

# Weekly Global FX Market Monitor

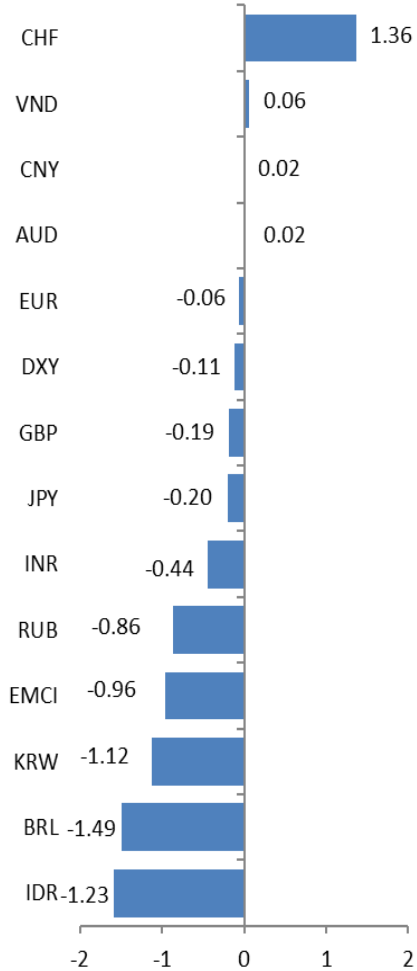
2024.06.03



## Global

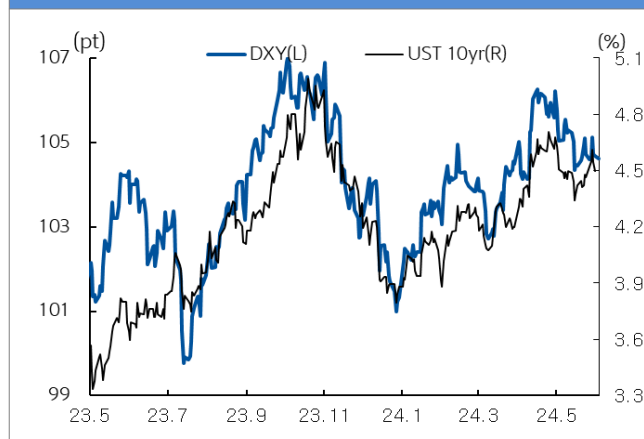
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Translation: Jae Yeon Hyun

Weekly Change (%)



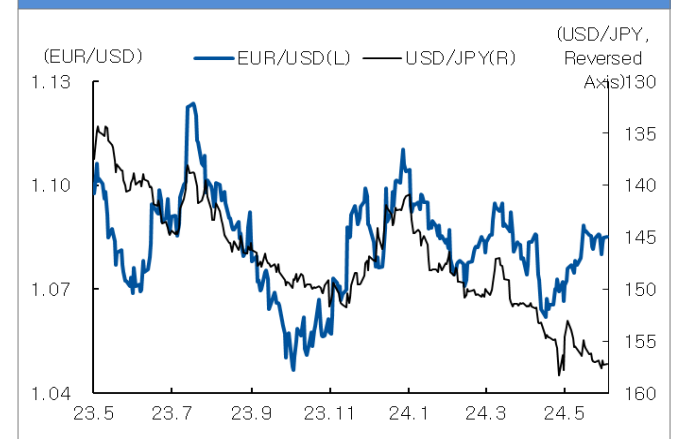
- Last week: Weak USD (-0.11%), Weak EUR(-0.06%), Weak JPY(-0.20%)
- As bond yield rose following a poor auction, DXY rose up to 105pt. But slightly dropped to 104pt level late in the week as Q1 GDP was downward adjusted due to slowdown in individual spending and April PCE met the market anticipation.
- EUR rose to 1.09 dollar level but as US bond yield hiked on weak auctions, EUR plunged and closed at 1.084 dollar.
- USDJPR rose up to 158yen on US bond yield hike, but slightly dropped late in the week.
- Rising US bond yield weakened investor sentiment and EM currencies index dropped.
- China's May manufacturing PMI due on 31st was below 50, against market anticipation, proving decline in manufacturing sector. Yuan(0.02%) remained steady.
- INR(-0.44%) and IDR(-1.23%) weakened while VND(+0.08%) 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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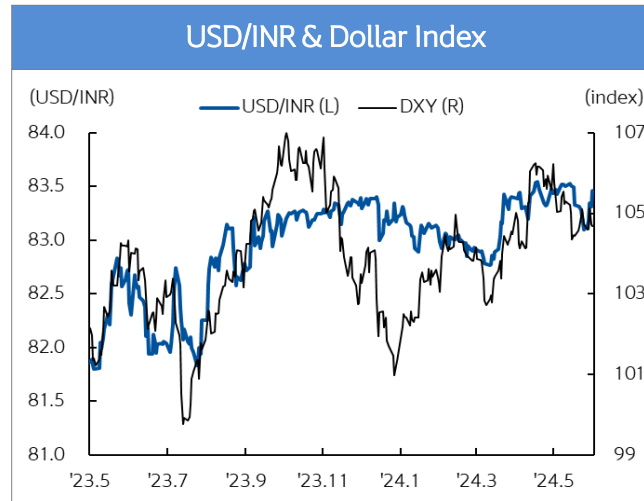


## India

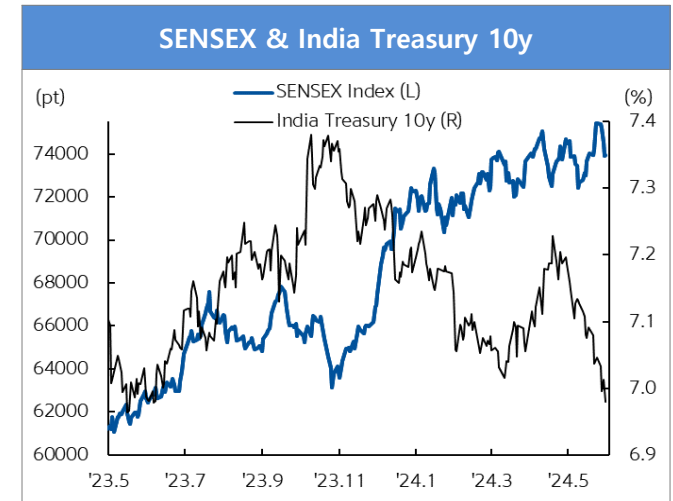
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USD/INR	83.47
52wk high	83.58
52wk low	81.67
Sensex	73,961
52wk high	76,010
52wk low	62,380
Government Bond (10yr,%)	6.98
52wk high	7.40
52wk low	6.97
<b>Major Indices Snap shot</b>	
Real GDP Growth	7.76
Rate(% YoY)	7.76
Consumer Prices (% YoY)	4.83
Producer Prices (% YoY)	1.26
RBI rate(%)	6.50
Manufacturing PMI (index)	58.4
Industrial Production (% YoY)	4.90
Core Sector Growth(% YoY)	6.15
Exports (% YoY)	1.08
Imports (% YoY)	10.27
Current Account (\$bn)	-10.50
Financial Earnings and Expenses (INR10mn)	-21013.6
FX Reserve (\$mn)	646,673

- Last week, USD/INR moved around 83.13~83.38, dropped compared to last week. (-0.44%)
- USDINR rose up to 83.46 on uncertainties regarding the general election, RBI's purchase, increasing dollar demand of oil companies. Short-term volatility reached 9 month high.
- India's Q1 GDP increased 7.8% yoy, slightly above market anticipation(7.0%) but slowed down compared to last quarter.
- FPI net sold in equity and net purchased in bond market.
  - Equity: net sold(5/7~5/30 cumulative: \$311.46 mil), SENSEX dropped.(-1.92%)
  - Bond: net purchased(5/7~5/30 cumulative: \$732.86 mil), bond yield dropped.(10y, 6.98%,-6.50bp)
- While the election result is due on 4th, exit poll predicts record win of the prime minister's party. But in case of otherwise disappointing result, stock market would plunge while USDINR soar. Policy rate will be maintained unchanged at the monetary policy meeting on 7th due to concerns about Monsoon and global uncertainties.(Expected Range: 82.8~83.7)



Source: Bloomberg, SHB Solution & Trading Center



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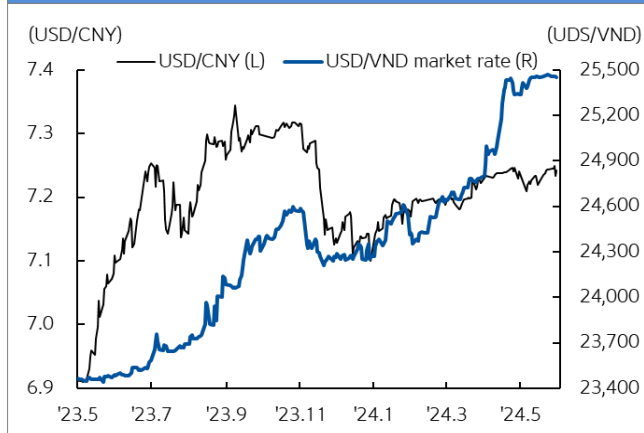
## Vietnam

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USD/VND	25,450
52wk high	25,477
52wk low	23,470
VN index	1,262
52wk high	1,294
52wk low	1,020
Government Bond(10yr,%)	2.97
52wk high	3.25
52wk low	1.32
<b>Major Indices Snap shot</b>	
Real GDP Growth	5.66
Rate(% YoY)	
Consumer Prices (% YoY)	4.44
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.3
Industrial Production (% YoY)	8.90
Retail Sales(% YoY)	8.70
Exports (% YoY)	15.8
Imports (% YoY)	29.9
Current Account (\$mn)	6375.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	88,086

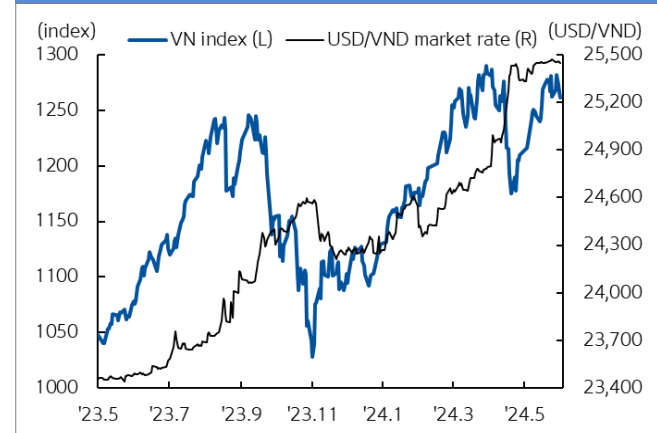
- Last week, USD/VND moved around 25,450~25,458, Strengthened compared to last week(+0.08%).
- SBV announced central rate 24,261, Strengthened(+0.01) compared to last week.
- The CNY exchange rate weakened, with the offshore rate exceeding 7.27 at one point, due to poor manufacturing performance and rising US Treasury yields, which led to weakness in risk assets. The VND exchange rate saw its upward trend limited due to the active defense by the SBV.
- In May, CPI rose by 4.4%(yoy), industrial production and retail sales increased by 8.9% and 9.5% (yoy), respectively. Export and import rose by 15.8% and 29.9% (yoy), resulting in a trade deficit of \$1 billion.
- The Prime Minister of Vietnam demanded that commercial banks lower lending rates to boost credit growth to 4~5% in the second quarter and instructed all ministries to accelerate public investment spending on infrastructure projects amounting to VND 100 trillion by 2025.
- FPI net sold 240.56 million.
  - VN index fell by 0.02%, VNIBOR3M was 5.0%, fell by 16.7bp.
- As retail sales continue to support Vietnamese economy, the VND exchange rate is expected to see its upward trend limited this week. This is due to the potential constraint on the strong dollar as US PCE inflation aligns with expectations, and the SBV's continued efforts to defend the exchange rate through dollar sales. (Expected Range: 25,250~25,540)

### 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	0.6630
52wk high	0.6889
52wk low	0.6296
S&P/ASX200	7,660
52wk high	7,897
52wk low	6,773
Government Bond(10yr,%)	4.39
52wk high	4.95
52wk low	3.61

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(%)	-0.81
China Imports From Australia(billion USD)	-5.7
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	1.2

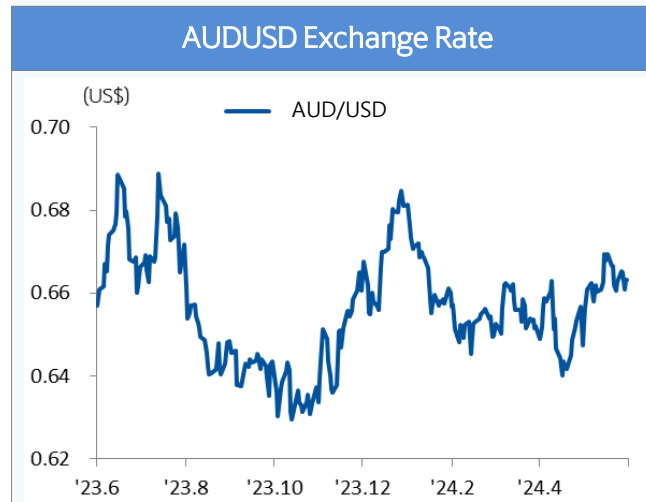
### Last Week :

- Early in the week, with the FX market quiet due to holidays in the US and UK, the USD weakened, and the AUD rose to 0.668
- However, as US Treasury yields surged following a series of disappointing auctions, the AUD fell below 0.66 at one point on May 30. AU's April CPI exceeded both expectations and the previous month's figure, but its impact was minimal.

### Outlook :

- Despite the short but sharp rise in US Treasury yields during the last week of May putting pressure on commodities and other risk assets, the AUD has held up relatively well, reflecting positive sentiment towards commodity demand.
- While the AUD will continue to react to US economic indicators and Treasury yields, it is expected to find support around its lower levels, with an overall bias towards the upside.

\*No changes.



Source : Refinitiv, SHB Solution & Trading Center

### AUD/USD Forecast Distribution \* (as of 5/31)

	'24.06	'24.09	'24.12
A N Z	0.66	0.67	0.69
Wells Fargo	0.66	0.66	0.67
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 2024.06.03

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-06-03	104.61	-0.11	-0.40	0.72	1.30	0.57	3.23
	Euro (EUR/USD)	2024-06-03	1.09	-0.06	0.85	-0.04	0.15	1.30	-1.69
	Yen (USD/JPY)	2024-06-03	157.19	-0.20	-2.63	-4.24	-6.35	-11.20	-10.27
	Pound (GBP/USD)	2024-06-03	1.27	-0.19	1.58	0.42	0.89	2.47	0.11
	Switzerland (USD/CHF)	2024-06-03	0.90	1.36	0.44	-1.83	-3.17	0.54	-6.66
	Australia (AUD/USD)	2024-06-03	0.67	0.02	0.68	2.23	0.53	0.57	-2.30
FX - EM	South Korea (USD/KRW)	2024-05-31	1,385.00	-1.12	-0.21	-3.87	-6.85	-4.23	-7.00
	China (USD/CNY)	2024-06-01	7.24	0.02	-0.01	-0.73	-1.47	-1.84	-1.96
	<b>India (USD/INR)</b>	<b>2024-05-31</b>	<b>83.47</b>	<b>-0.44</b>	<b>-0.03</b>	<b>-0.66</b>	<b>-0.08</b>	<b>-0.88</b>	<b>-0.31</b>
	Indonesia (USD/IDR)	2024-05-31	16,250.00	-1.58	0.06	-3.29	-4.55	-7.74	-5.25
	<b>Vietnam (USD/VND)</b>	<b>2024-06-01</b>	<b>25,450.00</b>	<b>0.08</b>	<b>-0.45</b>	<b>-3.15</b>	<b>-4.67</b>	<b>-7.70</b>	<b>-4.64</b>
	Brazil (USD/BRL)	2024-06-01	5.25	-1.49	-1.00	-5.25	-6.23	-3.63	-7.41
Russia (USD/RUB)	2024-06-01	90.38	-0.86	3.40	0.91	-0.52	-10.08	-1.01	
Stock - DM	United States Dow Jones	2024-06-01	38,686.32	-0.97	0.03	-1.03	6.73	14.58	2.64
	United States NASDAQ	2024-06-01	16,735.02	-0.01	3.58	2.83	16.99	26.39	11.48
	United States S&P 500	2024-06-01	5,277.51	0.18	2.92	2.73	14.86	23.24	10.64
	Japan NIKKEI225	2024-05-31	38,487.90	-0.41	0.66	-3.57	15.12	22.09	15.01
	United Kingdom FTSE	2024-06-01	8,275.38	-0.77	0.75	7.72	9.91	8.78	7.01
	France CAC40	2024-06-01	7,992.87	-1.26	0.44	0.74	8.80	9.93	5.96
	Germany DAX	2024-06-01	18,497.94	-1.05	2.76	4.30	12.81	15.24	10.42
Stock - EM	South Korea KOSPI	2024-05-31	2,636.52	-3.18	-1.50	-0.22	5.25	1.35	-0.71
	China Shanghai Stock Exchange	2024-05-31	3,086.81	-0.07	-0.58	1.98	1.82	-4.44	3.76
	<b>India Sensex</b>	<b>2024-05-31</b>	<b>73,961.31</b>	<b>-1.92</b>	<b>0.11</b>	<b>0.21</b>	<b>9.60</b>	<b>18.25</b>	<b>2.38</b>
	Indonesia Jakarta	2024-05-31	6,970.74	-3.48	-2.30	-4.67	-1.26	5.09	-4.15
	<b>Vietnam VN index</b>	<b>2024-05-31</b>	<b>1,261.72</b>	<b>-0.02</b>	<b>3.33</b>	<b>0.27</b>	<b>14.48</b>	<b>15.66</b>	<b>11.66</b>
	Russia RTS	2024-06-01	1,125.68	-5.85	-4.98	0.30	2.78	7.05	3.89
Brazil Bovespa	2024-06-01	122,098.09	-2.11	-4.99	-5.48	-4.75	8.48	-9.01	
Rates - DM	United States	2024-05-31	4.50	3.35	-18.13	24.83	17.21	85.59	61.94
	Germany	2024-05-31	2.66	8.10	8.00	25.30	21.70	38.20	64.00
	United Kingdom	2024-05-31	4.32	5.70	-2.90	19.40	14.20	13.50	78.10
	Japan	2024-05-31	1.07	6.50	19.10	36.10	39.80	63.40	45.60
Rates - EM	South Korea	2024-05-31	3.58	7.30	-7.00	10.00	-11.70	6.00	40.50
	<b>India</b>	<b>2024-05-31</b>	<b>6.98</b>	<b>-6.50</b>	<b>-20.50</b>	<b>-9.70</b>	<b>-29.90</b>	<b>-0.70</b>	<b>-19.30</b>
	Indonesia	2024-05-31	6.92	-1.20	-32.40	31.80	29.40	55.30	44.30
	<b>Vietnam</b>	<b>2024-05-31</b>	<b>2.97</b>	<b>-6.00</b>	<b>4.00</b>	<b>59.00</b>	<b>39.00</b>	<b>-31.00</b>	<b>60.00</b>
	Russia	2024-05-31	14.96	46.31	137.23	265.13	322.03	407.56	309.57
Brazil	2024-05-31	11.89	12.70	3.60	103.30	98.50	32.10	152.30	
Commodity	WTI (\$/bbl)	2024-06-03	76.63	-1.40	-1.89	-4.18	3.46	6.82	6.95
	Brent (\$/bbl)	2024-06-03	80.70	-2.89	-2.72	-3.41	2.31	6.00	4.75
	Gold (\$/oz)	2024-06-03	2,325.51	-1.08	1.03	9.98	14.59	18.54	12.73

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