

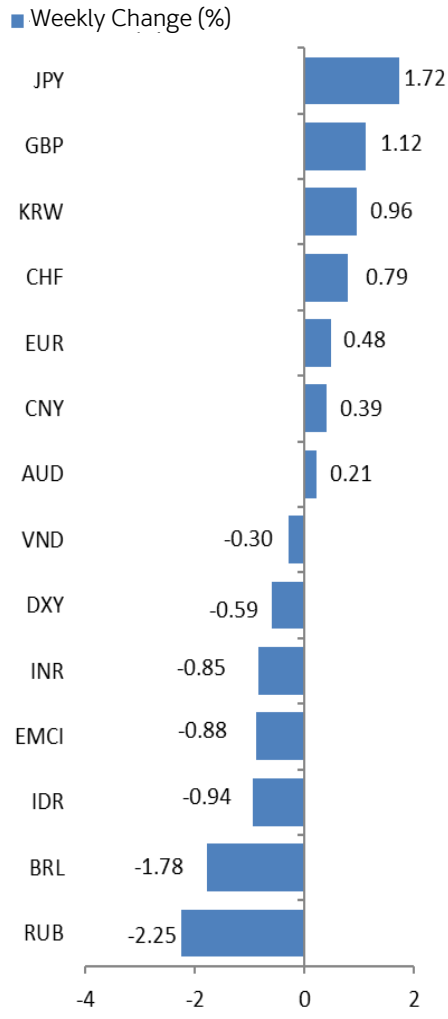
# Weekly Global FX Market Monitor

2023.7.10

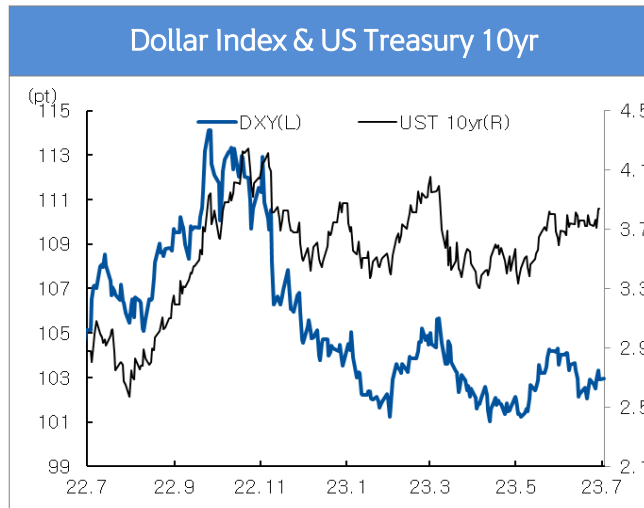


## Global

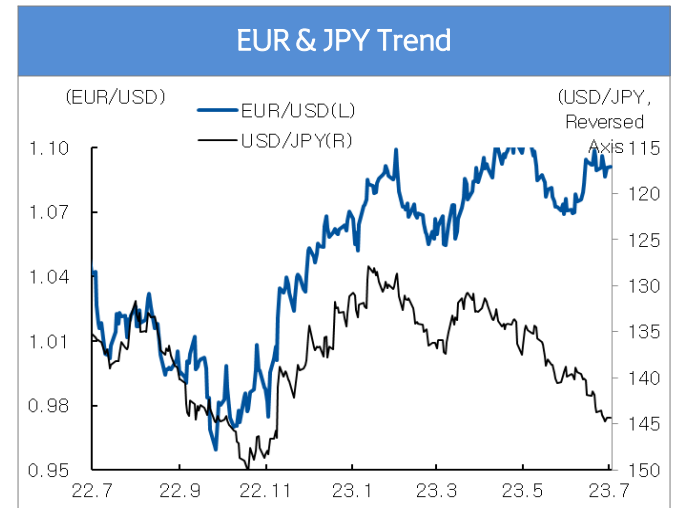
Solution & Trading Center, Seo Jae Kim  
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Translation: Jae Yeon Hyun



- Global FX market(last week): Strong USD(+0.24%), Strong EUR(+0.04%), Weak JPY(-0.60%)
  - USD gained as cautions about the Fed revived due to hawkish FOMC in June and above market consensus ADP private employment data. But as non-farm employment in June was below expectations, DXY dropped.
  - EUR dropped to 1.08 due to rise in US treasury yield and weakened Eurozone PMI. But EUR closed at 1.09
- USDJPY dropped to 142 level due to verbal intervention of the Japanese officials and sluggish global stock market.
- According to the FOMC minutes in June, most of the Fed officials agreed that additional rate hike in 2023 is appropriate. Through ADP private employment data, solid US employment market has been reconfirmed. Accordingly, USD strengthened while EM currencies weakened.
  - The Russian coup attempt expanded Russia's political uncertainty and capital outflow from Russia continues. RUB (-2.25%) weakened compared to last week.
  - INR(-0.85%), VND(-0.30%) , and IDR(-0.94%) all weakened.



Source : Bloomberg , SHB Solution & Trading Center



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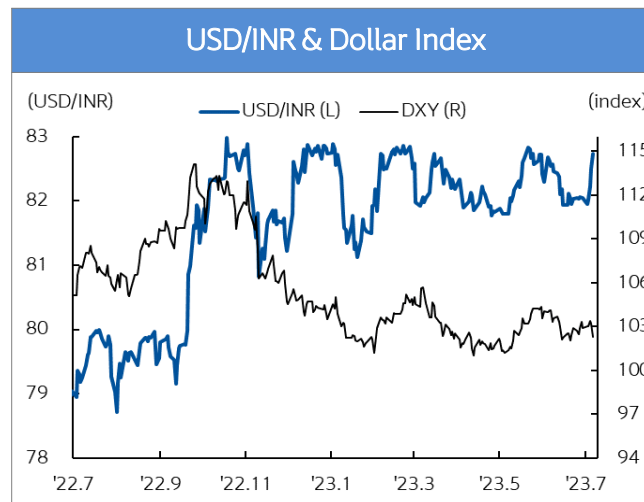


## India

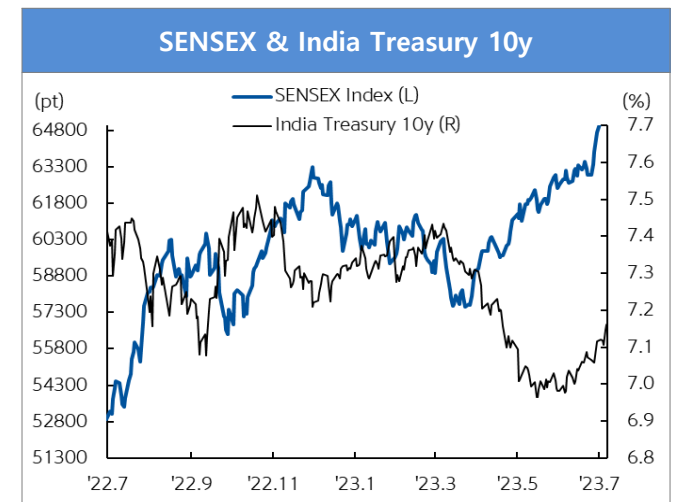
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USD/INR	82.74
52wk high	83.29
52wk low	78.50
Sensex	65,280
52wk high	65,899
52wk low	53,164
Government Bond (10yr,%)	7.16
52wk high	7.54
52wk low	6.94
<b>Major Indices Snap shot</b>	
Real GDP Growth	6.06
Rate(% YoY)	6.06
Consumer Prices (% YoY)	4.25
Producer Prices (% YoY)	-3.48
RBI rate(%)	6.50
Manufacturing PMI (index)	57.8
Industrial Production (% YoY)	4.20
Core Sector Growth(% YoY)	4.34
Exports (% YoY)	-10.31
Imports (% YoY)	-6.58
Current Account (\$bn)	-1.34
Financial Earnings and Expenses (INR10mn)	-766
FX Reserve (\$mn)	595,051

- Last week, USD/INR moved in the range of 81.95~82.74, finished bearish. (-0.85%)
- FOMC minutes and the ADP private employment surprise have raised concerns about the U.S. Fed, and INR has weakened against USD for the week. The June manufacturing and services sectors recorded 57.8 and 58.5, respectively, above the baseline, but both sectors fell short of the previous month's figures. Due to global economic uncertainty, INR appears to be recovering slowly.
- FPI net purchased in equity and bond market.
  - Equity: Net purchased (7/3~7/6 accumulated : \$1,229.15 mil), SENSEX rose (+0.87%)
  - Bond: Net purchased (7/3~7/6 accumulated : \$83.10 mil), bond yield rose (10y, 7.16%, +4.40bp)
- The strong dollar trend is likely to ease as the US June non-farm payrolls data fell short of expectations. As a result, INR is expected to strengthen this week. Industrial production and CPI will be announced this week. (Expected Range: 81.9~82.9)



Source: Bloomberg, SHB Solution & Trading Center



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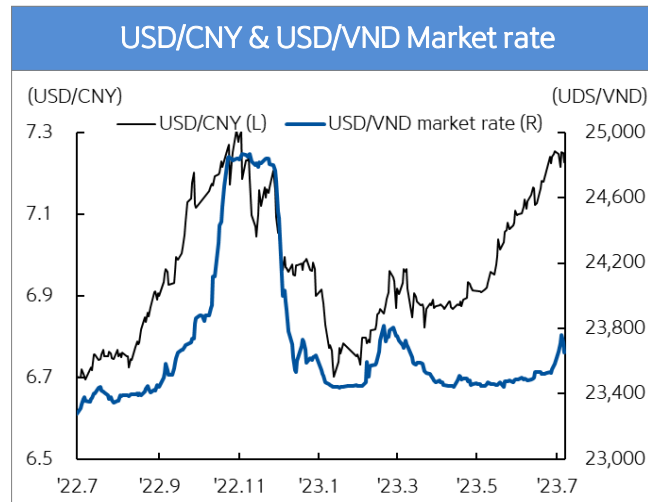


## Vietnam

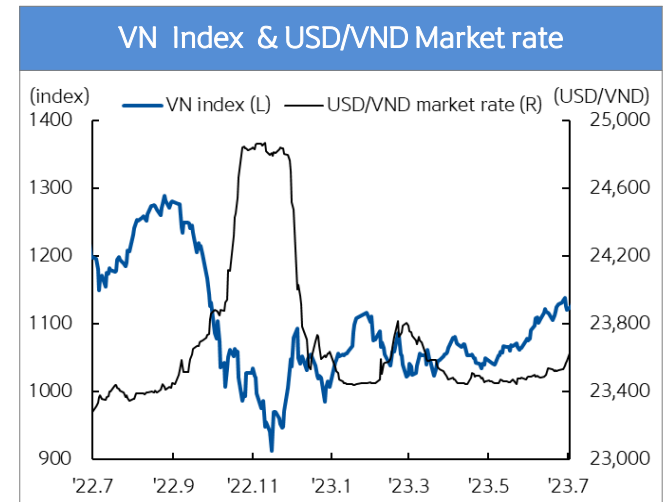
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USD/VND	23,653
52wk high	24,874
52wk low	23,339
VN index	1,138
52wk high	1,295
52wk low	874
Government Bond(10yr,%)	2.86
52wk high	5.21
52wk low	2.68
<b>Major Indices Snap shot</b>	
Real GDP Growth	4.14
Rate(% YoY)	
Consumer Prices (% YoY)	2
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	46.2
Industrial Production (% YoY)	2.80
Retail Sales(% YoY)	12.80
Exports (% YoY)	-11.4
Imports (% YoY)	-16.9
Current Account (\$mn)	5966.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	85,802

- Last week(7/3~7/7) USD/VND(market rate) moved around 23,653~23,758, slightly dropped in a week. (-0.30%)
- Manufacturing PMI was 46.2, below the base line. Decrease in new orders, manufacturing production, and employment has been pressuring the contraction of the Vietnamese manufacturing industry. Automobile sales in June dropped by -51.2% yoy. The government has decided to cut registration tax by 50% from July to the end of this year for cars assembled in Vietnam.
- The prime minister requested the SBV to be flexible with the monetary policy. Monetary supply, credit increase, rate cuts, etc. was suggested to boost economy.
- SBV announced central rate at 23,833 (7/7), dropped compared to 6/30. (23,800, -0.14%)
- FPI (equity, bond, mutual fund, ETC, etc.) sold a net of \$78.72 million.
  - VN Index rose(+1.60%), and VNIBOR dropped by 35bps. (4.25%, 7/7)
- Due to sluggish export, this year's target of 6.5% growth rate seems to be hard to reach. Although the prime minister didn't directly order the SBV to cut rates, since he has requested more flexible monetary policy, the SBV is expected to implement dovish policy. (Expected Range: 23,590~23,860)



Source : Bloomberg , SHB Solution & Trading Center



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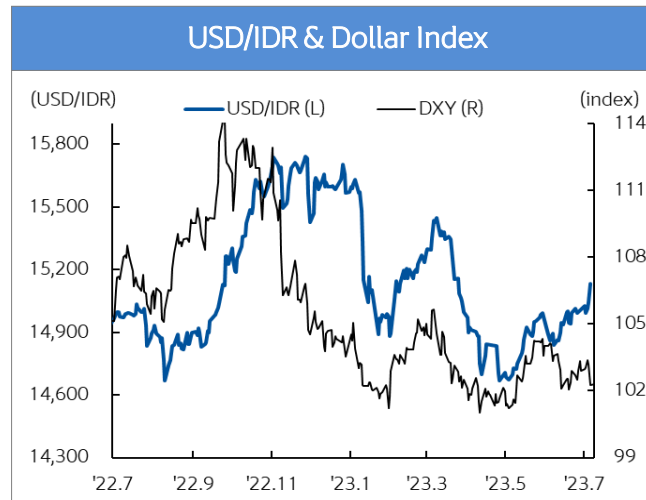


## Indonesia

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USD/IDR	15,135
52wk high	15,763
52wk low	14,575
Jakarta index	6,716
52wk high	7,377
52wk low	6,543
Government Bond(10yr,%)	6.24
52wk high	7.69
52wk low	6.17
<b>Major Indices Snap shot</b>	
Real GDP Growth	5.03
Rate(% YoY)	
Consumer Prices (% YoY)	3.52
Total Mining Industries	4.43
Producer Price(% YoY)	
Refinance rate(%)	5.75
Manufacturing PMI (index)	52.5
Industrial Production (% YoY)	1.17
Retail Sales(% YoY)	0.02
Exports (% YoY)	0.96
Imports (% YoY)	14.35
Current Account (\$mn)	3,000
Financcil Earnings and Expenses (VND10bn)	-775,064
FX Reserve (\$mn)	138

- Last week, USD/IDR(market rate) moved in the range of 14,993~15,135, finished bearish (-0.94%)
- PMI in June was 52.5, up from the previous month (50.3), indicating that the manufacturing sector is continuing to expand. The CPI in June rose 3.52% yoy, settling within the central bank's inflation target range. However, investor sentiment weakened after the confirmation of China's economic slowdown and the hawkish minutes of the US Fed, and the IDR weakened as a result.
- FPI net purchased in equity and net sold in bond market.
  - Equity: Net purchased (7/3~7/7 accumulated: \$41.82 mil), Jakarta index rose (+0.82%)
  - Bond: Net sold (7/3~7/6 accumulated: \$236.04 mil), bond yield fell (10y, 6.24%, -1.80bp)
- Indonesia's fiscal deficit is expected to fall below the target of 2.84% of GDP this year due to the government's tight fiscal policy. Inflation is slowing down and the domestic economy is strong, which is supporting IDR. The consumer confidence index is scheduled to be released this week. (Expected Range : 14,920~15,170)



Source : Bloomberg , SHB Solution & Trading Center



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# Weekly Global FX Market Monitor

2023.7.10



## Australia

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AUD/USD	0.6684
52wk High	0.7137
52wk Low	0.6199
S&P/ASX200	7,062
52wk High	7,558
52wk Low	6,457
Government Bond(10yr,%)	4.29
52wk High	4.29
52wk Low	2.98
<b>Major Indices Snapshot</b>	
Real GDP GROTH Rate (% YoY)	2.3
Consumer Prices (% YoY)	7
Producer Prices (% YoY)	5.2
Policy Rate (%)	4.10
AU-US 2yr Spread (%)	-0.64
China Imports from Australia (% USD YoY)	5.4
Exports(% MoM)	4.4
Imports(% MoM)	2.5
Current Account(% GDP)	1.4

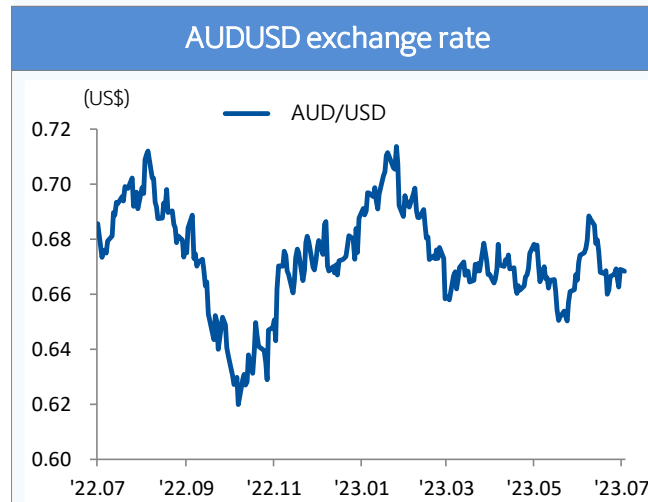
### Last Week :

- AUD, which remained below 0.66 in late June, temporarily dropped as RBA froze interest rate on July 4th but soon rebounded. For the first week of July, AUD moved in the narrow range of 0.66~0.67.
- AUD was less sensitive to China's sluggish indices and US treasury yield hike. Slightly rebounded after U.S. employment in June was announced.

### Outlook :

- Downward trend in the late June has been eased but slowdown in raw material demands is a burden to AUD.
- Amid prolonged slowdown of the Chinese economy, stimulus package centered on real estate is being considered due to China's real estate crisis. But it won't be a game changer for AUD. Though it may not be huge, AUD is more likely to receive downward pressure in the short term.

\*MUFG adjusted the outlook downward.



Source : Refinitiv, SHB Solution & Trading Center

### AUD/USD Forecast Distribution \* (as of 7/10)

	'23.09	'23.12	'24.03
A N Z	0.68	0.70	0.72
Wells Fargo	0.67	0.68	0.69
MUFG	0.66	0.68	0.67
JPMorgan	0.68	0.70	0.70

Source : Bloomberg, SHB Solution & Trading Center

# Major Price Variations In Global Markets

2023.7.10

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
	<b>India (USD/INR)</b>	<b>2023-06-30</b>	<b>82.04</b>	<b>-0.01</b>	<b>0.84</b>	<b>0.17</b>	<b>0.86</b>	<b>-3.74</b>	<b>0.85</b>
	Indonesia (USD/IDR)	2023-06-27	14,993.00	0.05	-0.15	1.11	4.47	-1.27	3.84
	<b>Vietnam (USD/VND)</b>	<b>2023-07-01</b>	<b>23,583.00</b>	<b>-0.25</b>	<b>-0.39</b>	<b>-0.47</b>	<b>0.21</b>	<b>-1.28</b>	<b>0.21</b>
	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
	<b>India Sensex</b>	<b>2023-06-30</b>	<b>64,718.56</b>	<b>2.34</b>	<b>3.47</b>	<b>9.49</b>	<b>5.59</b>	<b>22.32</b>	<b>6.37</b>
	Indonesia Jakarta	2023-06-27	6,661.88	0.02	-0.38	-1.46	-2.75	-4.78	-2.76
	<b>Vietnam VN index</b>	<b>2023-06-30</b>	<b>1,120.18</b>	<b>-0.81</b>	<b>2.69</b>	<b>3.79</b>	<b>7.31</b>	<b>-6.57</b>	<b>11.23</b>
	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
<b>India</b>		<b>2023-06-30</b>	<b>7.12</b>	<b>4.40</b>	<b>10.70</b>	<b>-16.80</b>	<b>-21.10</b>	<b>-33.20</b>	<b>-21.10</b>
Indonesia		2023-06-27	6.26	-7.70	-17.10	-51.70	-66.90	-100.90	-67.90
<b>Vietnam</b>		<b>2023-06-30</b>	<b>2.70</b>	<b>2.00</b>	<b>-66.00</b>	<b>-105.00</b>	<b>-238.00</b>	<b>-71.00</b>	<b>-238.00</b>
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.

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