

Weekly Global FX Market Monitor

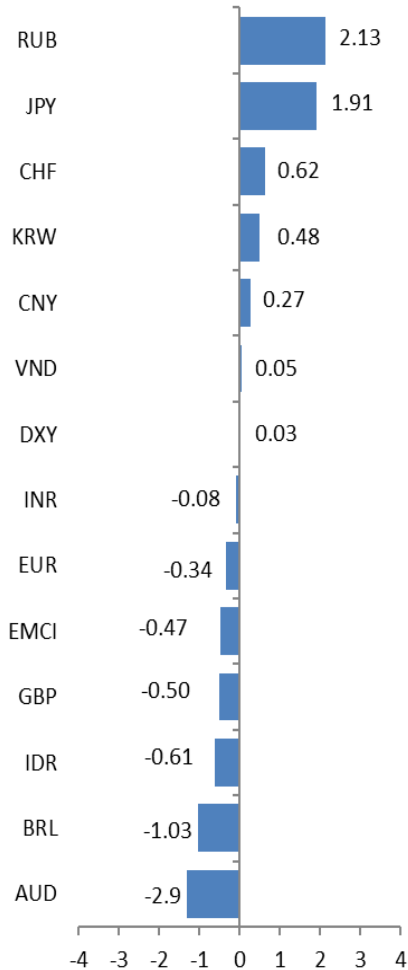
2024.07.29



Global

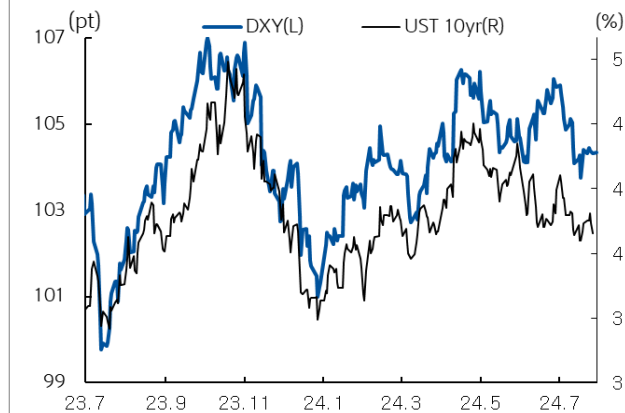
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Translation: Jae Yeon Hyun

■ Weekly Change (%)



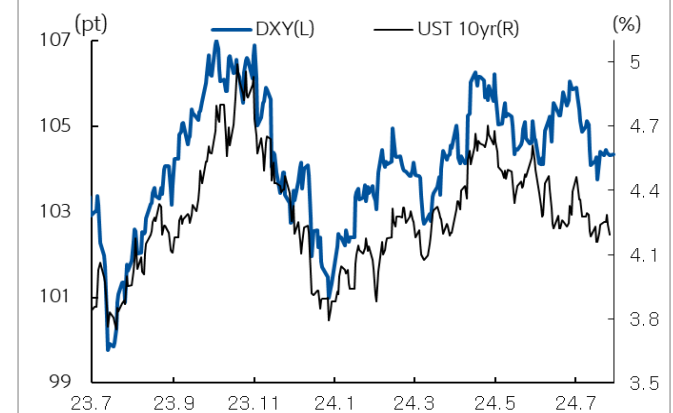
- Last week: Bull maintenance USD(+0.3%), Weak EUR(-0.34%), Strong JPY(+1.91%)
- Circumstances were set for DXY to fall as strong JPY continued. But lagging US stock market due to fall in tech stocks triggered risk averse sentiment, limiting the fall of DXY. DXY closed at 104pt level.
- Unwinding of yen carry trades resulted in drop in currencies with high interest rates and EUR weakened. Eurozone's lagging economic data also triggered weak EUR and EURUSD closed at 1.085 dollar.
- After Trump pointed out weak JPY at an interview, unwinding of yen carry trades dropped USDJPY. USDJPY dropped below 152yen during the week but rose up to 153yen late in the week.
- US inflation data is improving and US GDP rose above market anticipation. But due to lagging US stock market, investor sentiment was limited and EM currencies index(-0.47%) dropped.
- Bank of Russia still believes that the economy is overheated. The interest rate was increased by 200bp at the recent monetary policy meeting. RUB(+2.13) strengthened.
- VND(+0.05%) rose while INR(-0.08%) IDR(-0.61%) weakened.

Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

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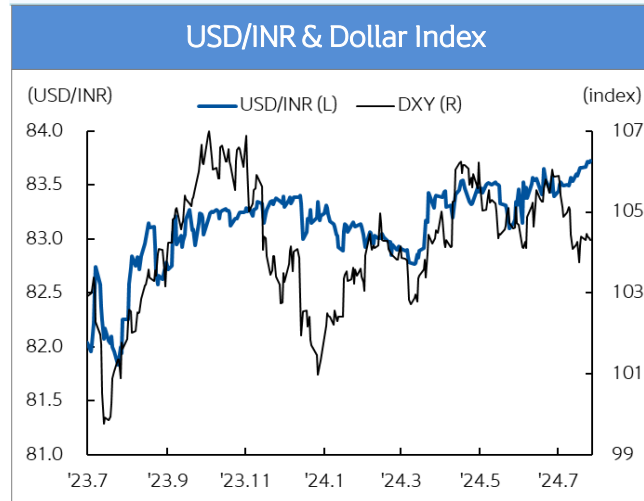


India

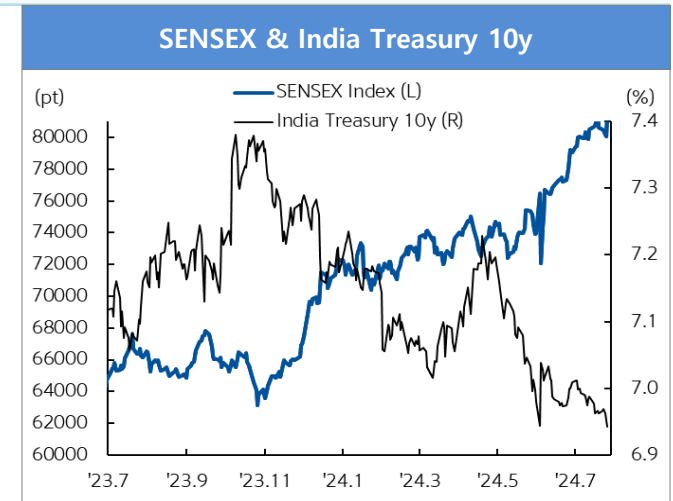
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USD/INR	83.73
52wk high	83.74
52wk low	82.21
Sensex	81,333
52wk high	81,588
52wk low	63,093
Government Bond (10yr,%)	6.94
52wk high	7.40
52wk low	6.93
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	7.76
Consumer Prices (% YoY)	5.08
Producer Prices (% YoY)	3.36
RBI rate(%)	6.50
Manufacturing PMI (index)	58.5
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)	670,857

- Last week, USD/INR moved around 83.66~83.72, dropped compared to last week. (-0.08%)
- Despite the announcement of pro-growth budget plan, foreign capital outflow due to increase in taxes on stocks and derivative products. USD/INR slightly rose.
- The government announced budget plan for 24-25 fiscal year where expenditure is increased for job creation. Fiscal deficit target was cut to 4.9% of GDP from 5.1% in interim budget. Real growth is expected to be between 6.5% and 7%.
- The government raised tax rates on equity derivative trades and on capital gains from equity investments in an attempt to suppress speculative trades in stock market
- FPI net purchased in both equity and bond market.
 - Equity: Net purchased(7/22~7/25 cumulative: \$130.84 mil), SENSEX rose. (+0.90%)
 - Bond: Net purchased(7/22~7/25 cumulative: \$485.17 mil), bond yield dropped. (10y, 6.94%, -2.10bp)
- Despite the government announced the budget to lower debt-to-GDP ratio, foreign capital inflow is highly likely to be limited due to measures on the stock market. FOMC is due this week and direction of USD needs to be closely monitored. (Expected Range: 83.4~83.8)



Source: Bloomberg, SHB Solution & Trading Center



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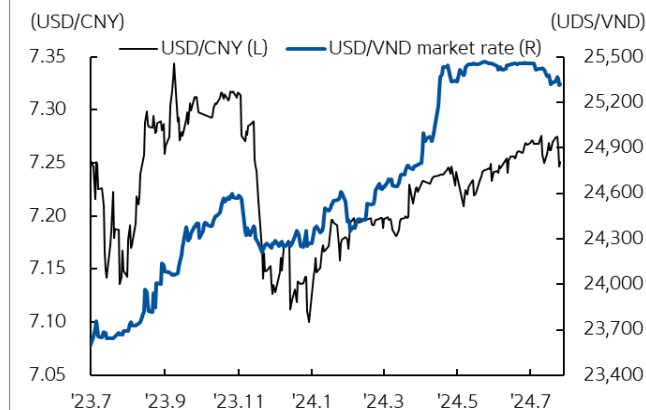
Vietnam

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USD/VND	25,321
52wk high	25,477
52wk low	23,668
VN index	1,242
52wk high	1,306
52wk low	1,020
Government Bond(10yr,%)	2.90
52wk high	3.25
52wk low	2.35
Major Indices Snap shot	
Real GDP Growth	6.93
Rate(% YoY)	
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

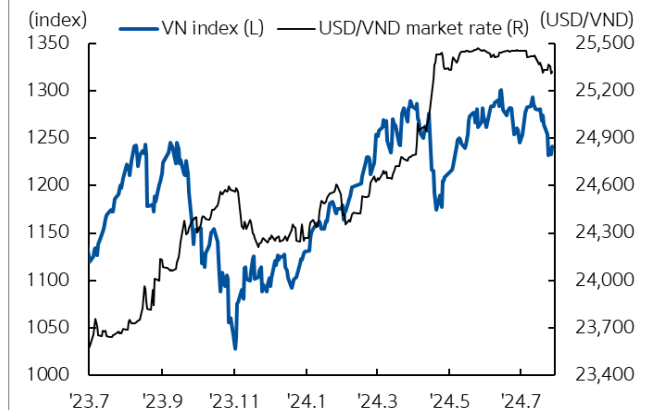
- Last week, USD/VND moved around 25,311~25,366, strengthened compared to last week(+0.05%)
- SBV announced central rate 24,249, weakened(-0.01%) compared to last week.
- Despite China cutting key interest rates, the likelihood of maintaining rates for an extended period increased. The appreciation of the Yen influenced the Yuan, causing it to dip to as low as 7.20 at one point. However, the Yuan rebounded, closing at 7.25. The VND exchange rate followed the Yuan's strengthening trend and showed a downward trend.
- FPI net sold 16.55 million.
- - VN index fell by 1.79%, VNIBOR3M was 4.933%(+0.00%)
- The BOJ monetary policy meeting is scheduled this week, but the uncertainty over a rate hike limits the potential for additional Yuan strength linked to Yen appreciation. Thus, the downward movement of the VND exchange rate is also expected to be limited. Key economic indicators are set to be released this week. The CPI is expected to increase by 4.3% YoY, and the trade balance is projected to record a surplus of \$2billion. (Expected Range: 25,140~25,390)

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	0.6562
52wk high	0.6847
52wk low	0.6296
S&P/ASX200	7,990
52wk high	8,058
52wk low	6,773
Government Bond(10Yr,%)	4.26
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(%)	-0.30
China Imports From Australia(billion USD)	-8.9
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	-0.2

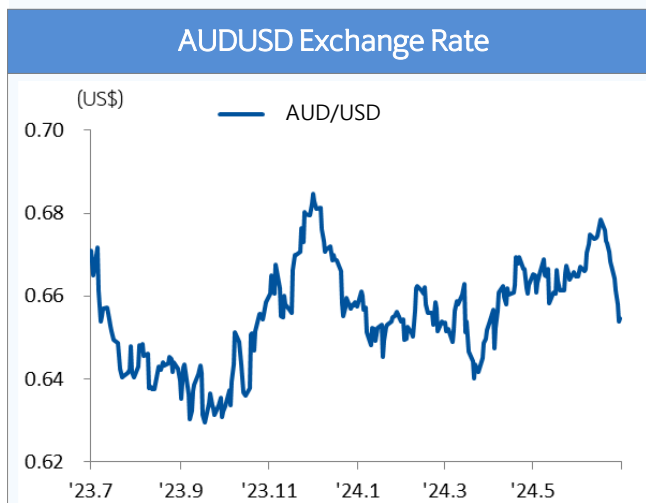
Last Week :

- The AUD is traditionally highly sensitive to Yen carry trades. With the decrease in the U.S.-Japan interest rate differential and Trump's raising issues, expectations for Yen depreciation were curbed.
- Consequently, the previous week saw significant unwinding of existing Yen carry trades, leading to a decline in the high-interest currency AUD.

Outlook :

- It is premature to conclude that the unwinding of Yen carry trades has been completed, which remains a factor for the decline of the high-interest currency AUD.
- The absence of clear domestic stimulus measures from China's third plenum has added to concerns over slowing demand in China, causing commodity prices to stall. This indicates the possibility of further AUD decline.

*No changes.



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 7/26)			
	'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 2024.07.29

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-07-29	104.34	0.03	-1.44	-1.17	0.71	2.68	2.97
	Euro (EUR/USD)	2024-07-29	1.09	-0.34	1.06	1.24	0.19	-1.30	-1.68
	Yen (USD/JPY)	2024-07-29	154.09	1.91	4.78	1.47	-4.28	-7.66	-8.47
	Pound (GBP/USD)	2024-07-29	1.29	-0.50	1.72	2.43	1.25	0.26	1.08
	Switzerland (USD/CHF)	2024-07-29	0.88	0.62	2.10	2.97	-2.58	-1.38	-4.83
	Australia (AUD/USD)	2024-07-29	0.66	-1.32	-1.58	-0.18	-0.85	-2.41	-3.77
FX - EM	South Korea (USD/KRW)	2024-07-27	1,383.95	0.48	0.35	-0.63	-3.44	-7.91	-6.93
	China (USD/CNY)	2024-07-27	7.25	0.27	0.22	-0.06	-1.01	-1.48	-2.08
	India (USD/INR)	2024-07-26	83.73	-0.08	-0.18	-0.45	-0.73	-2.07	-0.62
	Indonesia (USD/IDR)	2024-07-26	16,290.00	-0.61	0.71	-0.49	-2.89	-7.81	-5.48
	Vietnam (USD/VND)	2024-07-26	25,321.00	0.05	0.56	0.07	-2.83	-6.51	-4.15
	Brazil (USD/BRL)	2024-07-27	5.66	-1.03	-2.39	-9.54	-13.18	-16.23	-14.13
Russia (USD/RUB)	2024-07-26	86.07	2.13	2.54	6.76	4.42	4.49	3.96	
Stock - DM	United States Dow Jones	2024-07-27	40,589.34	0.75	3.76	5.74	5.88	14.47	7.69
	United States NASDAQ	2024-07-27	17,357.88	-2.08	-2.11	8.60	11.07	21.24	15.63
	United States S&P 500	2024-07-27	5,459.10	-0.83	-0.03	6.70	10.78	19.14	14.45
	Japan NIKKEI225	2024-07-26	37,667.41	-5.98	-4.84	-0.70	4.55	14.98	12.56
	United Kingdom FTSE	2024-07-27	8,285.71	1.59	1.49	1.70	8.55	7.69	7.14
	France CAC40	2024-07-27	7,517.68	-0.22	0.51	-6.79	-1.61	0.55	-0.34
	Germany DAX	2024-07-27	18,417.55	1.35	1.00	1.65	8.71	11.83	9.94
Stock - EM	South Korea KOSPI	2024-07-26	2,731.90	-2.27	-2.36	1.65	9.25	4.74	2.89
	China Shanghai Stock Exchange	2024-07-26	2,890.90	-3.07	-2.58	-7.14	0.26	-11.75	-2.82
	India Sensex	2024-07-26	81,332.72	0.90	2.91	8.92	13.05	22.93	12.59
	Indonesia Jakarta	2024-07-26	7,288.17	-0.09	3.18	1.85	1.83	5.62	0.21
	Vietnam VN index	2024-07-26	1,242.11	-1.79	-0.26	2.69	5.65	2.85	9.93
	Brazil Bovespa	2024-07-27	127,492.49	-0.10	2.89	0.11	-0.79	6.08	-4.99
Rates - DM	United States	2024-07-26	4.19	-4.50	-13.55	-46.91	5.66	32.71	31.48
	Germany	2024-07-26	2.41	-6.00	-4.50	-16.80	10.80	-7.80	38.30
	United Kingdom	2024-07-26	4.10	-2.30	-3.20	-22.40	13.60	-18.10	56.30
	Japan	2024-07-26	1.07	2.30	3.70	17.60	35.00	61.20	45.30
Rates - EM	South Korea	2024-07-26	3.10	-4.80	-17.10	-58.10	-28.30	-55.10	-7.10
	India	2024-07-26	6.94	-2.10	-5.70	-24.50	-23.40	-15.50	-23.20
	Indonesia	2024-07-26	6.98	3.40	-12.70	-19.70	34.00	71.80	50.40
	Vietnam	2024-07-26	2.90	0.00	0.00	0.00	45.00	40.00	50.00
	Russia	2024-06-20	15.45	45.28	136.68	228.34	359.60	442.91	358.28
Brazil	2024-07-26	12.09	-1.90	2.50	42.50	141.50	124.80	172.90	
Commodity	WTI (\$/bbl)	2024-07-29	77.33	-3.07	-5.16	-6.41	0.72	-4.03	7.93
	Brent (\$/bbl)	2024-07-29	81.43	-1.18	-5.76	-7.88	-1.18	-4.19	5.70
	Gold (\$/oz)	2024-07-29	2,395.72	-0.04	2.74	2.57	17.83	21.91	16.13

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