

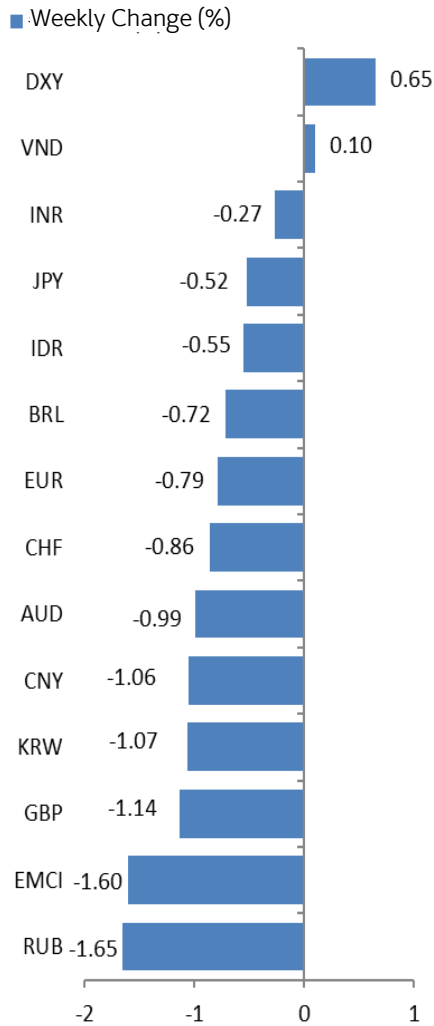
# Weekly Global FX Market Monitor

2023.9.11

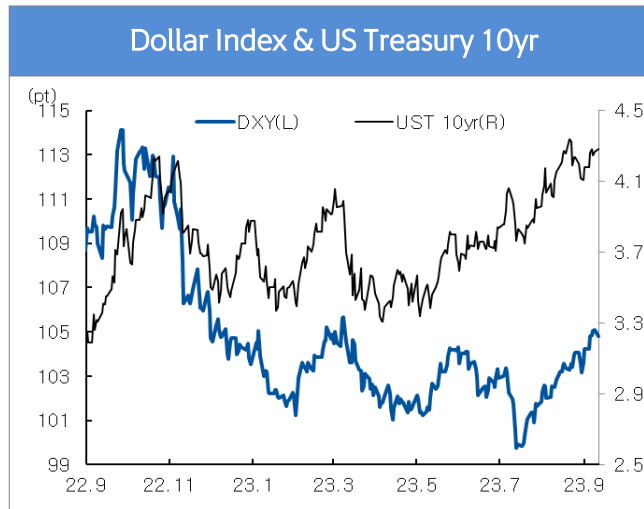


## Global

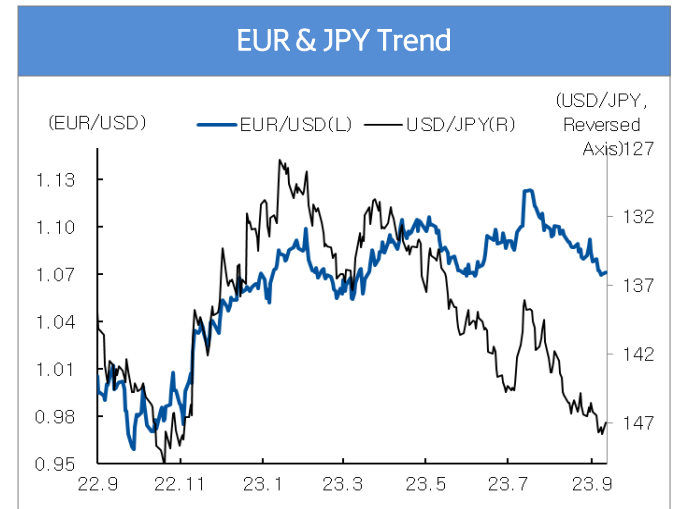
Solution & Trading Center, Seo Jae Kim  
02-2151-2322, sjkim@shinhan.com  
Translation: Jae Yeon Hyun



- Last week, Strong USD (+0.65%), Weak EUR (-0.79%), Strong JPY (-0.52%)
  - With the Fed's caution continuing due to the solid ISM service industry index, the weakness of JPY and CNY is driving USD preference. USD continued to strengthen last week, with DXY rising to the 105 range.
  - Due to the still high level of inflation and the sluggish EU economy, EUR fell to \$1.06 at one point during the week, but recovered to \$1.07 later in the week.
  - As US Treasury interest rates rose last week, USDJPY rose to the upper 147 level. JPY continues to weaken despite verbal intervention from Japanese authorities.
- USD strengthened due to high US Treasury yields amid China's economic slump, EM currencies appeared weak last week.
  - Russia's CPI in August rose 5.15% from the previous year, up 4.30% from the previous month (4.30%). ) above. Crude oil is rising due to Saudi Arabia's extended production cut, and Russia itself is selling foreign currency assets to protect the value of the ruble, but RUB (-1.65%) showed weakness last week. Strong VND (+0.10%), while INR (-0.27%) and IDR (-0.55%) appears weak.



Source : Bloomberg , SHB Solution & Trading Center



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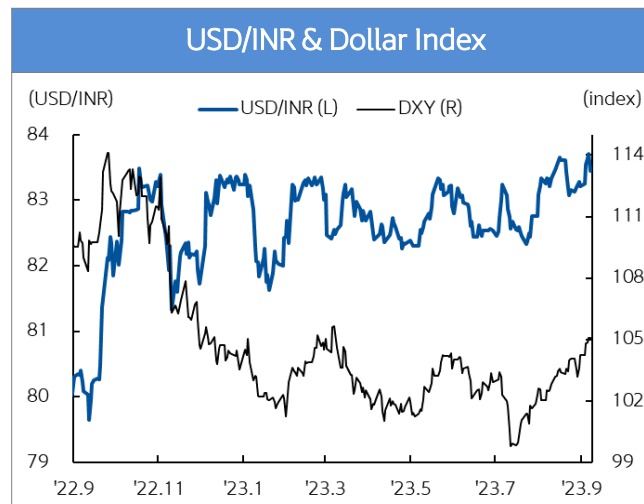


## India

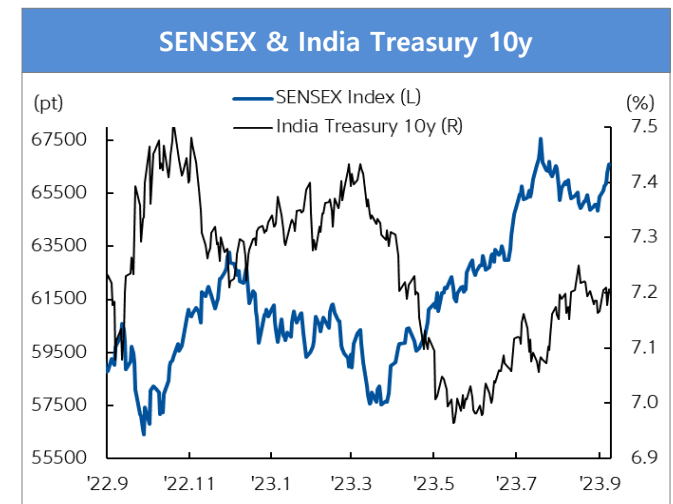
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USD/INR	82.95
52wk high	83.29
52wk low	79.03
Sensex	66,599
52wk high	67,619
52wk low	56,147
Government Bond (10yr,%)	7.21
52wk high	7.54
52wk low	6.94
<b>Major Indices Snap shot</b>	
Real GDP Growth	7.82
Rate(% YoY)	7.82
Consumer Prices (% YoY)	7.44
Producer Prices (% YoY)	-1.36
RBI rate(%)	6.50
Manufacturing PMI (index)	58.6
Industrial Production (% YoY)	3.70
Core Sector Growth(% YoY)	7.98
Exports (% YoY)	-15.86
Imports (% YoY)	-17.01
Current Account (\$bn)	-1.34
Financial Earnings and Expenses (INR10mn)	-1542
FX Reserve (\$mn)	598,897

- Last week, USD/INR moved in the 82.74~83.2 range, finished bearish. (-0.27%)
- INR weakened due to continued concerns about the Chinese economy, the possibility of the U.S. Federal Reserve's interest rate hike cycle being prolonged, and a surge in oil prices following Saudi Arabia's and Russia's extension of production cuts.
- Manufacturing PMI showed solid growth, recording 58.6 due to a surge in new orders and production, while the service industry PMI slowed to 60.9 compared to the previous month, but maintained expansion.
- FPI net sold in equity and bond market.
  - Equity: net sold (9/4~9/7 accumulated: \$872.65 mil), SENSEX rose (+1.85%)
  - Bond: net sold (9/4~9/7 accumulated: \$29.47 mil), bond yield rose (10y, 7.21%, +4.0bp)
- With the US CPI being announced this week, INR is expected to be weaker due to rising oil prices and the continued strength of USD. Concerns about worsening trade balance due to rising oil prices are also a factor in INR exchange rate rise. This week, July mining and industrial production (consensus: 5.3% yoy), August consumer prices (consensus: 7.10% yoy), and export/import indicators are scheduled to be announced (expected range: 82.8~83.9).



Source: Bloomberg, SHB Solution & Trading Center



Source: Bloomberg, SHB Solution & Trading Center

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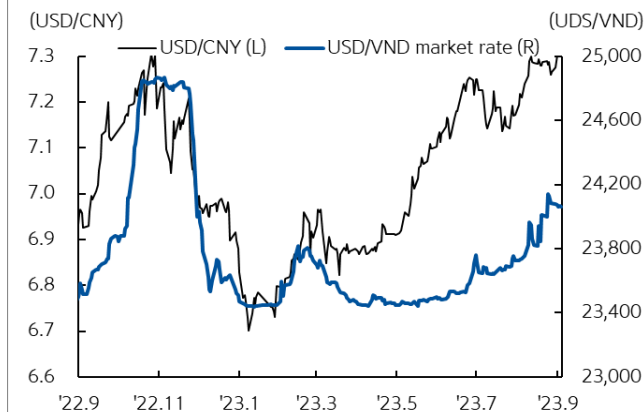
## Vietnam

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USD/VND	24,061
52wk high	24,874
52wk low	23,415
VN index	1,241
52wk high	1,258
52wk low	874
Government Bond(10yr,%)	2.90
52wk high	5.30
52wk low	2.45
<b>Major Indices Snap shot</b>	
Real GDP Growth	4.14
Rate(% YoY)	
Consumer Prices (% YoY)	2.96
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.5
Industrial Production (% YoY)	2.60
Retail Sales(% YoY)	10.40
Exports (% YoY)	-7.6
Imports (% YoY)	-8.3
Current Account (\$mn)	5966.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,679

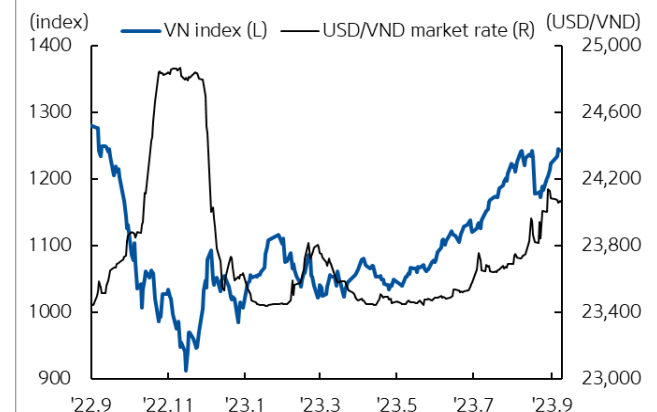
- Last week(9/4~9/8), USD/VND(market rate) moved in the range of 24,060~24,092, finished bullish. (+0.10%)
- SBV announced central rate at 23,993(9/8), dropped compared to 8/31. (23,993, -0.07%)
- While oil prices and U.S. bond interest rates have risen further due to Saudi Arabia's decision to extend production cuts, and despite the effects of USD rally and the weakening CNY, VND exchange rate shows rather slight strength.
- Manufacturing PMI reached 50.5 due to increased production and new orders, expanding for the first time in 6 months.
- FPI (equity, bond, mutual fund, ETF, etc.) sold a net of \$54.05 mil.
  - VN index rose (+2.33%), and VNIBOR rose by 65bps. (3.6%, 9/8)
- Despite the Chinese government's policy response, the rise in CNY exchange rate is not slowing down, so VND exchange rate is likely to rise further. (Expected range: 23,900~24,200)

### 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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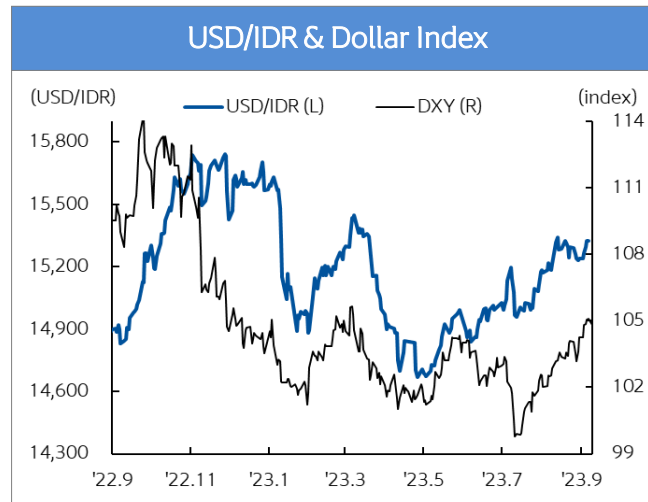


## Indonesia

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USD/IDR	15,325
52wk high	15,763
52wk low	14,575
Jakarta index	6,925
52wk high	7,377
52wk low	6,543
Government Bond(10yr,%)	6.55
52wk high	7.69
52wk low	6.16
<b>Major Indices Snap shot</b>	
Real GDP Growth	5.17
Rate(% YoY)	
Consumer Prices (% YoY)	3.27
Total Mining Industries	
Producer Price(% YoY)	3.72
Refinance rate(%)	5.75
Manufacturing PMI (index)	53.9
Industrial Production (% YoY)	-1.26
Retail Sales(% YoY)	6.27
Exports (% YoY)	-18.03
Imports (% YoY)	-8.32
Current Account (\$mn)	-1,900
Financcil Earnings and Expenses (IDR10bn)	-775,064
FX Reserve (\$mn)	137

- 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



Source : Bloomberg , SHB Solution & Trading Center

# Weekly Global FX Market Monitor

2023.9.11



## Australia

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AUD/USD	0.6401
52wk High	0.7137
52wk Low	0.6199
S&P/ASX200	7,143
52wk High	7,558
52wk Low	6,457
Government Bond(10yr,%)	4.15
52wk High	4.32
52wk Low	3.19
Major Indices Snapshot	
Real GDP Groth Rate (%YoY)	2.1
Consumer Prices (%YoY)	6
Producer Prices (%YoY)	3.9
Policy Rate (%)	4.10
AU-US 2yr Spread (%)	-1.14
China Imports from Australia (% USD YoY)	-0.8
Exports(%MoM)	-2.0
Imports(%MoM)	2.5
Current Account(% GDP)	1.2

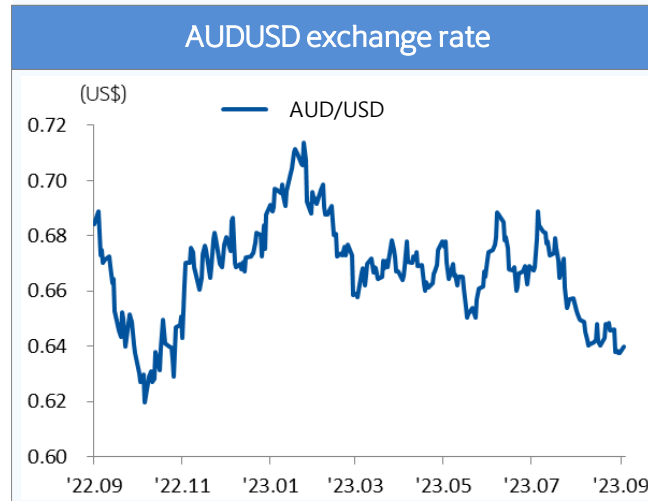
### Last Week :

- AUD, which recovered to 0.65 level in late August, plunged on Sep. 5, breaking annual low.
- China avoided Country Garden default crisis and increase in real estate trade volume in big cities due to eased regulations but RBA froze rate on Sep. 5. China and Eurozone's sluggish service PMI in August caused drop in AUD.

### Outlook :

- External circumstances including economic slump in China and Europe adds to downward pressure on AUD. But thanks to China's rushed reactions to real estate crisis, will be stabilized in short term.
- Given that rise in US treasury yield on high oil prices is expected to be returned back in short term, AUD may rebound.

\*MUFG adjusted the outlook downward.



Source : Refinitiv, SHB Solution & Trading Center

### AUD/USD Forecast Distribution \* (as of 9/11)

	'23.12	'24.03	'24.06
A N Z	0.65	0.68	0.68
Wells Fargo	0.62	0.63	0.65
MUFG	0.64	0.65	0.67
JPMorgan	0.70	0.70	0.69

Source : Bloomberg, SHB Solution & Trading Center

# Major Price Variations In Global Markets

2023.9.11

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2023-09-11	104.92	0.65	2.02	1.31	0.33	-3.75	1.35
	Euro (EUR/USD)	2023-09-11	1.07	-0.79	-2.17	-0.43	-0.19	5.82	0.06
	Yen (USD/JPY)	2023-09-11	147.24	-0.52	-1.55	-5.19	-9.53	-2.99	-10.95
	Pound (GBP/USD)	2023-09-11	1.25	-1.14	-1.69	-0.22	2.45	6.83	3.29
	Switzerland (USD/CHF)	2023-09-11	0.89	-0.86	-1.75	1.87	2.20	6.87	3.61
	Australia (AUD/USD)	2023-09-11	0.64	-0.99	-1.52	-5.24	-4.06	-7.13	-6.11
FX - EM	South Korea (USD/KRW)	2023-09-08	1,332.95	-1.07	-1.27	-2.18	-0.87	3.59	-5.06
	China (USD/CNY)	2023-09-09	7.34	-1.06	-1.71	-3.16	-5.24	-5.26	-6.06
	<b>India (USD/INR)</b>	<b>2023-09-08</b>	<b>82.95</b>	<b>-0.27</b>	<b>-0.14</b>	<b>-0.45</b>	<b>-1.07</b>	<b>-3.89</b>	<b>-0.25</b>
	Indonesia (USD/IDR)	2023-09-08	15,325.00	-0.55	-0.70	-2.81	0.72	-2.79	1.59
	<b>Vietnam (USD/VND)</b>	<b>2023-09-09</b>	<b>24,061.00</b>	<b>0.10</b>	<b>-1.37</b>	<b>-2.39</b>	<b>-1.40</b>	<b>-2.14</b>	<b>-1.78</b>
	Brazil (USD/BRL)	2023-09-09	4.99	-0.72	-1.75	-1.19	3.14	4.61	5.91
Russia (USD/RUB)	2023-09-09	97.95	-1.65	-1.36	-15.69	-22.36	-37.96	-24.26	
Stock - DM	United States Dow Jones	2023-09-09	34,576.59	-0.42	-2.00	2.07	8.36	7.54	4.31
	United States NASDAQ	2023-09-09	13,761.53	-1.95	0.86	3.79	23.54	13.62	31.48
	United States S&P 500	2023-09-09	4,457.49	-1.11	-0.15	3.69	15.43	9.59	16.10
	Japan NIKKEI225	2023-09-08	32,606.84	-0.32	0.41	1.06	15.86	15.57	24.96
	United Kingdom FTSE	2023-09-09	7,478.19	0.18	-0.61	-1.11	-3.49	1.73	0.35
	France CAC40	2023-09-09	7,240.77	-0.77	-1.35	0.38	0.28	16.55	11.85
	Germany DAX	2023-09-09	15,740.30	-0.63	-0.58	-1.31	2.02	20.26	13.05
Stock - EM	South Korea KOSPI	2023-09-08	2,547.68	-0.63	-1.68	-3.54	6.39	6.85	13.92
	China Shanghai Stock Exchange	2023-09-08	3,116.72	-0.53	-2.27	-3.55	-3.51	-4.46	0.89
	<b>India Sensex</b>	<b>2023-09-08</b>	<b>66,598.91</b>	<b>1.85</b>	<b>1.95</b>	<b>6.34</b>	<b>12.62</b>	<b>11.38</b>	<b>9.46</b>
	Indonesia Jakarta	2023-09-08	6,924.78	-0.76	0.65	3.45	2.36	-4.39	1.08
	<b>Vietnam VN index</b>	<b>2023-09-08</b>	<b>1,241.48</b>	<b>2.33</b>	<b>0.75</b>	<b>12.09</b>	<b>17.90</b>	<b>-0.58</b>	<b>23.27</b>
	Russia RTS	2023-09-09	1,012.40	-4.08	1.15	-1.93	7.39	-19.82	4.31
	Brazil Bovespa	2023-09-09	115,313.40	-0.37	-2.33	-1.46	11.29	2.68	5.08
Rates - DM	United States	2023-09-08	4.26	8.53	24.21	54.62	27.28	94.71	38.93
	Germany	2023-09-08	2.61	6.10	14.10	20.80	-3.60	89.30	3.90
	United Kingdom	2023-09-08	4.42	-0.50	3.80	19.00	65.80	127.60	75.10
	Japan	2023-09-08	0.66	2.20	4.50	21.70	15.00	40.30	23.30
Rates - EM	South Korea	2023-09-08	3.89	10.60	14.90	25.40	17.40	26.60	15.10
	<b>India</b>	<b>2023-09-08</b>	<b>7.21</b>	<b>3.90</b>	<b>4.20</b>	<b>18.50</b>	<b>-22.80</b>	<b>12.70</b>	<b>-12.20</b>
	Indonesia	2023-09-08	6.55	16.30	20.80	18.90	-49.90	-62.50	-38.90
	<b>Vietnam</b>	<b>2023-09-08</b>	<b>2.90</b>	<b>10.00</b>	<b>45.00</b>	<b>-50.00</b>	<b>-165.00</b>	<b>-95.00</b>	<b>-205.00</b>
	Russia	2023-09-08	11.81	33.37	58.45	88.99	102.20	296.64	149.92
Brazil	2023-09-08	11.29	19.80	56.60	5.90	-210.10	-52.90	-139.70	
Commodity	WTI (\$/bbl)	2023-09-11	86.99	1.68	4.57	23.97	13.45	0.23	8.39
	Brent (\$/bbl)	2023-09-11	90.32	1.48	4.04	20.76	9.11	-2.71	5.13
	Gold (\$/oz)	2023-09-11	1,918.57	-1.24	0.25	-2.01	0.25	11.25	5.18

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