

Weekly Global FX Market Monitor

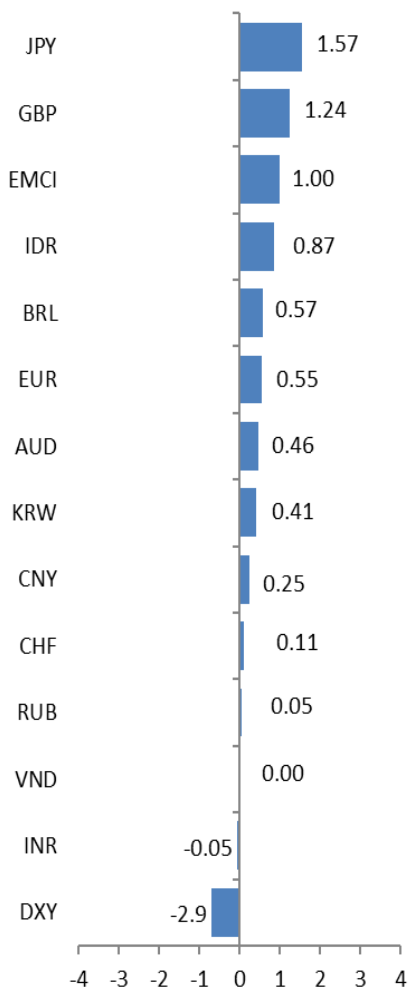
2024.07.15



Global

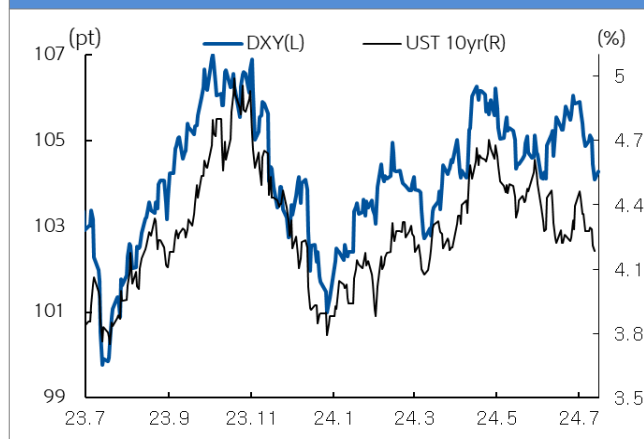
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

■ Weekly Change (%)



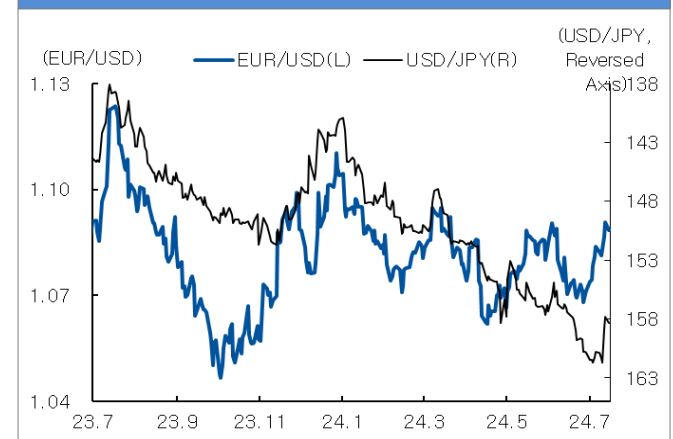
- Last week: Weak USD(-2.9%), Strong EUR(+0.55%), Strong JPY(+1.57%)
- At the Congress, Powell mentioned that he is aware of side effects of delay in rate cuts. Also, consumer price, following job data, dropped compared to last month and DXY fell. PPI was above market anticipation but dollar continued to weaken.
- EUR strengthened on the outlook that budget deficit is unlikely to spread immediately as France's left-wing didn't even win half seats and lagging US economic data.
- USDJPY dropped after June US CPI and PPI were announced, closing at 157.8 yen. But dropped more than other currencies so BOJ intervention maybe possible.
- Anticipation on rate cuts increased on Powell's comment and July US consumer price. US PPI was above market anticipation but detailed data was considered to be sound., maintaining expectations on US rate cut in September. EM currencies(+1.00%) rose.
 - China's June CPI was below market anticipation and PPI continued deflation but yuan rate didn't move much CNY(0.25%) strengthened as US inflation eased.
 - INR(-0.05%) weakened, VND(+0.00%) remained unchanged, and IDR(+0.87) strengthened.

Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2024.07.15

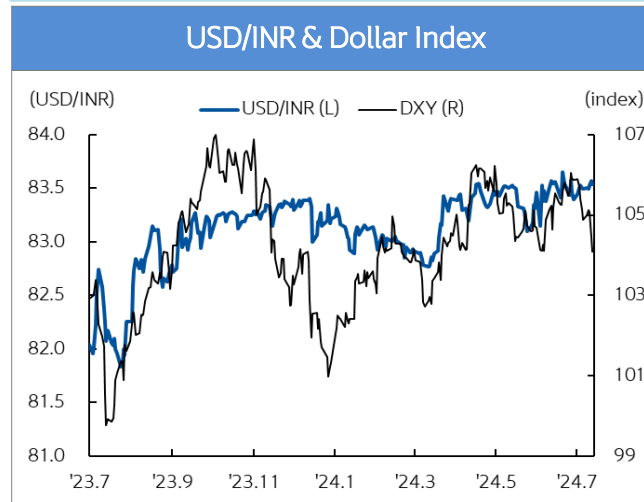


India

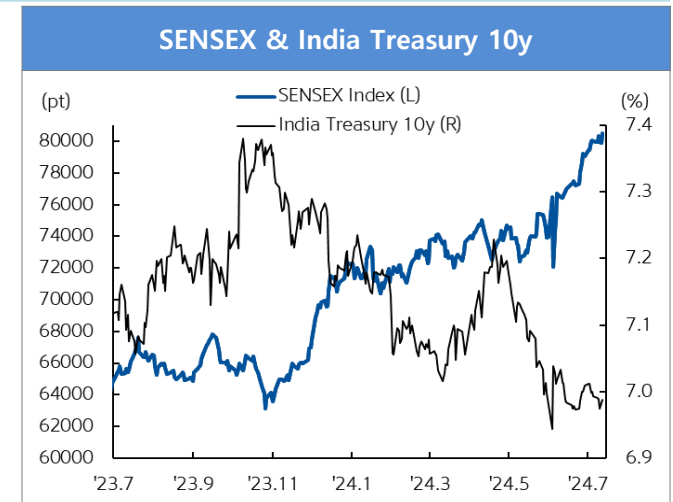
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

USD/INR	83.54
52wk high	83.67
52wk low	81.67
Sensex	80,519
52wk high	80,894
52wk low	63,093
Government Bond (10yr,%)	6.99
52wk high	7.40
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth	7.76
Rate(% YoY)	5.08
Consumer Prices (% YoY)	2.61
Producer Prices (% YoY)	6.50
RBI rate(%)	58.3
Manufacturing PMI (index)	5.90
Industrial Production (% YoY)	6.28
Core Sector Growth(% YoY)	9.1
Exports (% YoY)	7.71
Imports (% YoY)	5.70
Current Account (\$bn)	15952.1
Financial Earnings and Expenses (INR10mn)	657,155
FX Reserve (\$mn)	

- Last week, USD/INR moved around 83.49~83.57, weakened compared to last week.(-0.05%)
- Amid global investors are buying Indian bonds for 8 consecutive weeks along with inclusion to JP Morgan EM Index, RBI governor commented that mentioning about rate cut is untimely and INR and INR bonds slightly dropped. But as US inflation lagged, expectation on the Fed's rate cut increased and INR rebounded.
- June consumer price reversed declining trend due to rise in food prices (+5.08% yoy), core inflation marked record-low from 3.4% in May to 3.3% in June. May mining and manufacturing production increased by 5.9%.
- FPI net purchased in equity and bond market.
 - Equity: Net purchased(7/8~7/11 cumulative: \$505.53mil), SENSEX rose.(+0.65%)
 - Bond: Net purchased(7/8~7/11 cumulative: \$201.56 mil), bond yield dropped. (10y, 6.99%,-0.60bp)
- While the Fed's rate cut in September is highly likely due to lagging US inflation, if June US retail sales that is due on Tuesday slows down, expectation on rate cuts would increase. But USD/INR will maintain downward rigidity due to rise in global oil price. This week, June wholesale price(consensus: 3.6% yoy) and June export/import (consensus: trade surplus \$21.3 bil) are due. (Expected Range: 83.2~83.8)



Source: Bloomberg, SHB Solution & Trading Center



Source: Bloomberg, SHB Solution & Trading Center

Weekly Global FX Market Monitor

2024.07.15



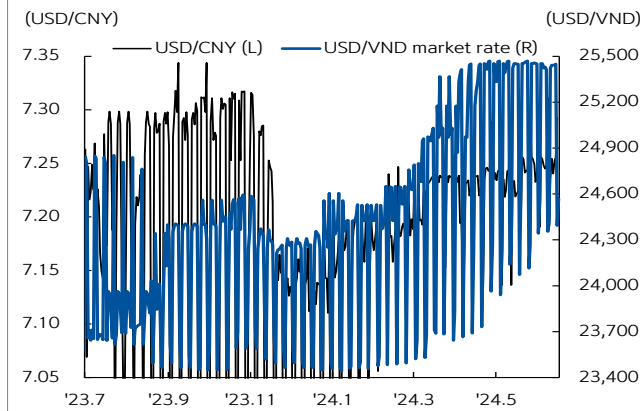
Vietnam

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

USD/VND	25,416
52wk high	25,477
52wk low	23,628
VN index	1,281
52wk high	1,306
52wk low	1,020
Government Bond(10yr,%)	2.95
52wk high	3.20
52wk low	2.23
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	6.93
Consumer Prices (% YoY)	4.34
Total Mining Industries Producer Price(% YoY)	9.18
Refinance rate(%)	4.50
Manufacturing PMI (index)	54.7
Industrial Production (% YoY)	10.90
Retail Sales(% YoY)	8.60
Exports (% YoY)	10.5
Imports (% YoY)	13.1
Current Account (\$mn)	5221.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	88,086

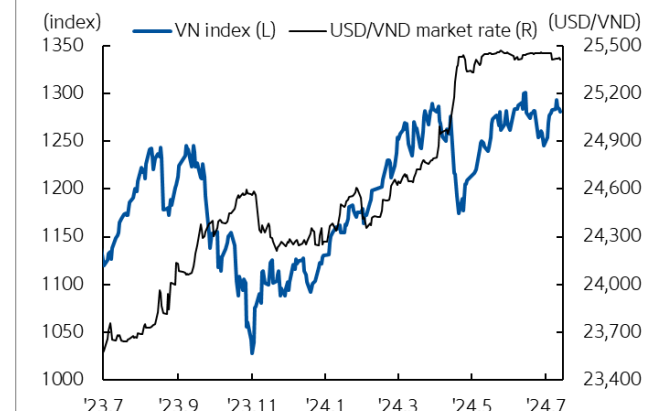
- Last week, USD/VND moved around 25,416~25,427, unchanged compared to last week(0.00)
- SBV announced central rate 24,248, Weakened(-0.01%) compared to last week.
- The CNY exchange rate fell below 7.26 at one point on the 12th as the USD weakened. Despite the USD's weakness and the CNY's strength, the VND's exchange rate only slightly decreased due to significant net selling of domestic stocks by foreign investors, remaining flat compared to the previous week.
- Domestic car sales in the first half of the year decreased by 2% (YoY) to 134,884 units, influenced by consumers delaying purchases in anticipation of the resumption of registration tax reductions.
- FPI net sold 177.09million.
- VN index fell by 0.18%, VNIBOR3M was 4.85%(+0.00)
- The likelihood of a Fed rate cut in September has increased, reducing upward pressure on the VND exchange rate. However, Biden's determination to stay in the race poses a hurdle to the dollar's decline, indicating that it may take time for the VND exchange rate to turn downward. This week, attention will be on the direction and scale of real estate stimulus policies to be discussed at China's Third Plenary Session. (Expected range :25,340~25,490)

USD/CNY & USD/VND Market Rate



Source : Bloomberg , SHB Solution & Trading Center

VN Index & USD/VND Market Rate



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2024.07.15



Australia

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

AUD/USD	0.6775
52wk high	0.6847
52wk low	0.6296
S&P/ASX200	8,004
52wk high	8,004
52wk low	6,773
Government Bond(10yr,%)	4.34
52wk high	4.95
52wk low	3.87
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(%)	-0.29
China Imports From Australia(billion USD)	-8.9
Exports(%,MoM)	4.0
Imports(%,MoM)	-0.4
Current Account(billion AUD)	-0.2

Last Week :

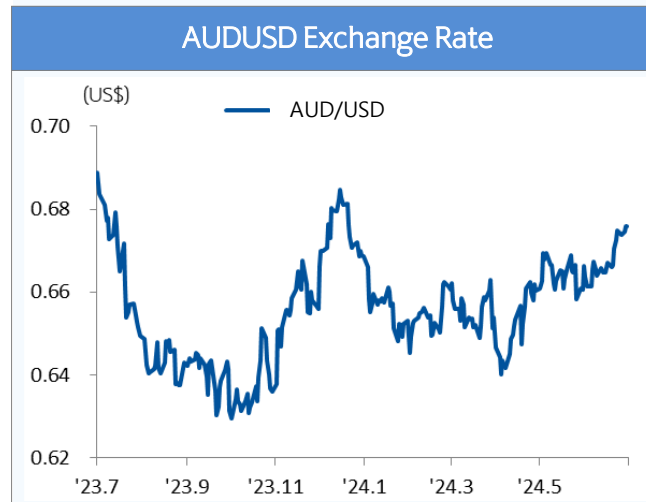
- On the 3rd, the unexpected decline in the June ISM Services Index caused the USD to fall and the AUD to rise. The Australian central bank's more hawkish stance compared to the US further boosted the AUD. After the US presidential TV debate on June 27th, the strengthening of Trump's lead initially limited the decline of the AUD.

Outlook :

- With the weakening of the USD, a short-term increase in the AUD is expected. Market concerns have eased after the French elections, and if Biden announces his withdrawal from the race, the USD may fall further, benefiting the AUD.

The US June CPI data on the 11th is expected to confirm further progress in disinflation, which would be advantageous for the AUD.

*No changes.



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 7/12)

	'24.09	'24.12	'25.03
A N Z	0.67	0.69	0.70
Wells Fargo	0.66	0.68	0.69
MUFG	0.67	0.68	0.70
Citi	0.65	0.64	0.66

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets 2024.07.15

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-07-15	104.28	-0.69	-1.21	-1.82	1.83	4.37	2.90
	Euro (EUR/USD)	2024-07-15	1.09	0.55	1.40	2.45	-0.60	-3.13	-1.40
	Yen (USD/JPY)	2024-07-15	158.35	1.57	-0.39	-2.57	-7.97	-12.40	-10.93
	Pound (GBP/USD)	2024-07-15	1.30	1.24	2.05	4.18	1.88	-0.82	1.85
	Switzerland (USD/CHF)	2024-07-15	0.90	0.11	-0.80	1.66	-4.56	-4.04	-6.17
	Australia (AUD/USD)	2024-07-15	0.68	0.46	2.34	5.06	1.62	-0.70	-0.65
FX - EM	South Korea (USD/KRW)	2024-07-13	1,375.35	0.41	0.05	0.00	-4.47	-6.29	-6.34
	China (USD/CNY)	2024-07-13	7.25	0.25	-0.14	-0.18	-1.14	-1.17	-2.07
	India (USD/INR)	2024-07-12	83.54	-0.05	0.01	-0.14	-0.74	-1.54	-0.39
	Indonesia (USD/IDR)	2024-07-12	16,138.00	0.87	0.97	-1.82	-3.64	-6.57	-4.59
	Vietnam (USD/VND)	2024-07-12	25,416.00	0.00	0.11	-1.51	-3.58	-6.86	-4.51
	Brazil (USD/BRL)	2024-07-13	5.43	0.57	-0.27	-5.73	-10.59	-11.21	-10.54
Russia (USD/RUB)	2024-07-13	87.88	0.05	1.30	6.17	0.57	2.93	1.81	
Stock - DM	United States Dow Jones	2024-07-13	40,000.90	1.59	3.66	6.00	6.41	15.91	6.13
	United States NASDAQ	2024-07-13	18,398.45	0.25	4.01	15.82	22.88	30.36	22.56
	United States S&P 500	2024-07-13	5,615.35	0.87	3.38	10.94	17.38	24.64	17.73
	Japan NIKKEI225	2024-07-12	41,190.68	0.68	6.12	4.99	14.73	27.17	23.09
	United Kingdom FTSE	2024-07-13	8,252.91	0.60	1.30	3.61	8.66	11.01	6.72
	France CAC40	2024-07-13	7,724.32	0.63	2.95	-3.99	4.22	4.74	2.40
Germany DAX	2024-07-13	18,748.18	1.48	4.14	4.00	12.79	16.41	11.92	
Stock - EM	South Korea KOSPI	2024-07-12	2,857.00	-0.03	3.57	6.99	13.10	8.70	7.60
	China Shanghai Stock Exchange	2024-07-12	2,971.30	0.72	-2.02	-2.82	2.95	-8.23	-0.12
	India Sensex	2024-07-12	80,519.34	0.65	4.58	9.70	9.81	21.89	11.46
	Indonesia Jakarta	2024-07-12	7,327.58	1.02	8.80	0.56	1.43	6.67	0.75
	Vietnam VN index	2024-07-12	1,280.75	-0.18	0.07	5.27	10.97	9.62	13.35
	Russia RTS	2024-06-21	1,151.93	0.00	-3.95	2.44	9.51	8.90	6.32
Brazil Bovespa	2024-07-13	128,896.98	2.08	7.72	2.84	-2.00	9.50	-3.94	
Rates - DM	United States	2024-07-12	4.18	-9.55	-13.31	-33.87	24.39	32.56	30.38
	Germany	2024-07-12	2.50	-6.00	-3.40	13.70	31.20	-8.20	47.20
	United Kingdom	2024-07-12	4.11	-1.60	-1.90	-2.80	31.60	-40.50	57.20
	Japan	2024-07-12	1.07	-1.40	7.90	21.00	45.80	59.10	45.10
Rates - EM	South Korea	2024-07-12	3.17	-4.80	-20.30	-37.00	-13.80	-59.00	-0.80
	India	2024-07-12	6.99	-0.60	-2.50	-19.20	-19.20	-12.80	-18.70
	Indonesia	2024-07-12	6.94	-12.20	-8.30	29.00	28.00	75.00	46.40
	Vietnam	2024-07-12	2.95	5.00	0.00	15.00	50.00	10.00	60.00
	Russia	2024-06-20	15.45	45.28	136.68	228.34	359.60	442.91	358.28
Brazil	2024-07-12	11.69	-24.40	-58.70	19.80	116.40	102.90	132.10	
Commodity	WTI (\$/bbl)	2024-07-15	82.39	0.07	5.02	-3.54	13.36	9.24	14.99
	Brent (\$/bbl)	2024-07-15	85.20	-0.64	3.12	-5.44	9.02	6.67	10.59
	Gold (\$/oz)	2024-07-15	2,407.00	2.03	3.79	0.99	17.04	23.12	16.68

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