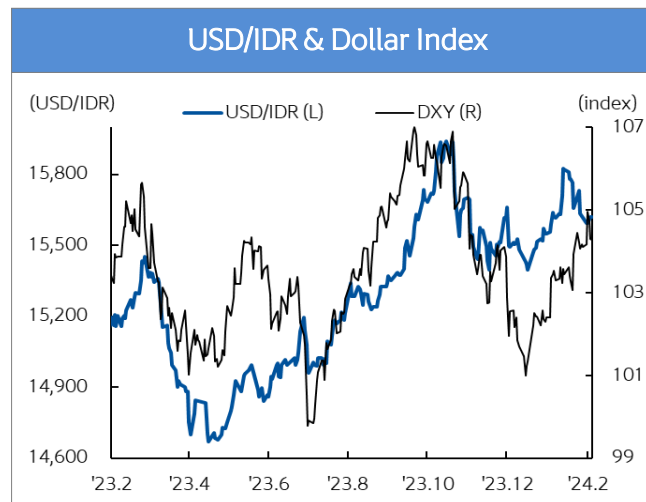


Indonesia

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USD/IDR	15,620
52wk high	15,962
52wk low	14,575
Jakarta index	7,336
52wk high	7,404
52wk low	6,543
Government Bond(10yr,%)	6.62
52wk high	7.26
52wk low	6.16
Major Indices Snap shot	
Real GDP Growth	5.04
Rate(% YoY)	2.57
Consumer Prices (% YoY)	2.80
Total Mining Industries	2.80
Producer Price(% YoY)	6.00
Refinance rate(%)	52.9
Manufacturing PMI (index)	-1.89
Industrial Production (% YoY)	0.07
Retail Sales(% YoY)	-8.06
Exports (% YoY)	0.36
Imports (% YoY)	-900
Current Account (\$mn)	-460,420
Financail Earnings and Expenses (IDR10bn)	145
FX Reserve (\$mn)	

- Last week, USD/IDR(market rate) ranged from 15,595~15,620, remained steady. (+0.10%)
- Early indications of the presidential election showed that Prabowo is leading the poll by a wide margin and the candidate announced his victory. As political uncertainty decreased, USDIDR stabilized.
- January trade surplus was \$20.1 billion. This was a big decrease from last month's \$32.8 billion due to decrease in mineral export. January export/import was -8.06%, +0.36% yoy.
- FPI net purchased in equity market and net sold in bond market.
 - Equity: net purchased(2/12~2/16 cumulative: \$491.22 million), Jakarta stock index rose. (+1.22%)
 - Bond: net sold(2/13: \$79.38 million), bond yield rose. (10y, 6.62%, +0.50bp) 2/12,15~16 No data
- The course of USD may change after the upcoming FOMC minutes but difference between the market and the Fed regarding the timing of the pivot and political uncertainty is also diminishing as Subianto's win is highly likely. Thus, IDR may strengthen. The central bank's monetary policy meeting is schedule this week and is expected to hold its key rate at 6% to stabilize IDR. (Expected Range: 15,430~15,700)



Source : Bloomberg , SHB Solution & Trading Center



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Australia

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AUD/USD	0.6522
52wk high	0.6908
52wk low	0.6296
S&P/ASX200	7,658
52wk high	7,699
52wk low	6,773
Government Bond(10yr,%)	4.19
52wk high	4.95
52wk low	3.19
Major Indices Snap shot	
Real GDP growth rate (%YoY)	2.1
Consumer Prices(%YoY)	4.1
Producer Prices(%YoY)	4.1
Policy rate(%)	4.35
AU-US 2yr spread(%)	-0.76
China Imports From Australia(billion USD)	24.9
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	1.2

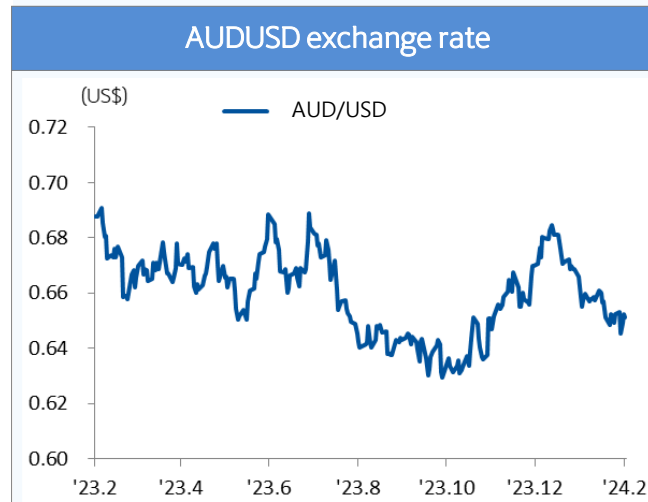
• Last Week :

- Amid remarkably strong U.S. economic indicators for January, the AUD hit a new low. On the 13th, it dipped below 0.65 in response to the January CPI results.
- However, a high selling pressure on the USD led to a rebound in the AUD, surpassing 0.65 in the latter half of the week. On the 15th, there was a slight decline in response to Australia's weak January employment data.

• Outlook :

- The decline in commodities such as iron ore has caused weakness in the AUD this year. However, the market, which had excessively priced in expectations of interest rate cuts, has narrowed the gap with the Fed's stance. Moreover, with the stabilization of commodity prices, the AUD is expected to rebound soon.
- After the Chinese New Year of the Chinese financial market remains a short-term variable.

*No changes



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 2/16)

	'24.03	'24.06	'24.09
A N Z	0.68	0.69	0.70
Wells Fargo	0.66	0.67	0.69
MUFG	0.66	0.67	0.68
JPMorgan	0.69	0.69	0.69

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets 2024.02.19

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-02-19	104.24	0.06	0.92	0.31	0.83	0.36	2.87
	Euro (EUR/USD)	2024-02-19	1.08	0.09	-1.06	-1.44	-1.05	0.90	-2.33
	Yen (USD/JPY)	2024-02-19	150.11	-0.51	-1.33	-1.15	-2.59	-10.57	-6.04
	Pound (GBP/USD)	2024-02-19	1.26	-0.18	-0.76	0.81	-1.18	4.69	-0.98
	Switzerland (USD/CHF)	2024-02-19	0.88	-0.59	-1.42	0.47	-0.27	4.81	-4.48
	Australia (AUD/USD)	2024-02-19	0.65	0.06	-0.94	-0.34	1.89	-5.40	-4.07
FX - EM	South Korea (USD/KRW)	2024-02-16	1,335.55	-0.55	-0.28	-2.89	0.09	-3.80	-3.55
	China (USD/CNY)	2024-02-09	7.19	-0.00	-0.35	1.27	0.24	-5.66	-1.30
	India (USD/INR)	2024-02-16	83.02	0.02	0.07	0.27	-0.07	-0.36	0.23
	Indonesia (USD/IDR)	2024-02-16	15,620.00	0.10	-0.19	-0.48	-2.16	-2.96	-1.43
	Vietnam (USD/VND)	2024-02-19	24,493.00	-0.28	0.23	-1.15	-2.76	-2.76	-0.91
	Brazil (USD/BRL)	2024-02-17	4.97	-0.24	-0.79	-1.97	0.52	5.11	-2.19
Russia (USD/RUB)	2024-02-17	92.38	-1.33	-4.41	-3.37	3.48	-18.94	-3.15	
Stock - DM	United States Dow Jones	2024-02-17	38,627.99	-0.11	2.02	10.53	11.96	14.19	2.49
	United States NASDAQ	2024-02-17	15,775.65	-1.34	3.03	11.68	18.70	33.84	5.09
	United States S&P 500	2024-02-17	5,005.57	-0.42	3.42	10.89	14.55	22.71	4.94
	Japan NIKKEI225	2024-02-16	38,487.24	4.41	7.02	14.60	22.37	39.89	15.01
	United Kingdom FTSE	2024-02-17	7,711.71	1.84	3.35	2.76	6.19	-3.66	-0.28
	France CAC40	2024-02-17	7,768.18	1.58	5.38	7.39	8.43	5.72	2.98
Germany DAX	2024-02-17	17,117.44	1.13	3.40	7.53	9.91	10.56	2.18	
Stock - EM	South Korea KOSPI	2024-02-16	2,648.76	1.09	7.12	7.24	5.76	8.06	-0.25
	China Shanghai Stock Exchange	2024-02-08	2,865.90	3.43	-0.95	-6.14	-11.67	-12.37	-3.67
	India Sensex	2024-02-16	72,426.64	1.16	1.04	10.08	11.51	18.73	0.26
	Indonesia Jakarta	2024-02-16	7,335.55	1.22	1.50	5.13	6.93	6.38	0.86
	Vietnam VN index	2024-02-16	1,209.70	3.17	2.39	9.85	2.69	14.20	7.06
	Russia RTS	2024-02-17	1,107.33	-1.34	-2.01	-1.32	5.76	20.34	2.20
Brazil Bovespa	2024-02-17	128,725.88	-0.94	0.85	3.17	11.54	17.91	-4.07	
Rates - DM	United States	2024-02-16	4.28	10.38	22.11	-15.63	2.88	41.84	40.01
	Germany	2024-02-16	2.40	2.00	14.40	-18.80	-24.80	-7.60	37.80
	United Kingdom	2024-02-16	4.11	2.20	31.10	-4.30	-53.80	60.90	57.10
	Japan	2024-02-16	0.74	0.90	13.50	-5.60	10.50	23.00	12.10
Rates - EM	South Korea	2024-02-16	3.48	7.50	16.50	-31.00	-38.10	0.00	30.50
	India	2024-02-16	7.10	-0.70	-4.80	-13.60	-10.60	-22.10	-7.50
	Indonesia	2024-02-16	6.62	0.50	-4.70	-33.00	18.60	-7.30	14.20
	Vietnam	2024-02-16	2.38	4.00	15.00	-17.00	-22.00	-180.00	5.00
	Russia	2024-02-16	12.17	27.07	27.70	28.01	81.64	135.63	30.76
	Brazil	2024-02-16	10.85	3.40	14.20	-21.40	-28.10	-250.40	48.50
Commodity	WTI (\$/bbl)	2024-02-19	79.05	2.77	7.68	4.16	-2.71	3.55	10.33
	Brent (\$/bbl)	2024-02-19	83.15	1.40	5.84	3.15	-1.95	0.18	7.93
	Gold (\$/oz)	2024-02-19	2,013.56	-0.32	-0.78	1.79	6.26	9.35	-2.40

Source : Bloomberg, Datastream, Solution & 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