

Weekly Global FX Market Monitor

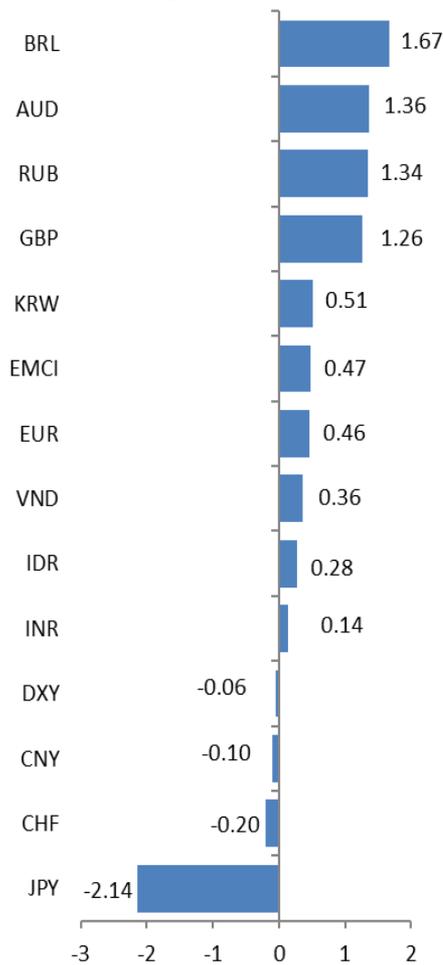
2024.05.07



Global

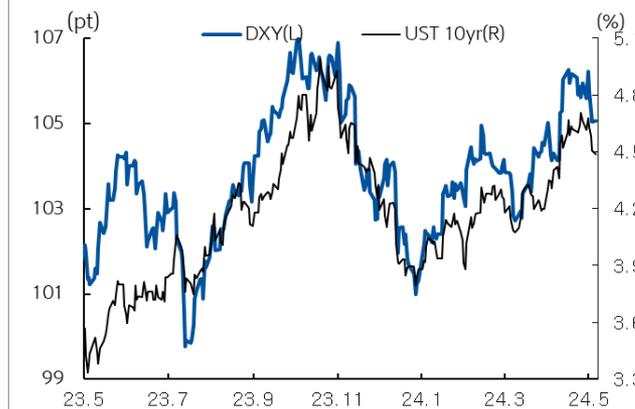
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

Weekly Change (%)



- Last week: Weak USD(-0.50%), Strong EUR(+0.98%), Strong JPY(+2.37%)
- Despite market concern, Powell implied dovish stance at May FOMC and expectations for a rate cut within the year have been revived. In addition, employment data including nonfarm payroll, wage growth rate, unemployment rate, etc. confirmed slowdown in employment and USD weakened.
- Eurozone 1Q GDP was 0.3% QoQ. EUR rose up to 1.07 dollar level as concerns over economic slowdown eased and USD weakened after the FOMC.
- Large scale interventions were observed twice after USDJPY hiked above 160yen on Monday (4/29). USDJPY dropped to 153 yen but slightly rose late in the week.
- EM currencies rose as Powell eliminated concerns about rate hike within the year and US job data slowed down.
- HK Hang Seng index strongly rose for the last 2 weeks. April Caixin China manufacturing PMI also continued to expand(51.4) while CNY(+0.28%) strengthened.
- INR(-0.03%) and VND(-0.18%) weakened while IDR(1.44%) strengthened.

Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

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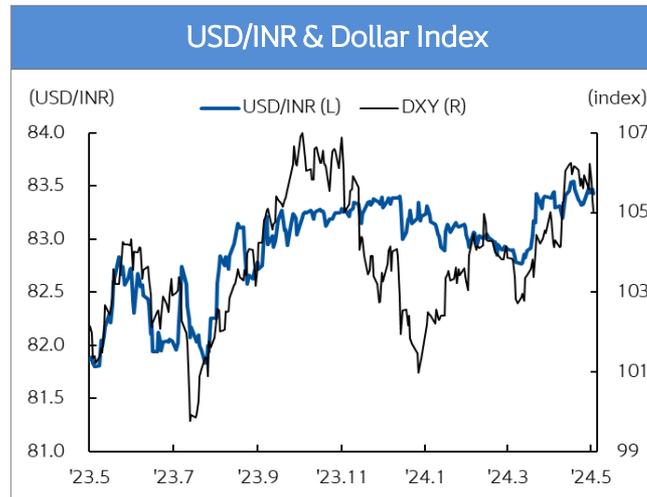


India

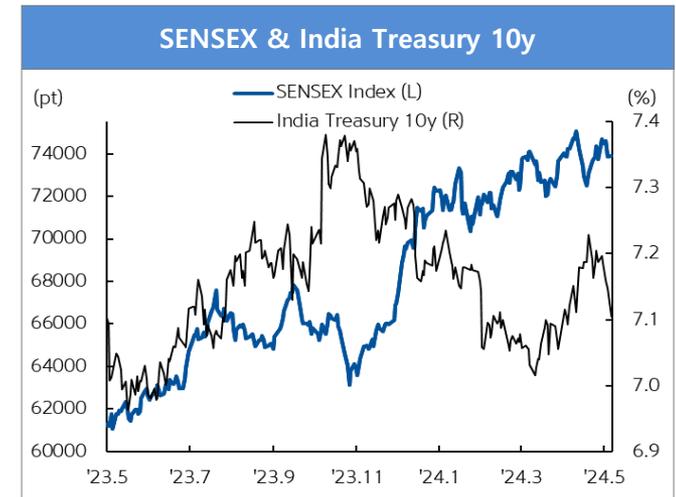
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USD/INR	83.50
52wk high	83.58
52wk low	81.67
Sensex	73,896
52wk high	75,124
52wk low	61,002
Government Bond (10yr,%)	7.11
52wk high	7.40
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth	8.36
Rate(% YoY)	8.36
Consumer Prices (% YoY)	4.85
Producer Prices (% YoY)	0.53
RBI rate(%)	6.50
Manufacturing PMI (index)	58.8
Industrial Production (% YoY)	5.70
Core Sector Growth(% YoY)	5.20
Exports (% YoY)	-0.67
Imports (% YoY)	-5.98
Current Account (\$bn)	-10.50
Financial Earnings and Expenses (INR10mn)	-39876.3
FX Reserve (\$mn)	637,922

- Last week, USD/INR moved around 83.43~83.49, weakened compared to last week.(-0.03%)
- INR slightly weakened as RBI intervention limited volatility despite weakening of USD and drop in oil prices triggered by less-hawkish FOMC.
- April manufacturing PMI continued to expand(58.8) though slightly dropped compared to last month(59.1) and service PMI was 60.8.
- FPI net sold in equity and bond markets.
 - Equity: net sold(4/29~5/3 cumulative: \$117.41 mil), SENSEX rose.(+0.22%)
 - Bond: net sold(4/29~5/3 cumulative: \$156.99 mil), bond yield dropped.(10y, 7.11%, -8.10bp)
- While dovish FOMC and eased tension in the Middle East mitigated pressure on strong USD, no major US indicators are scheduled to be announced this week and INR rate is expected to receive downward pressure as capital inflow increases ahead of the inclusion in bond index(June). (Expected Range: 82.9~83.6)



Source: Bloomberg, SHB Solution & Trading Center



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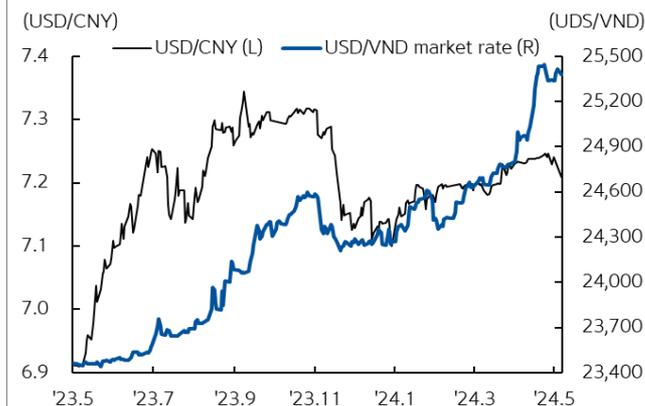
Vietnam

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USD/VND	25,380
52wk high	25,463
52wk low	23,415
VN index	1,242
52wk high	1,294
52wk low	1,020
Government Bond(10yr,%)	2.92
52wk high	3.36
52wk low	1.32
Major Indices Snap shot	
Real GDP Growth	5.66
Rate(% YoY)	
Consumer Prices (% YoY)	4.4
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.3
Industrial Production (% YoY)	6.30
Retail Sales(% YoY)	8.50
Exports (% YoY)	10.6
Imports (% YoY)	19.9
Current Account (\$mn)	6375.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	88,086

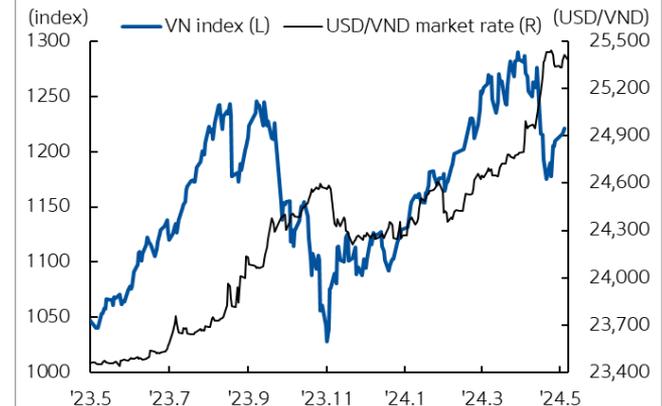
- Last week, USD/VND moved around 25,334~25,414, weakened compared to last week(-0.18%).
- SBV announced central rate at 24,241, Strengthened(+0.02%) compared to last week.
- Due to reduced risk aversion and a weaker USD following the resolution of uncertainty surrounding the US FOMC, the CNY experienced a sharp decline in the latter half of the week, with the offshore exchange rate breaking through 7.20. Meanwhile, the VND exchange rate remained relatively stable.
- In April, exports and imports increased by 10.6% and 19.9% respectively compared to the same period last year, resulting in a trade surplus of \$6.8 billion. Consumer prices rose by 4.4% (yoy) due to increase in oil and gold prices, while retail sales increased by 9%(yoy). The Manufacturing PMI recorded 50.3, indicating a return to expansion thanks to a surge in new orders.
- FPI net sold \$12.45 million.
 - VN Index rose by 2.98%, VNIBOR3M was 4.75%, rose 25.0bp.
- With the digestion of the FOMC event and the resolution of US employment uncertainty reducing downward pressure on USD/VND exchange rate, attention is now focused on China's export-import performance for April. Improvement compared to the previous month is expected, but if weakened, there may be further upward pressure on the VND exchange rate. (Expected Range: 24,970~25,560)

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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Australia

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AUD/USD	0.6631
52wk high	0.6889
52wk low	0.6296
S&P/ASX200	7,733
52wk high	7,897
52wk low	6,773
Government Bond(10yr,%)	4.37
52wk high	4.95
52wk low	3.32

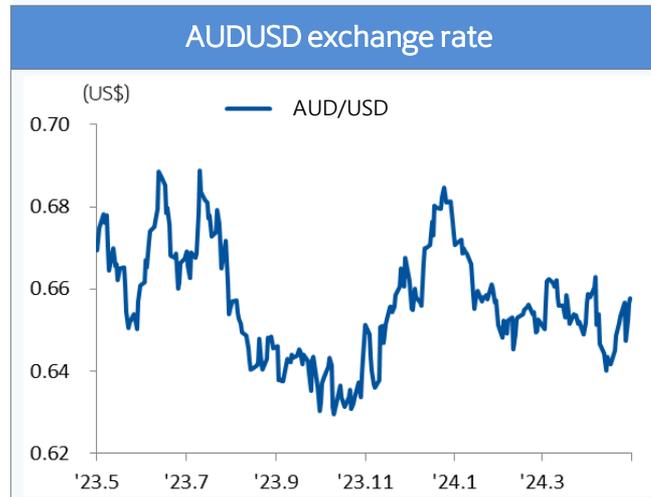
Major Indices Snap shot	
Real GDP growth rate (%YoY)	1.5
Consumer Prices(%YoY)	3.6
Producer Prices(%YoY)	4.3
Policy rate(%)	4.35
AU-US 2yr spread(%)	-0.74
China Imports From Australia(billion USD)	-6.1
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	1.2

Last Week :

- AUD, which had approached 0.66 at the end of April, declined to 0.646 in early May following the disappointing AU March retail sales and surpassing expectations in the US Economic Cost Index
- However, as Fed Chair Powell revived expectations for rate cuts, AUD rebounded and approached 0.66 again.

Outlook :

- RBA meeting scheduled for the 7th, expectations for rate cuts by the end of the year are extinguished.
- Amid improving market sentiment, previously fragile due to the Middle East situation in April, and sustained positive trends in commodity prices, AUD is expected to see further appreciation. However, the upward momentum may not be strong.



Source : Refinitiv, SHB Solution & Trading Center

*MUFG adjusted the forecast downward.

AUD/USD Forecast Distribution * (as of 5/3)

	'24.06	'24.09	'24.12
A N Z	0.68	0.69	0.70
Wells Fargo	0.64	0.64	0.65
MUFG	0.66	0.68	0.70
Citi	0.65	0.65	0.64

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets 2024.05.07

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-05-07	105.15	-0.50	0.81	1.05	-0.38	3.88	3.76
	Euro (EUR/USD)	2024-05-07	1.08	0.98	-0.82	-0.02	0.65	-2.13	-2.44
	Yen (USD/JPY)	2024-05-07	154.15	2.37	-1.51	-3.87	-2.45	-12.36	-8.50
	Pound (GBP/USD)	2024-05-07	1.26	0.54	-0.75	-0.52	2.11	-0.46	-1.34
	Switzerland (USD/CHF)	2024-05-07	0.91	1.43	-0.11	-3.53	-0.70	-1.86	-7.17
	Australia (AUD/USD)	2024-05-07	0.66	2.43	0.39	1.69	3.01	-2.24	-2.67
FX - EM	South Korea (USD/KRW)	2024-05-07	1,356.60	1.88	-0.25	-2.13	-3.58	-2.61	-5.05
	China (USD/CNY)	2024-05-07	7.21	0.28	0.31	-0.26	0.85	-4.09	-1.51
	India (USD/INR)	2024-05-06	83.50	-0.03	-0.22	-0.53	-0.34	-2.03	-0.35
	Indonesia (USD/IDR)	2024-05-06	16,025.00	1.44	-1.12	-1.84	-3.04	-8.27	-3.92
	Vietnam (USD/VND)	2024-05-07	25,380.00	-0.18	-1.60	-3.79	-4.16	-7.61	-4.38
	Brazil (USD/BRL)	2024-05-07	5.08	0.87	-0.92	-2.31	-3.73	-1.31	-4.32
Russia (USD/RUB)	2024-05-06	91.32	2.18	1.45	-0.70	1.39	-14.96	-2.02	
Stock - DM	United States Dow Jones	2024-05-07	38,852.27	1.21	-0.13	0.86	13.95	15.38	3.09
	United States NASDAQ	2024-05-07	16,349.25	2.29	0.62	4.74	20.94	33.62	8.91
	United States S&P 500	2024-05-07	5,180.74	1.26	-0.45	4.57	18.66	25.25	8.61
	Japan NIKKEI225	2024-05-07	38,579.42	2.53	-2.21	6.70	20.75	32.31	15.29
	United Kingdom FTSE	2024-05-04	8,213.49	0.90	3.82	6.93	10.73	5.59	6.21
	France CAC40	2024-05-07	7,996.64	-1.13	-0.80	5.06	14.46	7.58	6.01
	Germany DAX	2024-05-07	18,175.21	0.08	0.00	7.41	19.95	13.87	8.50
Stock - EM	South Korea KOSPI	2024-05-07	2,723.88	2.54	0.36	5.73	8.85	8.91	2.58
	China Shanghai Stock Exchange	2024-05-06	3,140.72	3.15	2.33	10.99	2.73	-5.81	5.57
	India Sensex	2024-05-06	73,895.54	0.22	-0.48	2.42	13.79	21.03	2.29
	Indonesia Jakarta	2024-05-06	7,135.89	1.42	-2.07	-1.37	4.27	5.13	-1.88
	Vietnam VN index	2024-05-06	1,241.58	2.98	-1.08	3.59	14.93	19.35	9.88
	Russia RTS	2024-05-07	1,186.20	-0.05	2.62	5.47	7.14	14.76	9.48
Brazil Bovespa	2024-05-07	128,465.70	1.53	1.32	-1.50	8.47	22.18	-4.26	
Rates - DM	United States	2024-05-07	4.49	-19.44	8.38	36.43	-8.11	104.84	60.63
	Germany	2024-05-06	2.47	-6.40	6.90	17.60	-27.10	17.70	44.40
	United Kingdom	2024-05-06	4.22	-7.00	15.30	27.20	-15.50	44.10	68.50
	Japan	2024-05-07	0.87	-0.80	8.20	15.30	-1.30	45.00	25.70
Rates - EM	South Korea	2024-05-03	3.62	-6.80	16.70	32.70	-48.30	30.00	44.20
	India	2024-05-06	7.11	-8.10	-1.70	1.40	-20.20	9.20	-6.90
	Indonesia	2024-05-07	6.90	-35.10	24.20	27.90	21.10	45.10	41.60
	Vietnam	2024-05-06	2.92	-1.00	-1.00	48.00	-9.00	-41.00	55.00
	Russia	2024-05-06	13.67	13.48	19.58	189.23	166.97	278.31	180.74
	Brazil	2024-05-06	11.57	-8.80	20.40	87.80	-1.60	-54.40	120.00
Commodity	WTI (\$/bbl)	2024-05-07	78.90	-3.70	-9.22	6.82	1.98	10.60	10.12
	Brent (\$/bbl)	2024-05-07	83.76	-4.67	-8.13	5.74	2.63	11.24	8.72
	Gold (\$/oz)	2024-05-07	2,327.69	1.81	-0.48	14.36	18.19	15.17	12.83

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