

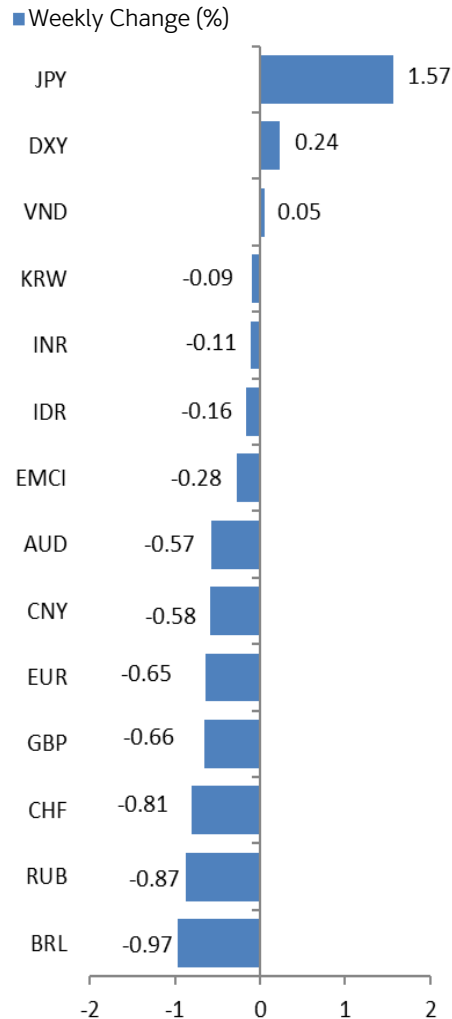
Weekly Global FX Market Monitor

2023.12.11



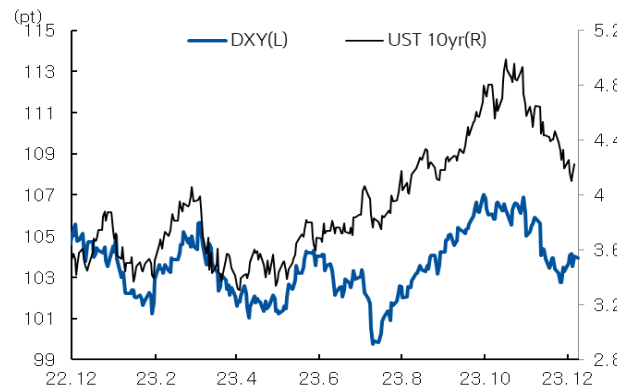
Global

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



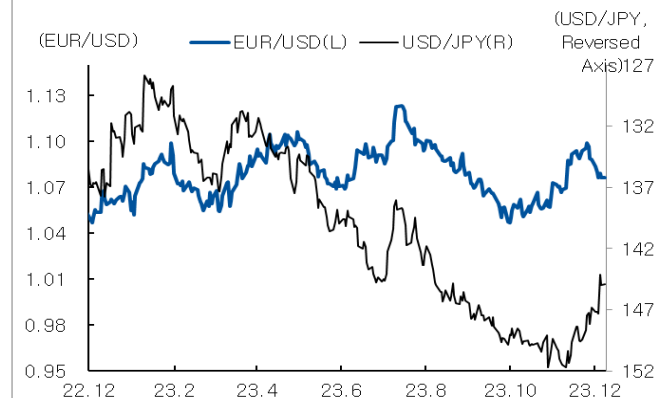
- Last week, strong USD(+0.24%), weak EUR(-0.65%), strong JPY (+1.57%)
 - DXY, which had been on a downward trend due to expectations of the Fed's easing, retraced some of its losses from last week due to USD buying.
 - Eurozone retail sales recorded a positive figure for the first time in 4 months, but weak German economic data kept the negative sentiment on the EU economy, but EURUSD fell to 1.07.
 - As Bank of Japan Governor Ueda hinted at the possibility of an exit strategy, the outlook for the end of Japan's ultra-easing policy was brought forward. As a result, USDJPY closed at 144.
- EM currencies, which had been strong due to optimistic expectations for the termination of the Fed's rate hike, weakened as investor sentiment was partially dampened when Moody's lowered credit rating outlook for China and Hong Kong.
 - Inflation in Brazil continues to slow, and the central bank is expected to cut the base interest rate by 50bp this week. Real (-0.97%) showed weakness last week.
 - INR(-0.11%) and IDR(-0.1%) were weak, while VND(+0.05) was strong.

Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.12.11

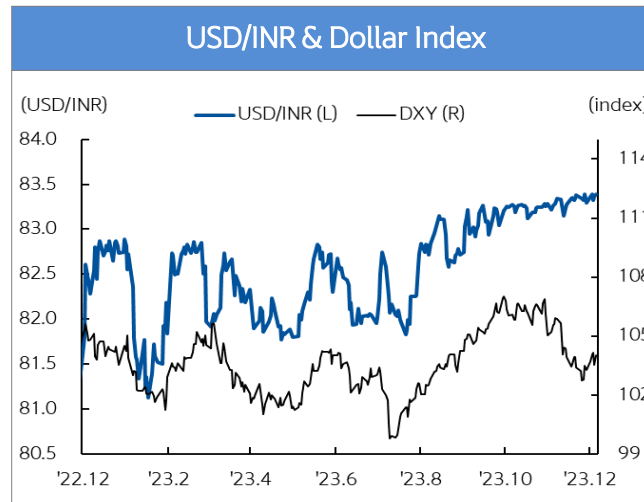


India

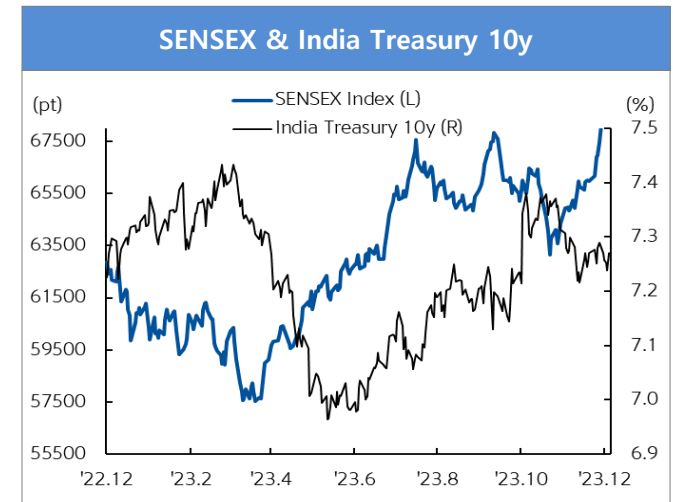
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

USD/INR	83.39
52wk high	83.50
52wk low	80.89
Sensex	69,826
52wk high	69,894
52wk low	57,085
Government Bond (10yr,%)	7.27
52wk high	7.45
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	7.64
Consumer Prices (% YoY)	4.87
Producer Prices (% YoY)	-0.52
RBI rate(%)	6.50
Manufacturing PMI (index)	56
Industrial Production (% YoY)	5.80
Core Sector Growth(% YoY)	12.07
Exports (% YoY)	6.21
Imports (% YoY)	12.29
Current Account (\$bn)	-9.20
Financial Earnings and Expenses (INR10mn)	-101839
FX Reserve (\$mn)	604,042

- Last week, USD/INR moved in the range of 83.32~83.39, finished bearish.(-0.11%)
- INR weakened despite lower crude oil prices and foreign institutional buying in equities, as expectations of the Fed rate cut were reversed and strong USD on concerns about a global slowdown.
- RBI froze the policy interest rate at 6.5% for the 5th consecutive time due to concerns about accelerated growth rate forecast was adjusted upward (6.5% → 7.0%), while CPI forecast was maintained at 5.4%.
- FPI net purchased in equity and bond markets.
 - Equity: net purchased (12/4~12/7 accumulated: \$1,324.75 mil), SENSEX rose (+3.47%)
 - Bond: net purchased (12/4~12/7 accumulated: \$540.32 mil), bond yield fell (10y, 7.27, -2.0bp)
- Although domestic factors are favorable for India, it is not easy for INR exchange rate to fall due to external factors such as concerns about a global economic slowdown and the unreliability of the Fed's monetary policy. After the FOMC, USD's strength is likely to ease somewhat, but the INR exchange rate's decline is likely to be limited. This week, major economic indicators are scheduled to be announced, including mining and industrial production in October (consensus: 10.2%yoy), CPI in November (consensus: 5.78%yoy), and export and import performance. (Expected Range: 82.8~83.8)



Source: Bloomberg, SHB Solution & Trading Center



Source: Bloomberg, SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.12.11



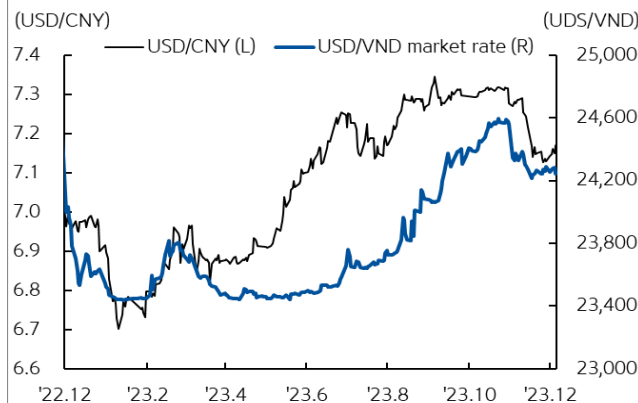
Vietnam

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

USD/VND	24,240
52wk high	24,620
52wk low	23,415
VN index	1,124
52wk high	1,255
52wk low	984
Government Bond(10yr,%)	2.39
52wk high	5.10
52wk low	2.35
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	5.33
Consumer Prices (% YoY)	3.45
Total Mining Industries Producer Price(% YoY)	9.18
Refinance rate(%)	4.50
Manufacturing PMI (index)	47.3
Industrial Production (% YoY)	5.80
Retail Sales(% YoY)	9.60
Exports (% YoY)	6.7
Imports (% YoY)	5.1
Current Account (\$mn)	7860.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,686

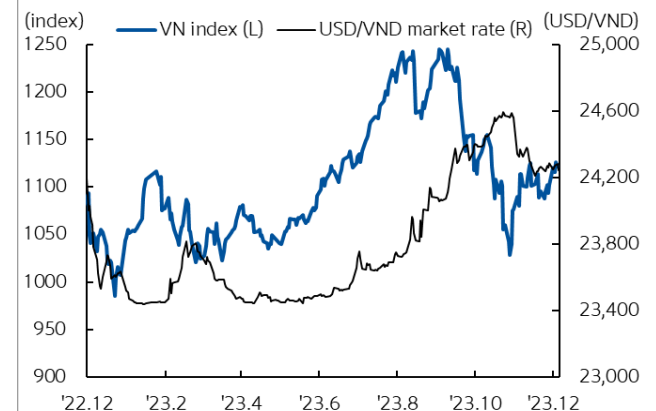
- Last week, USD/VND (market rate) moved in the range of 24,243~24,281, finished bullish (+0.18%)
- SBV announced central rate at 23,951, weakened compared to 23,923. (12/1, -0.12%)
- While USD strengthened, CNY exchange rate rose to the 7.17 level in the aftermath of Moody's downgrade of China's long-term government bond credit rating outlook, but the impact on VND exchange rate and stocks was limited. However, in the black market, VND exchange rate rose to the 24,700 level.
- Fitch upgraded Vietnam's credit rating from BB to BB+ due to strengthened FDI inflow and favorable mid-to long-term growth prospects (12/8)
- FPI (equity, bond, mutual fund, ETF, etc.) net sold \$110.69 mil.
 - VN index rose (+2.02%) and VNIBOR3M recorded 3.30% on Dec 8th. (+40bps)
- Despite favorable factors such as credit rating upgrade and improved export and import performance in Nov, it will not be easy for the exchange rate to fall as demand for products from major trading partners is still sluggish (Expected range: 24,100~24,450)

USD/CNY & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

VN Index & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.12.11

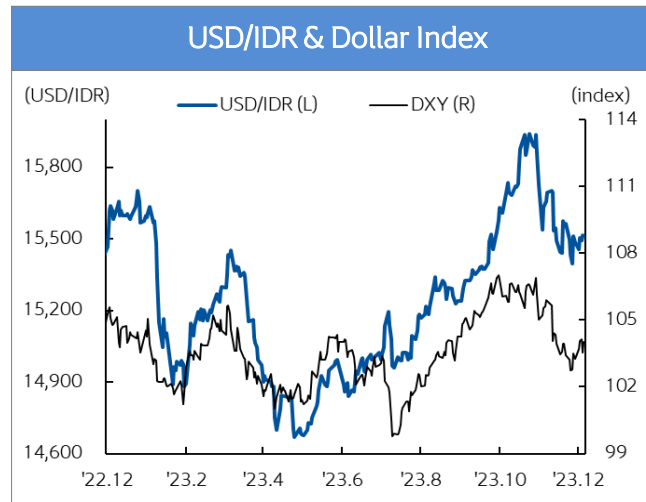


Indonesia

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

USD/IDR	15,510
52wk high	15,962
52wk low	14,575
Jakarta index	7,160
52wk high	7,202
52wk low	6,543
Government Bond(10yr,%)	6.61
52wk high	7.26
52wk low	6.16
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	4.94
Consumer Prices (% YoY)	2.86
Total Mining Industries Producer Price(% YoY)	3.55
Refinance rate(%)	6.00
Manufacturing PMI (index)	51.7
Industrial Production (% YoY)	-1.89
Retail Sales(% YoY)	1.78
Exports (% YoY)	-10.43
Imports (% YoY)	-2.42
Current Account (\$mn)	-900
Financail Earnings and Expenses (IDR10bn)	-460,420
FX Reserve (\$mn)	138

- Last week, USD/IDR(market rate) moved in the range of 15,455~15,510, finished bearish. (-0.16%)
- IDR exchange rate, which started lower due to expectations for the end of the Fed's interest rate hike, rose slightly as investor sentiment weakened due to Moody's adjustment of China's credit rating outlook (stable → negative).
- The government is expanding its foreign exchange reserves due to the recent decline in IDR exchange rate. In November, foreign exchange reserves recorded \$138.1 billion, exceeding \$133.1 billion.
- FPI net sold in equity and net purchased in bond market.
 - Equity: net sold (12/4~12/8 accumulated: \$69.54 mil), Jakarta index rose (+1.41%)
 - Bond: net purchased (12/4~12/7 accumulated: \$92.28 mil), bond yield fell (10y, 6.61%, -1.4bp)
- The direction of the exchange rate is expected to be determined after confirming the US CPI and FOMC statement to be announced this week. It is unlikely that there will be any significant exchange rate fluctuations. Export and import results are scheduled to be announced this week, and the market is expected to decline by 9.53% and 0.43%, respectively. The trade balance is expected to be in surplus at USD 3.07 billion, which is less than the previous month (USD 3.08 billion) (Expected range: 15,200~15,750).



Source : Bloomberg , SHB Solution & Trading Center



Source : Bloomberg , SHB Solution & Trading Center

Major Price Variations in Global Markets

2023.12.11

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2023-12-11	103.96	0.24	-1.80	-0.59	0.39	-0.81	0.42
	Euro (EUR/USD)	2023-12-11	1.08	-0.65	0.64	0.15	0.08	2.17	0.57
	Yen (USD/JPY)	2023-12-11	144.94	1.57	4.68	1.14	-3.68	-5.02	-9.54
	Pound (GBP/USD)	2023-12-11	1.26	-0.66	2.21	0.33	0.33	2.29	3.86
	Switzerland (USD/CHF)	2023-12-11	0.88	-0.81	2.47	1.24	3.31	6.41	5.07
	Australia (AUD/USD)	2023-12-11	0.66	-0.57	3.21	2.35	-2.50	-2.42	-3.39
FX - EM	South Korea (USD/KRW)	2023-12-08	1,306.95	-0.09	0.28	1.99	-0.23	0.85	-3.17
	China (USD/CNY)	2023-12-09	7.17	-0.58	1.48	2.42	-0.81	-2.83	-3.79
	India (USD/INR)	2023-12-08	83.39	-0.11	-0.13	-0.53	-0.98	-1.14	-0.78
	Indonesia (USD/IDR)	2023-12-08	15,510.00	-0.16	0.90	-1.19	-3.97	0.72	0.37
	Vietnam (USD/VND)	2023-12-11	24,240.00	0.05	0.59	-0.68	-3.11	-2.20	-2.50
	Brazil (USD/BRL)	2023-12-09	4.93	-0.97	-0.42	1.12	-0.08	5.81	7.10
Russia (USD/RUB)	2023-12-09	91.82	-0.87	0.03	6.67	-10.06	-31.14	-19.21	
Stock - DM	United States Dow Jones	2023-12-09	36,247.87	0.01	5.73	4.57	7.00	8.28	9.35
	United States NASDAQ	2023-12-09	14,403.97	0.69	4.39	3.49	8.63	30.89	37.62
	United States S&P 500	2023-12-09	4,604.37	0.21	4.28	2.61	7.11	17.03	19.92
	Japan NIKKEI225	2023-12-08	32,307.86	-3.36	-0.80	-0.49	0.13	15.79	23.81
	United Kingdom FTSE	2023-12-09	7,554.47	0.33	2.63	0.77	-0.10	1.04	1.38
	France CAC40	2023-12-09	7,526.55	2.46	6.83	3.41	4.34	12.71	16.26
	Germany DAX	2023-12-09	16,759.22	2.21	10.01	6.06	5.07	16.62	20.37
Stock - EM	South Korea KOSPI	2023-12-08	2,517.85	0.51	4.49	-1.53	-4.67	5.39	12.58
	China Shanghai Stock Exchange	2023-12-08	2,969.56	-2.05	-2.28	-5.51	-8.10	-7.40	-3.87
	India Sensex	2023-12-08	69,825.60	3.47	7.58	4.02	11.50	12.29	14.77
	Indonesia Jakarta	2023-12-08	7,159.60	1.41	5.14	2.82	6.96	6.62	4.51
	Vietnam VN index	2023-12-08	1,124.44	2.02	2.07	-8.11	1.53	6.91	11.65
	Russia RTS	2023-12-09	1,054.28	-3.74	-4.80	2.01	2.13	-4.08	8.62
Brazil Bovespa	2023-12-09	127,093.57	-0.85	5.41	8.74	8.61	18.21	15.82	
Rates - DM	United States	2023-12-08	4.23	3.00	-26.69	-3.85	50.77	74.37	35.08
	Germany	2023-12-08	2.28	-8.60	-34.10	-33.40	-12.60	45.60	-29.50
	United Kingdom	2023-12-08	4.04	-9.90	-19.90	-38.20	-19.20	95.20	36.90
	Japan	2023-12-08	0.77	6.90	-9.10	11.10	32.80	51.10	34.40
Rates - EM	South Korea	2023-12-08	3.53	-16.60	-49.60	-35.20	-9.80	0.00	-20.10
	India	2023-12-08	7.27	-2.00	-0.10	6.40	24.90	-1.80	-5.80
	Indonesia	2023-12-08	6.61	-1.40	-19.30	5.40	24.30	-36.00	-33.50
	Vietnam	2023-12-08	2.39	2.00	-26.00	-26.00	-68.00	-271.00	-251.00
	Russia	2023-12-08	12.21	32.75	24.38	40.68	129.67	195.44	190.60
	Brazil	2023-12-08	10.94	4.70	-40.70	-35.50	-29.60	-207.50	-175.20
Commodity	WTI (\$/bbl)	2023-12-11	71.09	-2.67	-7.88	-18.56	1.31	0.10	-11.43
	Brent (\$/bbl)	2023-12-11	75.72	-2.96	-7.01	-16.46	1.24	-0.50	-11.86
	Gold (\$/oz)	2023-12-11	2,005.97	-1.16	3.03	4.35	2.46	12.60	9.98

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