

# Weekly Global FX Market Monitor

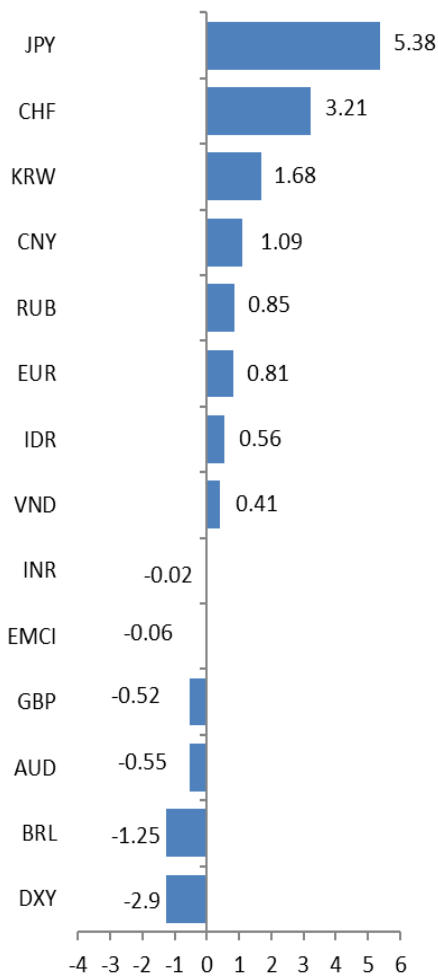
2024.08.05



## Global

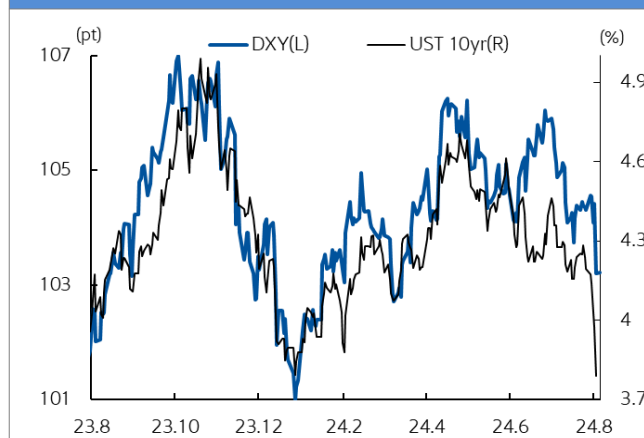
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Translation: Jae Yeon Hyun

Weekly Change (%)



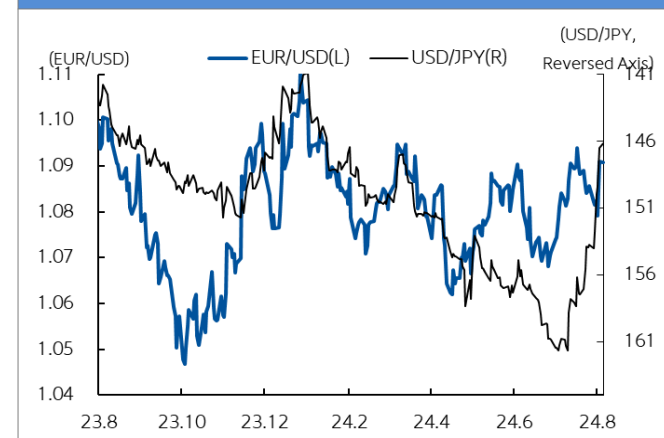
- Last Week: Weak USD(-2.9%), Strong EUR(+0.81%), Strong JPY(+5.38%)
- US dollar weakened on the Fed's possible rate cuts in September and rising concerns about the US economy triggered by job data and manufacturing industry data.
- DXY dropped on anticipation on the Fed's rate cuts. As risk averse sentiment emerged, EUR rose and closed at 1.09 dollar level.
- BOJ raised benchmark interest rate by 0.25% last week and announced the roadmap for trimming bond buying program (reducing monthly outright purchases of Japanese government bonds to about 3 trillion yen per month in 2026 1Q. USDJPY plunged, closing at 146.5yen level.
- EM currencies index(-0.06%) fluctuated despite increasing possibility of the Fed's rate cuts due to concerns about lagging US economy and strong JPY.
- Despite lagging July manufacturing PMI, CNY(+1.09%) strengthened on strong JPY triggered by BOJ's rate hike.
- INR(-0.02%) weakened while VND(+0.41%) and IDR(0.56%) 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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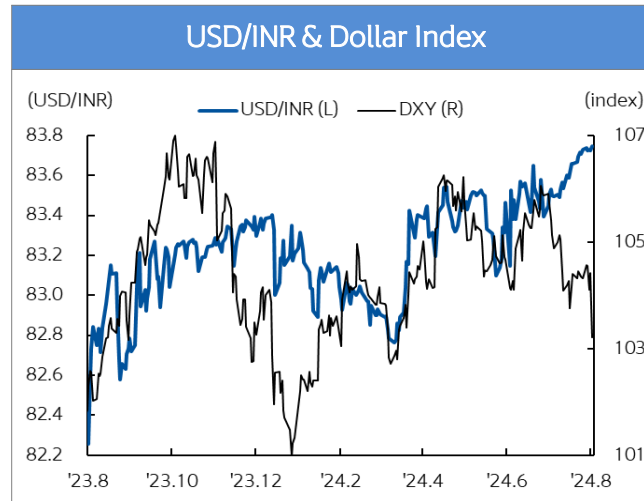


## India

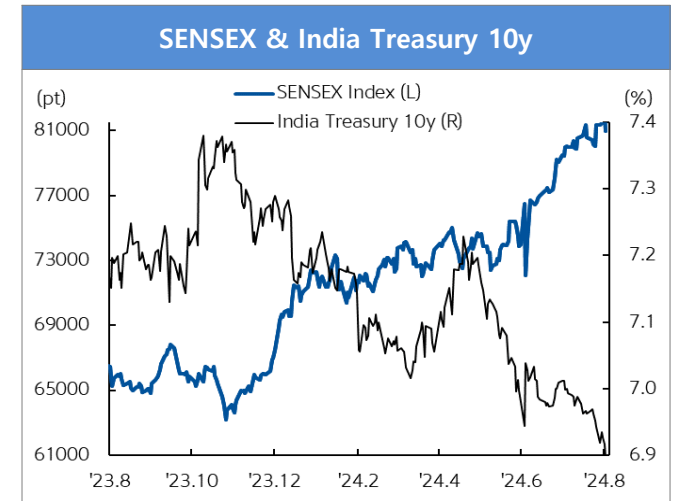
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USD/INR	83.75
52wk high	83.76
52wk low	82.36
Sensex	80,982
52wk high	82,129
52wk low	63,093
Government Bond (10yr,%)	6.89
52wk high	7.40
52wk low	6.89
<b>Major Indices Snap shot</b>	
Real GDP Growth	7.76
Rate(% YoY)	7.76
Consumer Prices (% YoY)	5.08
Producer Prices (% YoY)	3.36
RBI rate(%)	6.50
Manufacturing PMI (index)	58.1
Industrial Production (% YoY)	5.90
Core Sector Growth(% YoY)	4.00
Exports (% YoY)	2.56
Imports (% YoY)	4.98
Current Account (\$bn)	5.70
Financial Earnings and Expenses (INR10mn)	-8509.7
FX Reserve (\$mn)	667,386

- Last week, USD/INR moved around 83.72~83.75, dropped compared to last week. (-0.02%)
- While global oil price volatility increased on intensifying tension in the Middle East and concerns about diminishing demand, INR weakened on rising concerns about lagging US economy despite the Fed's possible rate cut in September. The Indian government's attempts to suppress foreign capital inflow to certain bonds may add to weakening of INR.
- July manufacturing PMI was 58.1, continuing the expansion trend (last month: 58.5)
- FPI net sold in equity market and net purchased in bond market.
  - Equity: net sold(7/29~8/1 cumulative: \$790.5mil), SENSEX dropped. (-0.43%)
  - Bond: net purchased(7/29~8/1 cumulative: \$888.53mil), bond yield dropped. (10y, 6.89%, -4.80bp)
- INR is likely to weaken despite anticipation on the Fed's rate cut due to cautions on economic downturn. The interest rate is likely to be maintained unchanged at the meeting on 8th. But Bank of India may shift to neutral policy stance considering growth hindrance, slowdown in core inflation, drop in food prices due to increase harvest, etc. (Expected Range: 83.5~83.9)



Source: Bloomberg, SHB Solution & Trading Center



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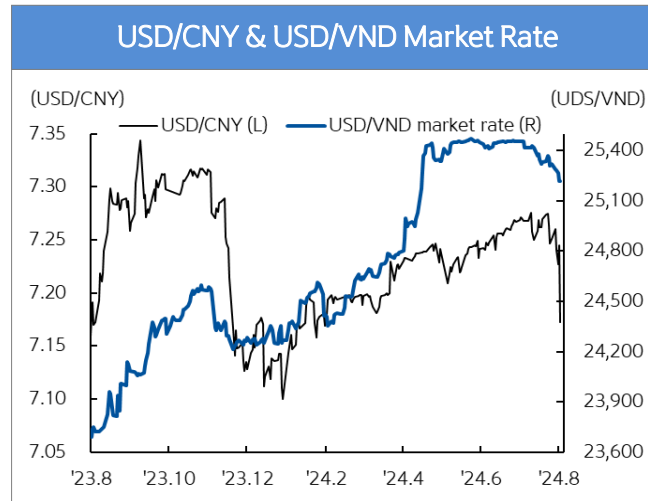


## Vietnam

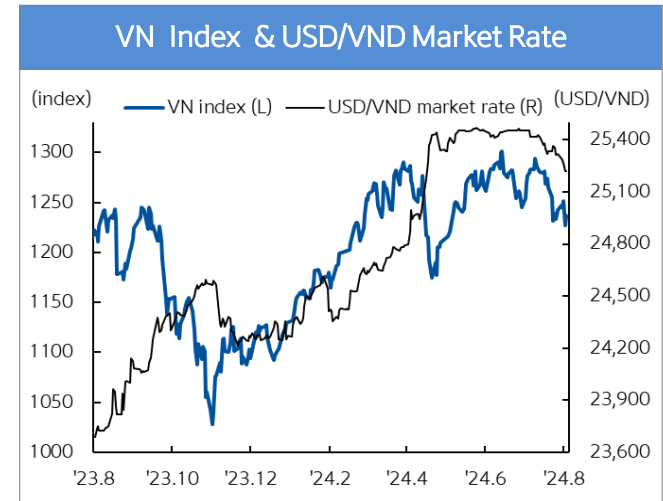
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USD/VND	25,219
52wk high	25,477
52wk low	23,681
VN index	1,237
52wk high	1,306
52wk low	1,020
Government Bond(10yr,%)	2.87
52wk high	3.25
52wk low	1.32
<b>Major Indices Snap shot</b>	
Real GDP Growth	6.93
Rate(% YoY)	
Consumer Prices (% YoY)	4.36
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	54.7
Industrial Production (% YoY)	11.20
Retail Sales(% YoY)	8.70
Exports (% YoY)	19.1
Imports (% YoY)	24.7
Current Account (\$mn)	5221.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	88,086

- Last week, USD/VND moved around 25,219~25,290, strengthened compared to last week(+0.4%)
- SBV announced central rate at 24,242, strengthened(+0.03%) compared to last week.
- The CNY rebounded following the FOMC meeting, supported by a weaker US dollar and a sharp rise in the Yen, bringing the exchange rate down to 7.22. Meanwhile, the VND also strengthened to 25,219, influenced by positive domestic economic indicators, a weaker USD, and a stronger CNY.
- The July manufacturing PMI was robust at 54.7, continuing its recovery with new orders increasing for four consecutive months, and the production growth rate reaching the highest level in 13 years.
- July industrial production increased by 11.2%(YoY), with exports and imports up by 19.1% and 24.7%, respectively, resulting in a trade surplus of \$2.12 billion. Retail sales increased by 9.4%
- CPI rose by 0.48%(Mom) and by 4.36%(YoY), driven by rising healthcare premiums due to public sector wage increases and increased electricity demand. Core inflation remained relatively stable, rising by 2.61%(YoY).
- FPI net sold 15.79 million.
  - VN index fell by 0.44%, VNIBOR3M was 4.9%(-3.3bp)
- The expected interest rate cut by the US Fed in September and the strengthening Yuan have reduced upward pressure on the VND exchange rate. However, caution remains regarding US recession fears and China's economic slowdown.(Expected Range: 25,040~25,300)



Source : Bloomberg , SHB Solution & Trading Center



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## Australia

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AUD/USD	0.6500
52wk high	0.6847
52wk low	0.6296
S&P/ASX200	7,722
52wk high	8,115
52wk low	6,773
Government Bond(10yr,%)	4.05
52wk high	4.95
52wk low	3.89
<b>Major Indices Snap shot</b>	
Real GDP growth rate (%YoY)	1.1
Consumer Prices(%YoY)	3.8
Producer Prices(%YoY)	4.8
Policy rate(%)	4.35
AU-US 2yr spread(%)	-0.05
China Imports From Australia(billion USD)	-8.9
Exports(%MoM)	4.0
Imports(%MoM)	-0.4
Current Account(billion AUD)	-0.2

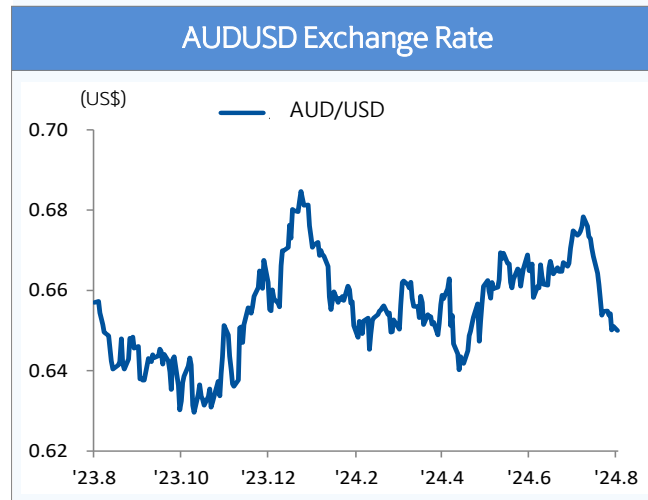
### • Last Week :

- The AUD is traditionally very sensitive to Yen carry trades.
- The recent strength of the Yen has led to AUD weakness. In the FX market overall, high-yield currencies have been falling while low-yield currencies have been rising, a trend amplified by the weaker-than-expected US July nonfarm payrolls.

### Outlook :

- There are still Yen short positions remaining, suggesting that further unwinding of Yen carry trades could lead to additional declines in the high-yield AUD.
- The RBA is scheduled to hold a monetary policy meeting on the 6th. Although they have been hawkish recently, it is expected they will adopt a more neutral stance due to falling commodity prices and global interest rate declines. In the short term, further AUD decline is anticipated.

\*No changes.



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 8/2)			
	'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 2024.08.05

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-08-05	103.23	-1.28	-1.57	-1.72	-1.17	1.18	1.87
	Euro (EUR/USD)	2024-08-05	1.09	0.81	0.64	1.30	1.55	-0.85	-1.18
	Yen (USD/JPY)	2024-08-05	146.16	5.38	9.98	5.31	1.72	-2.50	-3.50
	Pound (GBP/USD)	2024-08-05	1.28	-0.52	-0.16	1.85	2.07	0.09	0.50
	Switzerland (USD/CHF)	2024-08-05	0.86	3.21	4.33	5.57	1.42	1.67	-1.99
	Australia (AUD/USD)	2024-08-05	0.65	-0.55	-3.50	-1.69	0.46	-0.91	-4.39
FX - EM	South Korea (USD/KRW)	2024-08-03	1,361.15	1.68	1.89	1.08	-2.85	-4.61	-5.37
	China (USD/CNY)	2024-08-03	7.17	1.09	1.38	0.96	0.30	0.27	-1.01
	<b>India (USD/INR)</b>	<b>2024-08-02</b>	<b>83.75</b>	<b>-0.02</b>	<b>-0.29</b>	<b>-0.33</b>	<b>-0.98</b>	<b>-1.39</b>	<b>-0.64</b>
	Indonesia (USD/IDR)	2024-08-02	16,200.00	0.56	1.20	-0.09	-3.35	-6.33	-4.96
	<b>Vietnam (USD/VND)</b>	<b>2024-08-03</b>	<b>25,219.00</b>	<b>0.40</b>	<b>0.94</b>	<b>0.65</b>	<b>-3.43</b>	<b>-5.88</b>	<b>-3.77</b>
	Brazil (USD/BRL)	2024-08-03	5.73	-1.25	-0.90	-10.76	-13.23	-16.02	-15.20
Russia (USD/RUB)	2024-08-03	85.34	0.85	2.91	9.19	6.33	10.20	4.84	
Stock - DM	United States Dow Jones	2024-08-03	39,737.26	-2.10	0.92	2.74	3.54	13.32	5.43
	United States NASDAQ	2024-08-03	16,776.16	-3.35	-8.59	3.84	7.56	20.76	11.76
	United States S&P 500	2024-08-03	5,346.56	-2.06	-3.96	4.27	8.17	19.40	12.09
	Japan NIKKEI225	2024-08-02	35,909.70	-4.67	-12.23	-6.08	-1.22	11.55	7.31
	United Kingdom FTSE	2024-08-03	8,174.71	-1.34	-0.36	-0.47	7.38	8.07	5.71
	France CAC40	2024-08-03	7,251.80	-3.54	-5.52	-8.87	-4.46	-0.86	-3.86
	Germany DAX	2024-08-03	17,661.22	-4.11	-4.41	-1.89	4.48	10.72	5.43
Stock - EM	South Korea KOSPI	2024-08-02	2,676.19	-2.04	-6.50	-0.02	3.28	2.82	0.79
	China Shanghai Stock Exchange	2024-08-02	2,905.34	0.50	-1.51	-6.43	7.52	-11.64	-2.34
	<b>India Sensex</b>	<b>2024-08-02</b>	<b>80,981.95</b>	<b>-0.43</b>	<b>1.23</b>	<b>9.62</b>	<b>12.90</b>	<b>23.22</b>	<b>12.10</b>
	Indonesia Jakarta	2024-08-02	7,308.12	0.27	0.75	2.43	1.52	6.64	0.49
	<b>Vietnam VN index</b>	<b>2024-08-02</b>	<b>1,236.60</b>	<b>-0.44</b>	<b>-3.62</b>	<b>1.28</b>	<b>4.26</b>	<b>0.87</b>	<b>9.44</b>
	Brazil Bovespa	2024-08-03	125,854.09	-1.29	-0.33	-2.07	-1.36	5.31	-6.21
Rates - DM	United States	2024-08-02	3.79	-40.35	-64.12	-79.07	-22.95	-28.71	-8.87
	Germany	2024-08-02	2.17	-23.30	-42.90	-36.70	-6.70	-36.10	15.00
	United Kingdom	2024-08-02	3.83	-27.20	-42.00	-45.80	-9.00	-57.50	29.10
	Japan	2024-08-02	0.95	-11.70	-13.60	4.90	27.80	32.20	33.60
Rates - EM	South Korea	2024-08-02	2.97	-13.40	-31.00	-67.20	-32.00	-81.00	-20.50
	<b>India</b>	<b>2024-08-02</b>	<b>6.89</b>	<b>-4.80</b>	<b>-11.80</b>	<b>-26.60</b>	<b>-16.10</b>	<b>-25.80</b>	<b>-28.00</b>
	Indonesia	2024-08-02	6.85	-13.80	-27.80	-33.80	32.40	58.90	36.60
	<b>Vietnam</b>	<b>2024-08-02</b>	<b>2.87</b>	<b>-3.00</b>	<b>0.00</b>	<b>-6.00</b>	<b>46.00</b>	<b>31.00</b>	<b>50.00</b>
	Russia	2024-06-20	15.45	45.28	136.68	228.34	359.60	442.91	358.28
Commodity	Brazil	2024-08-02	11.77	-32.90	-54.40	12.10	107.00	107.40	140.00
	WTI (\$/bbl)	2024-08-05	73.97	-2.43	-11.05	-5.30	1.64	-10.69	3.24
	Brent (\$/bbl)	2024-08-05	77.28	-3.13	-10.70	-6.85	-0.91	-10.39	0.31
	Gold (\$/oz)	2024-08-05	2,445.77	2.58	2.24	5.24	20.77	26.29	18.56

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