

# Weekly Global FX Market Monitor

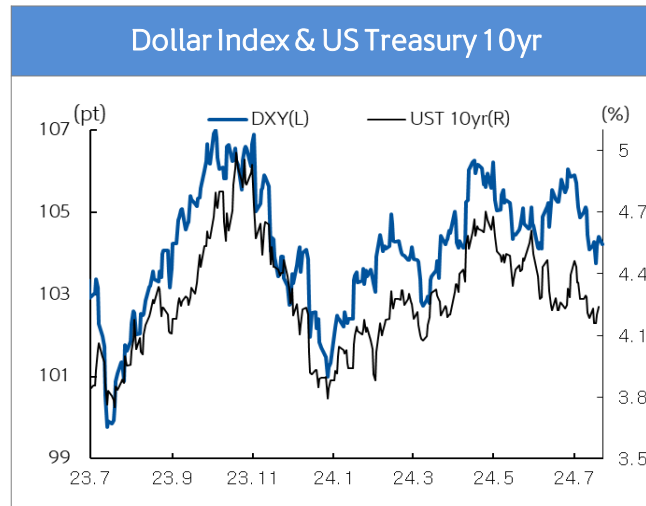
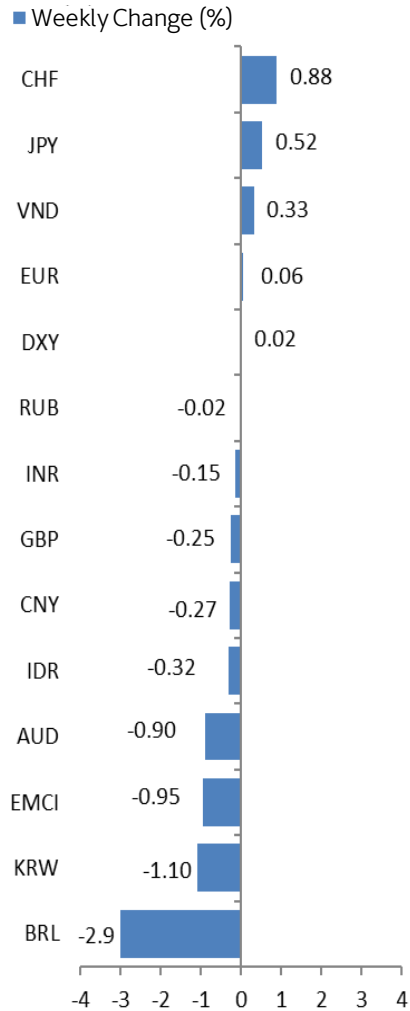
2024.07.22



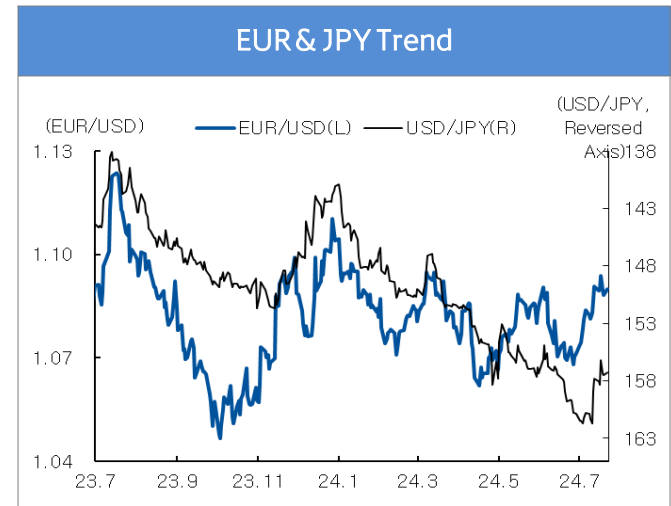
## Global

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Translation: Jae Yeon Hyun

- Last week: Bull maintenance USD(+0.2%), bull maintenance(+0.06%), Strong JPY(+0.52%).
- Expectation on the Fed's rate cut continues after confirming US economic data but as Trump favorability rises, adding upward pressure on dollar, DXY closed at 104pt.
- ECB maintained interest rate unchanged at July meeting and mentioned that future rate cuts will be data dependent. The market didn't react much. Although Eurozone's economic data is below market anticipation, inflation shows downward rigidity. EUR remained unchanged.
- USDJPY moved around 158yen level due to US June CPI and Japanese intervention. But after Trump criticized weak JPY at an interview, USDJPY dropped and closed at 157.4 yen.
- Due to uncertainty over US presidential election, investor sentiment has been damaged. Also, global IT outage had negative impact on EM currencies. EM currencies index (-0.95%) dropped.
- Brazilian President Lula mentioned that there is no need to follow fiscal rules, increasing concerns over fiscal deficit. BRL(-2.9%) weakened.
- INR(-0.15%) and IDR(-0.32%) weakened while VND(+0.33%).



Source: Bloomberg, SHBSolution & Trading Center



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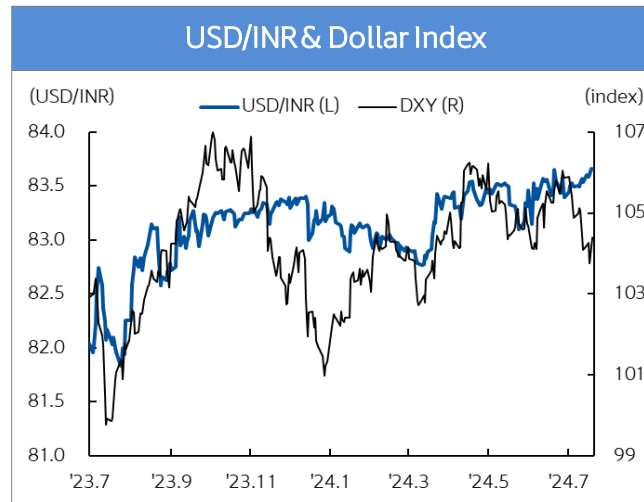


## India

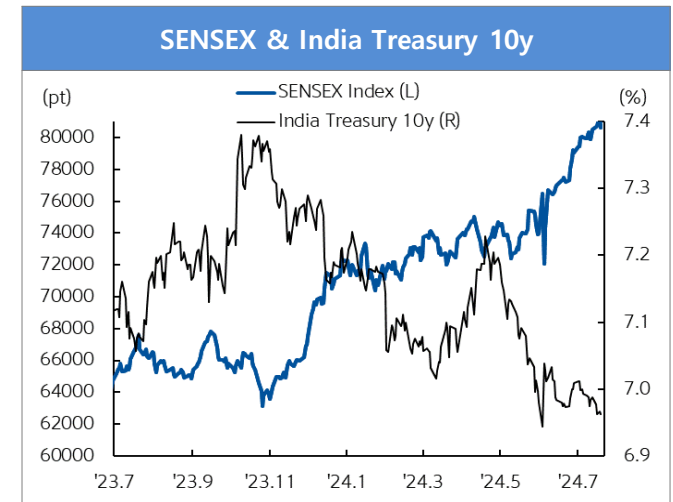
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USD/INR	83.66
52wk high	83.67
52wk low	81.67
Sensex	80,605
52wk high	81,588
52wk low	63,093
Government Bond (10yr,%)	6.96
52wk high	7.40
52wk low	6.94
<b>Major Indices Snap shot</b>	
Real GDP Growth	7.76
Rate(% YoY)	7.76
Consumer Prices (% YoY)	5.08
Producer Prices (% YoY)	3.36
RBI rate(%)	6.50
Manufacturing PMI (index)	58.3
Industrial Production (% YoY)	5.90
Core Sector Growth(% YoY)	6.28
Exports (% YoY)	2.56
Imports (% YoY)	4.98
Current Account (\$bn)	5.70
Financial Earnings and Expenses (INR10mn)	15952.1
FX Reserve (\$mn)	666,854

- Last week, USD/INR moved around 83.59~83.66, dropped compared to last week. (-0.15%)
- INR weakened on dollar buying needs of importers and defense related expenses, despite weak dollar trend after Trump being shot, and USD/INR rose to all-time high late in the week.
- June wholesale price rose 3.36% yoy, export/import rose 2.6% and 5.0% yoy. Trade deficit was \$20.97 bil.
- RBI, mentioned that neutral rate is an abstract concept that cannot impact real monetary policy.
- FPI net purchased in equity and bond market.
  - Equity: Net purchased(7/15~7/18 cumulative: \$1.22 bil), SENSEX rose(+0.89%)
  - Bond: Net purchased(7/15~7/18 cumulative: \$538.68mil), bond yield dropped. (10y, 6.96%, -2.40bp)
- While US 2Q GDP is due late in the week, if is above market consensus, additional weakening of dollar may be limited. India's budget plan is to be announced on 23rd and USD/INR will be more sensitive to domestic issues. (Expected Range: 83.3~83.8)



Source: Bloomberg, SHBSolution & Trading Center



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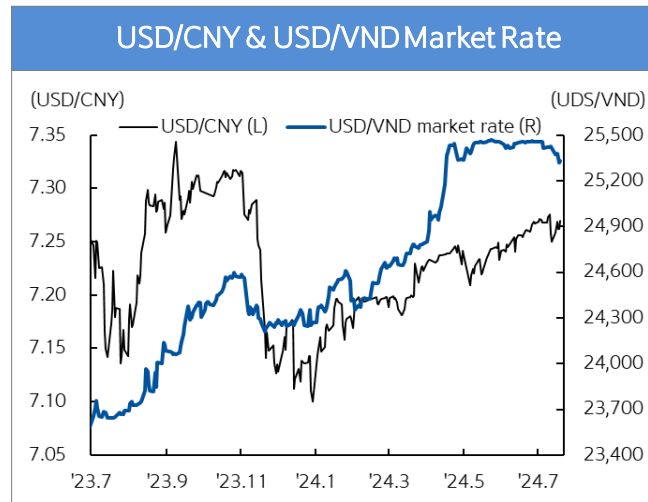


## Vietnam

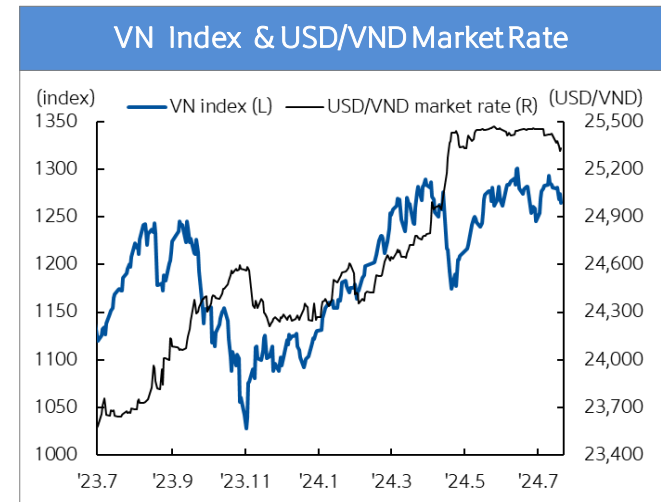
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USD/VND	25,333
52wk high	25,477
52wk low	23,646
VN index	1,265
52wk high	1,306
52wk low	1,020
Government Bond(10yr,%)	2.95
52wk high	3.20
52wk low	2.23
<b>Major Indices Snap shot</b>	
Real GDP Growth	6.93
Rate(% YoY)	
Consumer Prices (% YoY)	4.34
Total Mining Industries	9.18
Producer Price(% YoY)	
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 25,318~25,380, strengthened compared to last week(+0.33%)
- SBV announced central rate 24,246, strengthened(+0.01%) compared to last week.
- In the absence of domestic policies or short-term stimulus measures to address the real estate downturn from the Third Plenary Session, the CNY weakened due to Q2 growth falling short of expectations and poor performance in the Chinese stock market. The VND exchange rate declined due to strengthened expectations of a Fed rate cut in September.
- The ADB maintained Vietnam's economic growth forecast for this year at 6.0%. It stated that the surprising growth in the first half was due to base effects, and that prolonged domestic demand weakness and slowed trade in the processing and manufacturing sectors will inevitably slow growth in the second half. The ADB recommended that the government accelerate the disbursement of public investment expenditures.
- FPI net sold 30.74million.  
- VN index fell by 1.25%, VNIBOR3M was 4.933%(+8.3bp)
- Although the expectation of a Fed rate cut has reduced the pressure for further increases in the dong exchange rate, the People's Bank of China lowered the loan prime rate by 0.1% on the 22nd, maintaining upward pressure on the CNY. The decline in the VND exchange rate is likely to be modest. (Expected Range: 25,140~25,390)



Source: Bloomberg, SHBSolution & Trading Center



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## Australia

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AUD/USD	0.6665
52wk high	0.6847
52wk low	0.6296
S&P/ASX200	7,932
52wk high	8,058
52wk low	6,773
Government Bond(10yr,%)	4.31
52wk high	4.95
52wk low	3.89

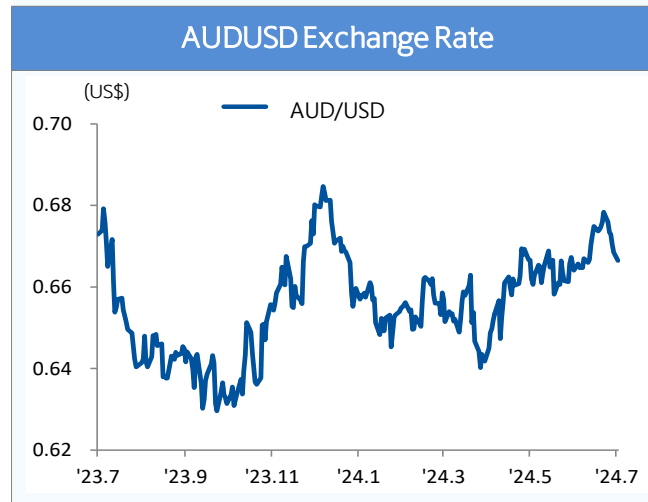
Major Indices Snap shot	
Real GDP growth rate (%YoY)	1.1
Consumer Prices(%YoY)	3.6
Producer Prices(%YoY)	4.3
Policy rate(%)	4.35
AU-US 2yr spread(%)	-0.37
China Imports From Australia(billion USD)	-8.9
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	-0.2

### Last Week:

- Following the June CPI results, the AUD approached 0.68 but later reached around 0.67 by the end of the week. The decline was generally consistent although not steep. This trend was interpreted as profit-taking after previous gains, amid stagnating or falling major commodity prices.

### Outlook:

- Despite increased expectations for a Fed rate cut in September due to progress on US inflation, the waning AUD rally is unlikely to regain momentum. The stalling of the global stock market rally is also negative for the AUD. While Trump's strong standing and expectations of a Fed pivot are creating mixed signals, the AUD's decline is unlikely to be significant.



Source: Refinitiv, SHB Solution & Trading Center

\*No changes.

### AUD/USD Forecast Distribution \* (as of 7/19)

	'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 2024.07.22

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-07-22	104.21	0.02	-1.50	-1.76	0.85	3.10	2.84
	Euro (EUR/USD)	2024-07-22	1.09	0.06	1.56	2.30	0.16	-1.48	-1.26
	Yen (USD/JPY)	2024-07-22	157.25	0.52	1.51	-1.53	-5.82	-10.03	-10.31
	Pound (GBP/USD)	2024-07-22	1.29	-0.25	1.96	4.74	1.78	0.83	1.60
	Switzerland (USD/CHF)	2024-07-22	0.89	0.88	0.56	2.70	-2.13	-2.06	-5.25
	Australia (AUD/USD)	2024-07-22	0.67	-0.90	0.63	3.86	1.96	-0.59	-1.66
FX - EM	South Korea (USD/KRW)	2024-07-20	1,390.65	-1.10	-0.64	-0.60	-3.72	-8.98	-7.37
	China (USD/CNY)	2024-07-20	7.27	-0.27	-0.18	-0.42	-1.05	-0.64	-2.34
	<b>India (USD/INR)</b>	<b>2024-07-19</b>	<b>83.66</b>	<b>-0.15</b>	<b>-0.25</b>	<b>-0.23</b>	<b>-0.71</b>	<b>-1.87</b>	<b>-0.54</b>
	Indonesia (USD/IDR)	2024-07-19	16,190.00	-0.32	1.08	0.40	-3.55	-7.38	-4.90
	<b>Vietnam (USD/VND)</b>	<b>2024-07-20</b>	<b>25,333.00</b>	<b>0.33</b>	<b>0.47</b>	<b>0.38</b>	<b>-3.09</b>	<b>-6.67</b>	<b>-4.20</b>
	Brazil (USD/BRL)	2024-07-20	5.60	-3.01	-2.91	-7.07	-11.93	-14.39	-13.23
Russia (USD/RUB)	2024-07-20	87.90	-0.02	-5.01	5.93	0.06	3.57	1.79	
Stock - DM	United States Dow Jones	2024-07-20	40,287.53	0.72	2.90	5.35	6.01	14.36	6.89
	United States NASDAQ	2024-07-20	17,726.94	-3.65	0.21	14.73	15.41	26.32	18.09
	United States S&P 500	2024-07-20	5,505.00	-1.97	0.74	9.87	13.50	21.35	15.41
	Japan NIKKEI225	2024-07-19	40,063.79	-5.12	3.80	7.01	9.62	24.02	19.72
	United Kingdom FTSE	2024-07-20	8,155.72	-1.18	-1.00	1.64	8.92	6.42	5.46
	France CAC40	2024-07-20	7,534.52	-2.46	-1.23	-6.29	1.64	1.37	-0.11
	Germany DAX	2024-07-20	18,171.93	-3.07	0.05	1.74	8.92	12.33	8.48
Stock - EM	South Korea KOSPI	2024-07-19	2,795.46	-2.15	0.40	6.31	13.44	7.12	5.28
	China Shanghai Stock Exchange	2024-07-19	2,982.31	0.37	-0.53	-2.05	8.20	-5.85	0.25
	<b>India Sensex</b>	<b>2024-07-19</b>	<b>80,604.65</b>	<b>0.89</b>	<b>4.40</b>	<b>9.44</b>	<b>12.85</b>	<b>20.88</b>	<b>11.58</b>
	Indonesia Jakarta	2024-07-19	7,294.50	-0.45	6.02	3.12	0.64	6.01	0.30
	<b>Vietnam VN index</b>	<b>2024-07-19</b>	<b>1,264.78</b>	<b>-1.25</b>	<b>-1.34</b>	<b>6.26</b>	<b>6.93</b>	<b>6.65</b>	<b>11.93</b>
	Russia RTS	2024-06-21	1,151.93	0.00	-3.95	2.44	9.51	8.90	6.32
Brazil Bovespa	2024-07-20	127,616.46	-0.99	5.17	1.63	0.80	6.16	-4.90	
Rates - DM	United States	2024-07-19	4.24	5.60	1.62	-38.18	11.63	49.06	35.98
	Germany	2024-07-19	2.47	-2.90	6.30	-3.30	12.50	2.90	44.30
	United Kingdom	2024-07-19	4.12	1.40	5.60	-10.70	19.40	-9.20	58.60
	Japan	2024-07-19	1.04	-2.10	11.30	19.30	37.60	57.80	43.00
Rates - EM	South Korea	2024-07-19	3.15	-1.50	-7.30	-43.80	-26.30	-42.30	-2.30
	<b>India</b>	<b>2024-07-19</b>	<b>6.96</b>	<b>-2.40</b>	<b>-1.10</b>	<b>-26.50</b>	<b>-21.60</b>	<b>-11.20</b>	<b>-21.10</b>
	Indonesia	2024-07-19	6.95	0.60	-19.30	-9.00	32.90	74.20	47.00
	<b>Vietnam</b>	<b>2024-07-19</b>	<b>2.95</b>	<b>0.00</b>	<b>0.00</b>	<b>9.00</b>	<b>50.00</b>	<b>20.00</b>	<b>60.00</b>
	Russia	2024-06-20	15.45	45.28	136.68	228.34	359.60	442.91	358.28
	Brazil	2024-07-19	12.11	42.70	18.70	61.40	133.80	130.50	174.80
Commodity	WTI (\$/bbl)	2024-07-22	80.55	-1.66	-0.22	-2.78	7.13	4.52	12.42
	Brent (\$/bbl)	2024-07-22	82.95	-2.24	-2.69	-4.66	3.61	2.32	7.67
	Gold (\$/oz)	2024-07-22	2,410.11	-0.50	3.23	3.56	19.21	23.30	16.83

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