

Weekly Global FX Market Monitor

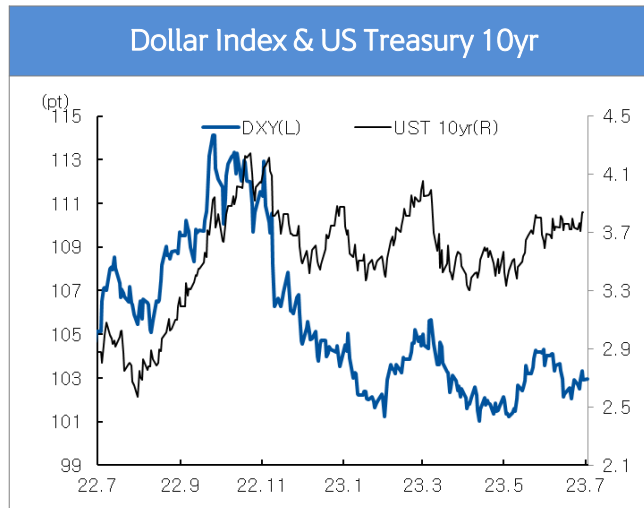
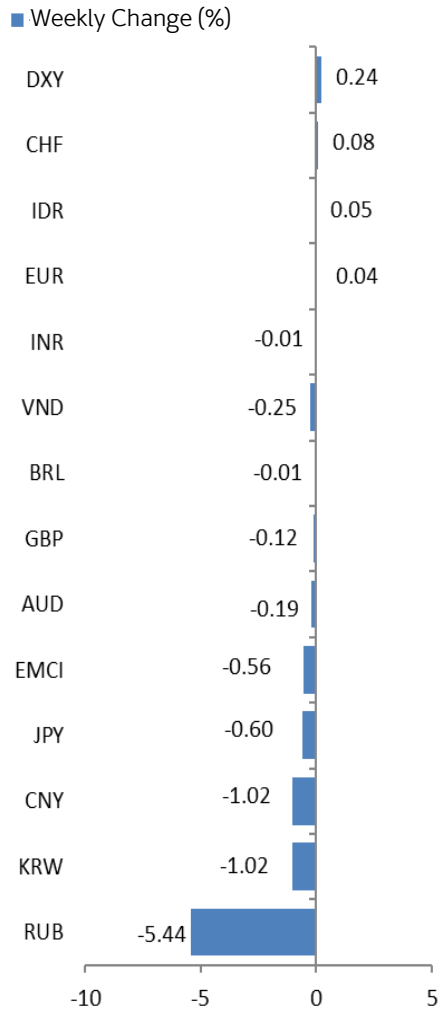
2023.7.3



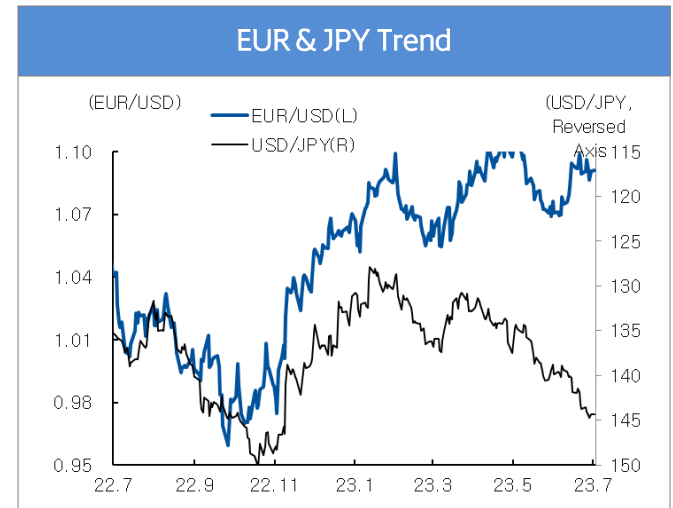
Global

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

- Global FX market(last week): Strong USD(+0.24%), Strong EUR(+0.04%), Weak JPY(-0.60%)
 - DXY strengthened as Powell mentioned possibility of further rate hike and confirmed U.S. GDP in 1Q(+2%) was above implied GDP(+1.3%) and early estimate(+1.1%). But after U.S. PCE in May was announced, the rising trend was limited.
 - Amid sluggish German indices, EUR rose and closed at 1.08 level despite U.S. treasury yield surged as the ECB continued hawkish comments for few days.
 - USDJPY rose up to 145 level as U.S. treasury yield rose but closed at 144 level after verbal intervention from high ranking officials.
- EM currencies weakened as the Fed's confirmation of its tightening stance and upward adjustment of U.S. GDP in 1Q led to strong USD.
 - Due to political uncertainty, capital outflow from Russia increased and RUB(-5.44%) weakened compared to last week.
 - INR(-0.01%) and VND(-0.60%) weakened while IDR(+0.05%) strengthened.



Source : Bloomberg , SHB Solution & Trading Center



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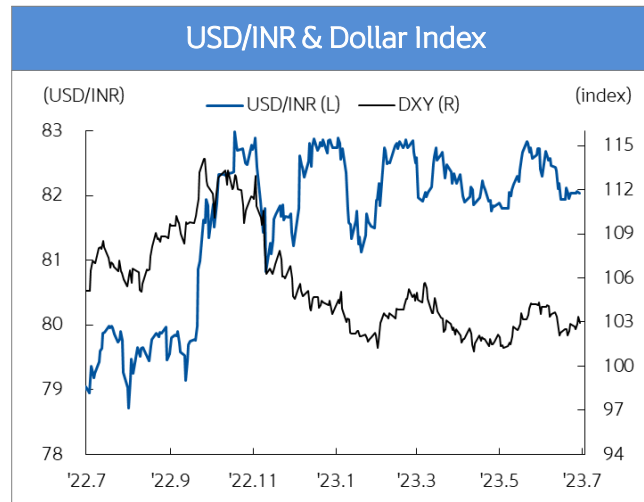


India

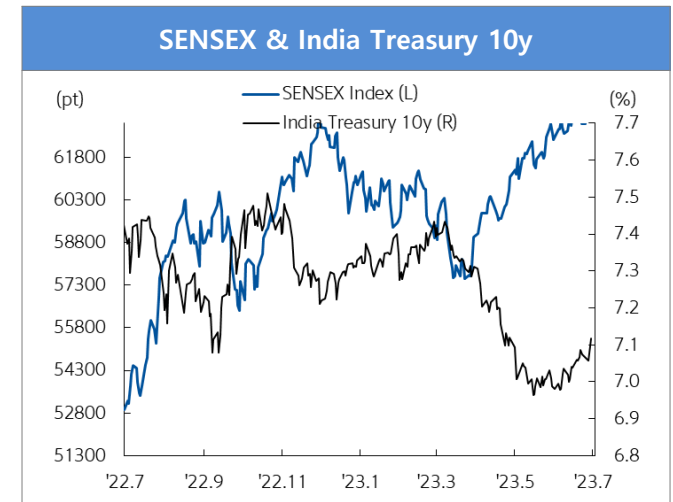
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USD/INR	82.04
52wk high	83.29
52wk low	78.50
Sensex	64,719
52wk high	64,769
52wk low	52,094
Government Bond (10yr,%)	7.12
52wk high	7.54
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	6.06
Consumer Prices (% YoY)	4.25
Producer Prices (% YoY)	-3.48
RBI rate(%)	6.50
Manufacturing PMI (index)	58.7
Industrial Production (% YoY)	4.20
Core Sector Growth(% YoY)	4.34
Exports (% YoY)	-10.31
Imports (% YoY)	-6.58
Current Account (\$bn)	-1.34
Finacail Earnings and Expenses (INR10mn)	-766
FX Reserve (\$mn)	593,198

- Last week, USD/INR moved in the range of 82.03~82.05, finished bearish(-0.01%)
- Despite strong USD, INR exchange rate volatility was low last week due to the narrowing of the current account deficit. The current account deficit in 1Q was \$1.3 billion, which was below market expectations(\$0.3 billion in profit), but the deficit was significantly narrowed from the previous level (Loss of \$18.2 billion).
- FPI net purchased in equity and bond market.
 - Equity: Net purchased (6/26~6/28 accumulated: \$1,985.81 mil), SENSEX rose (+2.34%)
 - Bond: Net purchased (6/26~6/28 accumulated: \$1,119.05 mil), bond yield rose (10y, 7.12%, +4.40bp)
- The US non-farm payrolls data is scheduled to be released this week. If the US labor market is still strong, there could be a surge in concerns about further rate hikes and a strong USD trend. However, foreign capital inflows into the Indian stock market are expected to continue, and as a result, the volatility of INR exchange rate is not expected to be large. (Expected Range: 81.6~82.4)



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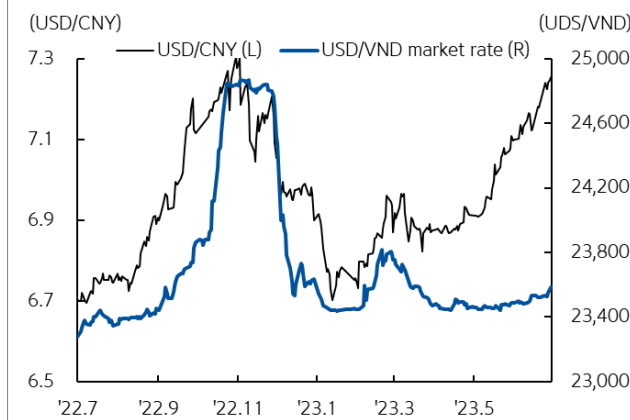
Vietnam

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USD/VND	23,583
52wk high	24,874
52wk low	23,311
VN index	1,120
52wk high	1,295
52wk low	874
Government Bond(10yr,%)	2.70
52wk high	5.21
52wk low	2.68
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	4.14
Consumer Prices (% YoY)	2
Total Mining Industries Producer Price(% YoY)	9.18
Refinance rate(%)	4.50
Manufacturing PMI (index)	45.3
Industrial Production (% YoY)	2.80
Retail Sales(% YoY)	12.80
Exports (% YoY)	-11.4
Imports (% YoY)	-16.9
Current Account (\$mn)	5966.00
Financail Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	85,802

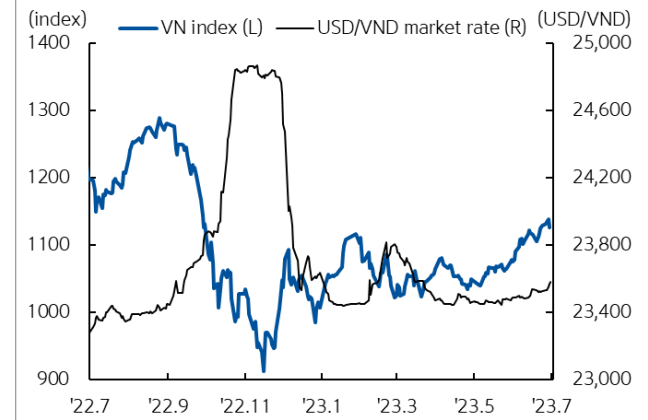
- Last week(6/26~6/30) USD/VND(market rate) moved around 23,530~23,583, slightly dropped in a week. (-0.25%)
- Growth rate in 2Q was 4.14%, above market consensus(3.80%) and consumer price in June also rose by 2% yoy, continuing the slowdown of inflation. Due to global slowdown in demand, export and import in June dropped by -11.4%, -16.9% (yoy) but trade surplus in June was \$25.9 billion. Despite relatively sound economic data, due to strong USD, USDVND rose last week.
- SBV announced central rate at 23,800, weakened compared to 6/23(23,732, -0.29%)
- FPI (equity, bond, mutual fund, ETF, etc.) sold a net of 14.79 million in a week. - VN index dropped(-0.81%), and VNIBOR rose by 3.3bps. (4.6%, 6/30)
- Amid global economic uncertainty, sluggish export and delayed recovery of domestic demand will delay the rebound of Vietnamese economy. Recovering tourism is positive to Vietnam. (Expected Range: 23,490~23,605)

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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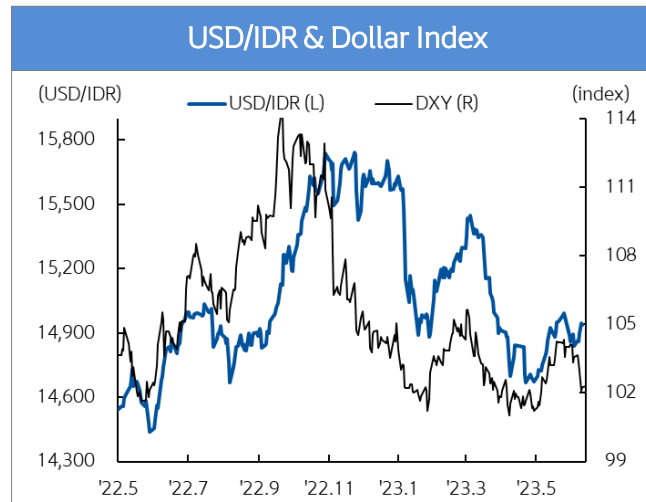


Indonesia

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USD/IDR	14,994
52wk high	15,763
52wk low	14,575
Jakarta index	6,640
52wk high	7,377
52wk low	6,543
Government Bond(10yr,%)	6.30
52wk high	7.69
52wk low	6.25
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	5.03
Consumer Prices (% YoY)	4
Total Mining Industries Producer Price(% YoY)	4.56
Refinance rate(%)	5.75
Manufacturing PMI (index)	50.3
Industrial Production (% YoY)	1.17
Retail Sales(% YoY)	0.02
Exports (% YoY)	0.96
Imports (% YoY)	14.35
Current Account (\$mn)	3,000
Financail Earnings and Expenses (VND10bn)	-775,064
FX Reserve (\$mn)	139

- Last week, USD/IDR(market rate) moved in the range of 14,993~15,015, finished hawkish. (+0.05%)
- Rupiah stayed within narrow range this week as market was closed during the 'Idul Adha' holidays. (6/28~6/30) USD/IDR rose on Monday, but fell back on Tuesday.
- FPI net purchased in equity market and net sold in bond market.
 - Equity: net purchased(6/26~6/27 accumulated: \$12.77 mil), Jakarta index rose. (+0.02%)
 - Bond: net sold(6/26: \$248.75 mil), bond yield rose(10y, 6.26%, -7.70bp)
- Indonesia's trade balance is expected to continue worsening due to weak commodity prices, ban on raw mineral export, and regulations on palm oil export. Indonesia's June CPI (Consensus: 3.65% yoy), Core CPI (Consensus: 2.65% yoy) will be released this week. (Expected Range: 14,870~15,050)



Source : Bloomberg , SHB Solution & Trading Center



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Australia

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AUD/USD	0.6630
52wk High	0.7137
52wk Low	0.6199
S&P/ASX200	7,195
52wk High	7,558
52wk Low	6,433
Government Bond(10yr,%)	4.00
52wk High	4.20
52wk Low	2.98

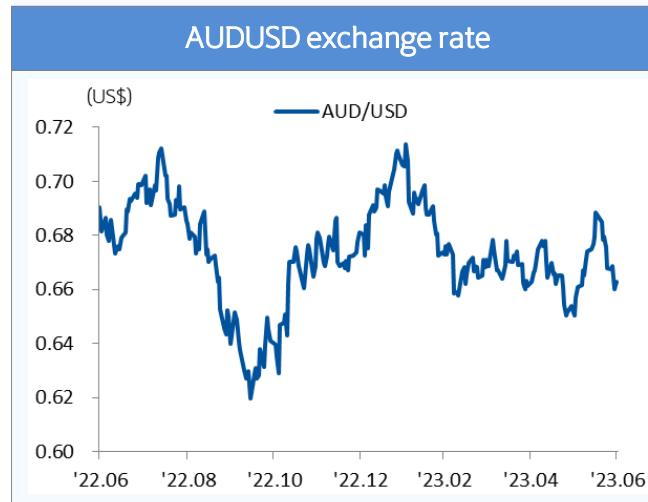
Major Indices Snapshot	
Real GDP Groth Rate (% YoY)	2.3
Consumer Prices (% YoY)	7
Producer Prices (% YoY)	5.2
Policy Rate (%)	4.10
AU-US 2yr Spread (%)	-0.68
China Imports from Australia (% USD YoY)	5.4
Exports(% MoM)	-5.0
Imports(% MoM)	1.6
Current Account(% GDP)	1.4

Last Week :

- AUD turned weak in late June, fell below 0.66 level during the latter half of the week.
- AUD fell on June 23, along with a broad decline in risk assets. AUD fell further on June 28 as expectations for further rate hikes by RBA receded after the Australian May CPI came in below expectation.

Outlook :

- AUD is expected to get downward pressure as concerns over economic slowdown increases in the globe except in the US.
- Recent property-focused stimulus measures discussed in China are unlikely to meet market expectations, which are accustomed to large-scale stimulus in the past. However, AUD is likely to stabilize as the US treasury yield rise is expected to slow down soon.



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 6/26)

	'23.6	'23.9	'23.12
A N Z	0.68	0.70	0.72
Wells Fargo	0.67	0.68	0.69
MUFG	0.67	0.68	0.69
JPMorgan	0.68	0.70	0.70

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations In Global Markets

2023.7.3

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2023-07-03	102.94	0.24	-1.04	0.83	-1.51	-2.09	-0.56
	Euro (EUR/USD)	2023-07-03	1.09	0.04	1.84	0.10	3.43	4.68	1.92
	Yen (USD/JPY)	2023-07-03	144.37	-0.60	-3.32	-8.25	-9.25	-6.06	-9.18
	Pound (GBP/USD)	2023-07-03	1.27	-0.12	2.09	2.29	6.10	4.79	5.09
	Switzerland (USD/CHF)	2023-07-03	0.90	0.08	1.26	1.96	4.58	7.40	3.30
	Australia (AUD/USD)	2023-07-03	0.67	-0.19	0.68	-1.83	-0.97	-2.96	-2.22
FX - EM	South Korea (USD/KRW)	2023-06-30	1,317.75	-1.02	0.65	-1.21	-3.36	-1.44	-3.97
	China (USD/CNY)	2023-07-01	7.25	-1.02	-2.00	-5.24	-4.90	-7.64	-4.90
	India (USD/INR)	2023-06-30	82.04	-0.01	0.84	0.17	0.86	-3.74	0.85
	Indonesia (USD/IDR)	2023-06-27	14,993.00	0.05	-0.15	1.11	4.47	-1.27	3.84
	Vietnam (USD/VND)	2023-07-01	23,583.00	-0.25	-0.39	-0.47	0.21	-1.28	0.21
	Brazil (USD/BRL)	2023-07-01	4.79	-0.01	5.65	5.80	12.00	9.85	10.34
Russia (USD/RUB)	2023-07-01	89.31	-5.44	-9.01	-12.98	-19.96	-39.35	-16.94	
Stock - DM	United States Dow Jones	2023-07-01	34,407.60	2.02	1.91	2.40	3.84	10.65	3.80
	United States NASDAQ	2023-07-01	13,787.92	2.19	4.13	13.11	32.74	23.90	31.73
	United States S&P 500	2023-07-01	4,450.38	2.35	3.92	7.90	16.38	16.34	15.91
	Japan NIKKEI225	2023-06-30	33,189.04	1.24	5.28	17.74	27.19	27.97	27.19
	United Kingdom FTSE	2023-07-01	7,531.53	0.93	-1.00	-1.84	-0.30	5.06	1.07
	France CAC40	2023-07-01	7,400.06	3.30	1.78	0.74	11.72	24.77	14.31
	Germany DAX	2023-07-01	16,147.90	2.01	0.60	3.64	13.86	26.03	15.98
Stock - EM	South Korea KOSPI	2023-06-30	2,564.28	-0.23	-1.43	3.72	15.58	11.23	14.66
	China Shanghai Stock Exchange	2023-06-30	3,202.06	0.13	-0.87	-2.86	2.75	-5.48	3.65
	India Sensex	2023-06-30	64,718.56	2.34	3.47	9.49	5.59	22.32	6.37
	Indonesia Jakarta	2023-06-27	6,661.88	0.02	-0.38	-1.46	-2.75	-4.78	-2.76
	Vietnam VN index	2023-06-30	1,120.18	-0.81	2.69	3.79	7.31	-6.57	11.23
	Russia RTS	2023-07-01	982.94	-5.49	-6.52	-0.59	2.06	-23.00	1.27
	Brazil Bovespa	2023-07-01	118,087.00	-0.75	4.91	16.33	13.36	19.34	7.61
Rates - DM	United States	2023-06-30	3.84	10.20	15.01	28.79	-3.81	82.38	-3.81
	Germany	2023-06-30	2.39	3.90	5.00	1.80	-17.90	105.60	-17.90
	United Kingdom	2023-06-30	4.39	6.80	14.10	87.00	71.60	215.90	71.60
	Japan	2023-06-30	0.40	3.20	-3.40	6.70	-2.10	17.00	-2.10
Rates - EM	South Korea	2023-06-30	3.66	-0.90	0.80	35.10	-7.40	4.00	-7.40
	India	2023-06-30	7.12	4.40	10.70	-16.80	-21.10	-33.20	-21.10
	Indonesia	2023-06-27	6.26	-7.70	-17.10	-51.70	-66.90	-100.90	-67.90
	Vietnam	2023-06-30	2.70	2.00	-66.00	-105.00	-238.00	-71.00	-238.00
	Russia	2023-06-30	11.09	3.71	21.07	28.08	78.42	230.12	78.42
	Brazil	2023-06-30	10.63	-33.50	-96.00	-217.90	-205.70	-243.50	-205.70
Commodity	WTI (\$/bbl)	2023-07-03	70.36	1.43	-1.92	-12.51	-8.54	-35.11	-12.33
	Brent (\$/bbl)	2023-07-03	75.10	1.24	-1.35	-11.57	-8.53	-32.72	-12.58
	Gold (\$/oz)	2023-07-03	1,918.82	-0.23	-2.19	-3.32	4.31	6.12	5.20

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