

Weekly Global FX Market Monitor

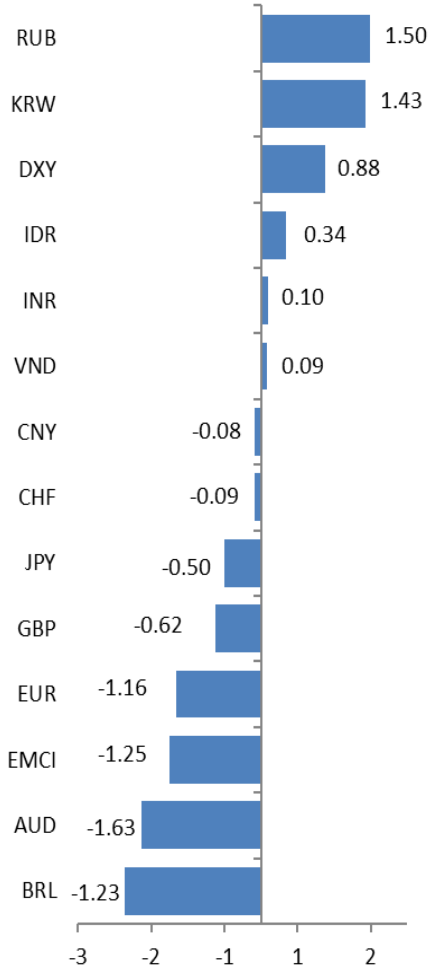
2024.06.10



Global

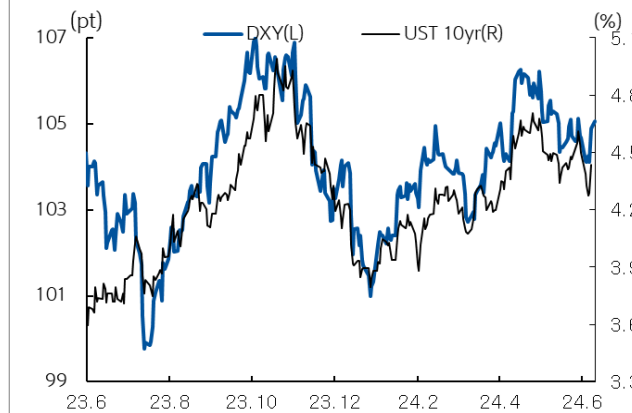
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

■ Weekly Change (%)



- Last week: Strong USD(+0.88%), Weak EUR (-1.16%), Weak JPY(-0.50%)
- DXY fell on job reports implying weakening in the labor market. But rebounded due to higher-than-expected May non-farm payrolls.
- ECB cut rate as market anticipated, yet it is considered to be a “hawkish” cut. Due to surprise in May US jobs report, EUR finished weak.
- Japan’s finance minister Suzuki confirmed at the press conference on 4th that recent 9.8 trillion yen intervention to prevent extreme volatility of yen was effective. USDJPY closed at 156 yen.
- US economy added more jobs than expected in May and expectations on the Fed’s rate hike weakened. EM currencies declined.
- Sheinbaum from the Mexican left won the presidential election. MXN(-7.52%) weakened as market feared the current administration’s radical constitutional reform attempts.
- INR(+0.10%), VND(+0.09%), and IDR(+0.34%) all 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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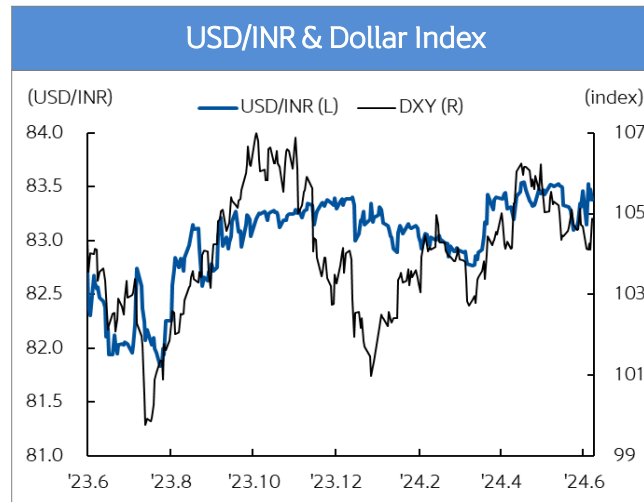


India

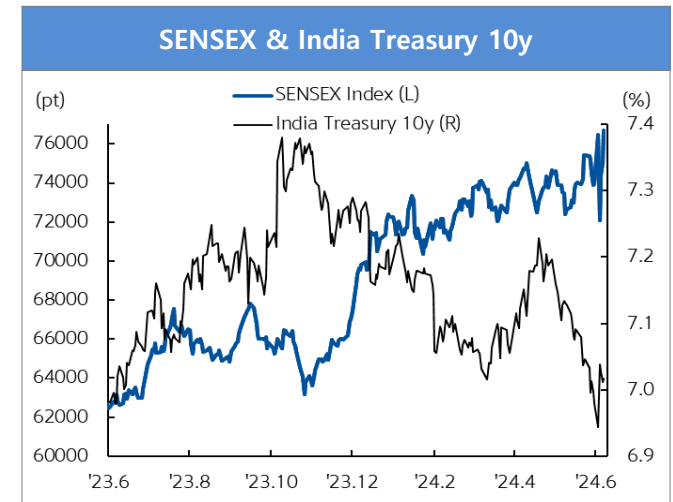
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USD/INR	83.38
52wk high	83.58
52wk low	81.67
Sensex	76,693
52wk high	76,795
52wk low	62,595
Government Bond (10yr,%)	7.02
52wk high	7.40
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth	7.76
Rate(% YoY)	7.76
Consumer Prices (% YoY)	4.83
Producer Prices (% YoY)	1.26
RBI rate(%)	6.50
Manufacturing PMI (index)	57.5
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)	651,510

- Last week, USD/INR moved around 83.13~83.38, rose compared to last week. (+0.10%)
- Financial market became more volatile on market plunge, rise in bond yield, and weakening of INR on newly galvanized opposition party.
- Modi protected his third term as NDA secured majority seats (293 out of 543 seats). Yet, as BJP secured 240 seats, failed to secure outright majority for the first time since Modi came into office.
- Manufacturing PMI in May slowed down to 57.5 due to intense heat, while service PMI was 60.2. RBI maintained policy rate unchanged at 6.5%.
- FPI net sold in equity market and net purchased in bond market.
 - Equity: net sold(6/3~6/6 cumulative: \$2.029 bil), SENSEX rose. (+3.69%)
 - Bond: net purchased(6/3~6/6 cumulative: \$560.76 mil), bond yield dropped.(10y, 7.02%, +3.80bp)
- Short term volatility in markets due to unexpected election results is unavoidable but if policy remains consistent, long term outlook is still affirmative. Markets will be stabilized after full budget is announced in July and market focus will come back to India's strong fundamentals.
- (Expected Range: 82.8~83.7)



Source: Bloomberg, SHB Solution & Trading Center



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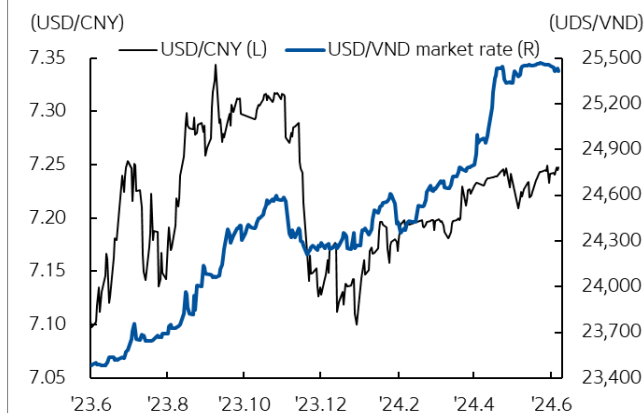
Vietnam

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USD/VND	25,416
52wk high	25,477
52wk low	23,473
VN index	1,288
52wk high	1,294
52wk low	1,020
Government Bond(10yr,%)	2.85
52wk high	3.30
52wk low	2.23
Major Indices Snap shot	
Real GDP Growth	5.66
Rate(% YoY)	
Consumer Prices (% YoY)	4.44
Total Mining Industries	
Producer Price(% YoY)	9.18
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 25,413~25,439, Strengthened compared to last week(+0.09%).
- SBV announced central rate 24,241, Strengthened(+0.08%) compared to last week.
- The CNY exchange rate was limited in its strength despite a rebound in manufacturing PMI and a weaker US dollar, as investor sentiment remained constrained. The VND exchange rate showed a weekly strengthening trend due to increased expectations of a Fed rate cut, which led to a rebound in risk assets.
- The May manufacturing PMI remained at 50.3, the same as the previous month because of stable demand, and it continued expansion.
- FPI net sold 61.30 million.
 - VN index rose by 2.05%, VNIBOR3M was 4.9%, fell by 10.0bp.
- This week, with the US May CPI and the Fed's FOMC meeting scheduled, attention will be on potential rate cut signals and the dot plot. If the outlook suggests two rate cuts, the USD is likely to face downward pressure, leading to a drop in the VND exchange rate. However, if the expectation shifts to fewer than one rate cut within the year, the USD could strengthen further. (Expected range is 25,250~25,510)

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	0.6579
52wk high	0.6889
52wk low	0.6296
S&P/ASX200	7,860
52wk high	7,897
52wk low	6,773
Government Bond(10yr,%)	4.22
52wk high	4.95
52wk low	3.83
Major Indices Snap shot	
Real GDP growth rate (%YoY)	1.1
Consumer Prices(%YoY)	3.6
Producer Prices(%YoY)	4.3
Policy rate(%)	4.35
AU-US 2yr spread(%)	-0.91
China Imports From Australia(billion USD)	-5.4
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	-0.2

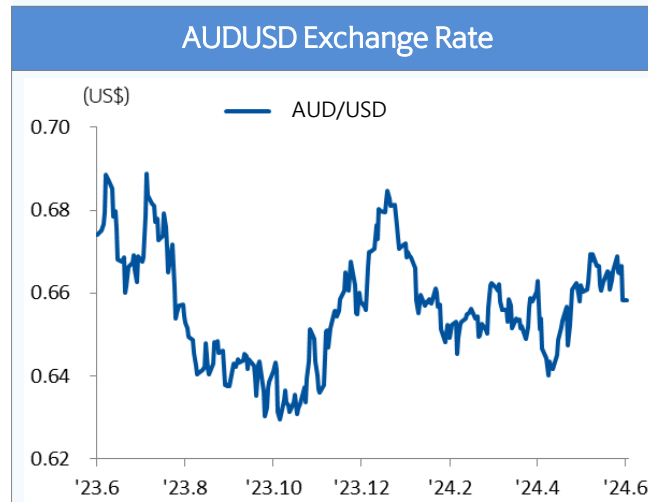
Last Week :

- The AUD, which was on an upward trend in early June and approaching 0.67, retreated and then sharply declined later in the week, breaking below 0.66.
- This was due to the hot US May nonfarm payrolls data, which led to a sharp rise in US Treasury yields and a stronger global dollar. Both new job creation and wage increases in the US exceeded market expectations and previous figures.

Outlook :

- While major advanced economies such as Sweden, Switzerland, Canada, and the ECB are cutting rates, highlighting the divergence in monetary policy, the relatively hawkish stance of the RBA is expected to support the AUD.
- However, in the short term, the AUD faces downside risks with the upcoming US CPI data on the 12th and the FOMC meeting.

*No changes.



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 6/7)			
	'24.09	'24.12	'25.03
A N Z	0.67	0.69	0.70
Wells Fargo	0.66	0.67	0.68
MUFG	0.68	0.70	0.70
Citi	0.65	0.64	0.66

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets

2024.06.10

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
	India (USD/INR)	2024-05-31	83.47	-0.44	-0.03	-0.66	-0.08	-0.88	-0.31
	Indonesia (USD/IDR)	2024-05-31	16,250.00	-1.58	0.06	-3.29	-4.55	-7.74	-5.25
	Vietnam (USD/VND)	2024-06-01	25,450.00	0.08	-0.45	-3.15	-4.67	-7.70	-4.64
	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
China Shanghai Stock Exchange	2024-05-31	3,086.81	-0.07	-0.58	1.98	1.82	-4.44	3.76	
	India Sensex	2024-05-31	73,961.31	-1.92	0.11	0.21	9.60	18.25	2.38
	Indonesia Jakarta	2024-05-31	6,970.74	-3.48	-2.30	-4.67	-1.26	5.09	-4.15
	Vietnam VN index	2024-05-31	1,261.72	-0.02	3.33	0.27	14.48	15.66	11.66
	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
	India	2024-05-31	6.98	-6.50	-20.50	-9.70	-29.90	-0.70	-19.30
	Indonesia	2024-05-31	6.92	-1.20	-32.40	31.80	29.40	55.30	44.30
	Vietnam	2024-05-31	2.97	-6.00	4.00	59.00	39.00	-31.00	60.00
	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