

Weekly Global FX Market Monitor

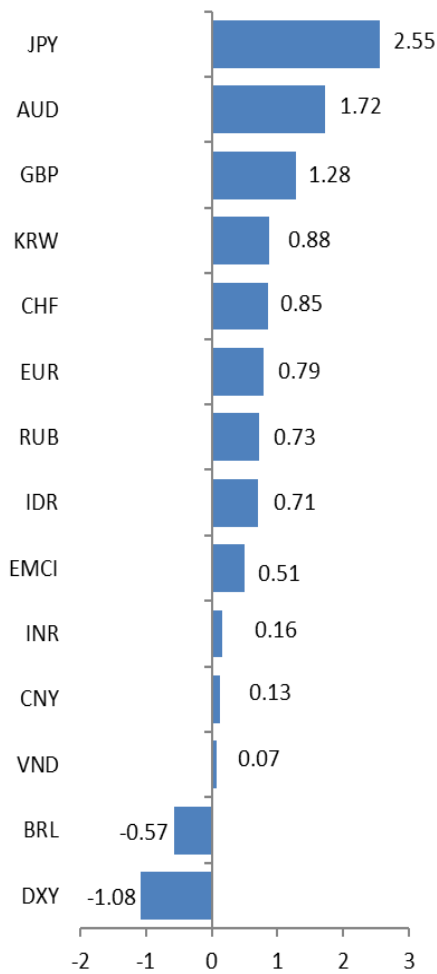
2024.03.11



Global

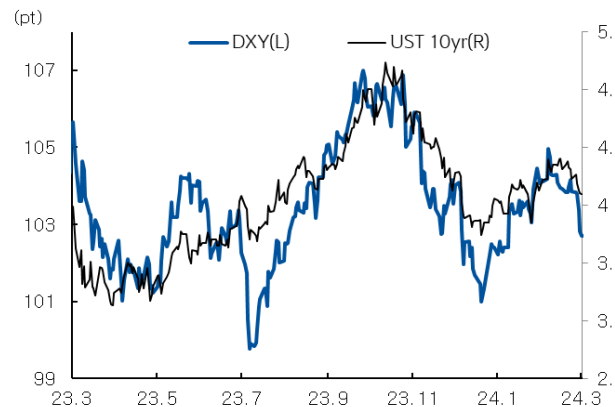
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Translation: Jae Yeon Hyun

Weekly Change (%)



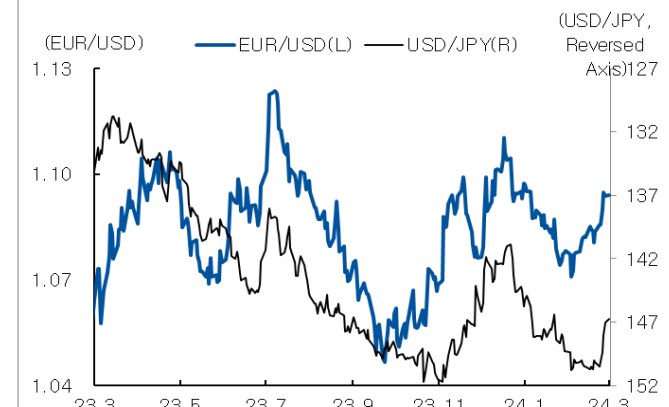
- Last week: Weak USD(-1.08%), Strong EUR(+0.79%), Strong JPY(+2.55%)
- DXY dropped on dovish comments from the Fed chairman. DXY closed at 102.7pt late in the week despite higher-than-expected employment data in February due to 3.9% unemployment rate and slowdown in increase in hourly wage, increasing expectations on rate cuts in June.
- ECB froze rate at the recent meeting, but anticipation on rate cuts in June is rising. EUR rose on weak USD due to decrease in US bond yield and comments from the Fed chairman
- USDJPY dropped to 147yen level as possibility of rate hike in March increased after few BOJ members' comments.
- Despite disappointments in China's "Two Sessions", EM currencies strengthened on weak USD due to Powell's comments and anticipation on BOJ's rate hike.
- Brazil's oil firm Petrobras' dividend was disappointing, which increased concerns over government intervention, and BRL(-0.57%) weakened.
- INR(+0.16%), VND(+0.07%), IDR(+0.71%) all 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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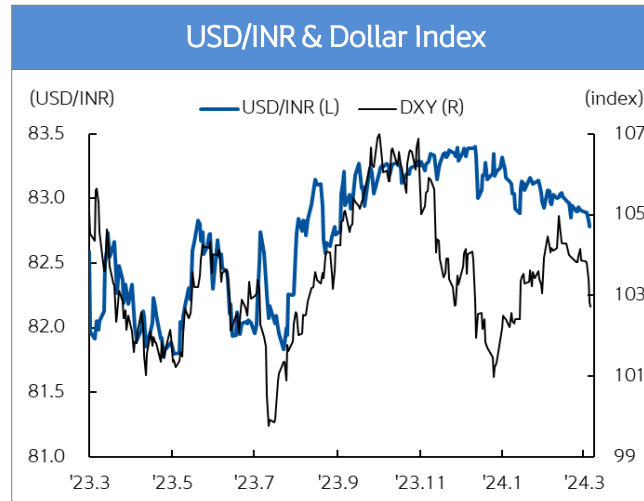


India

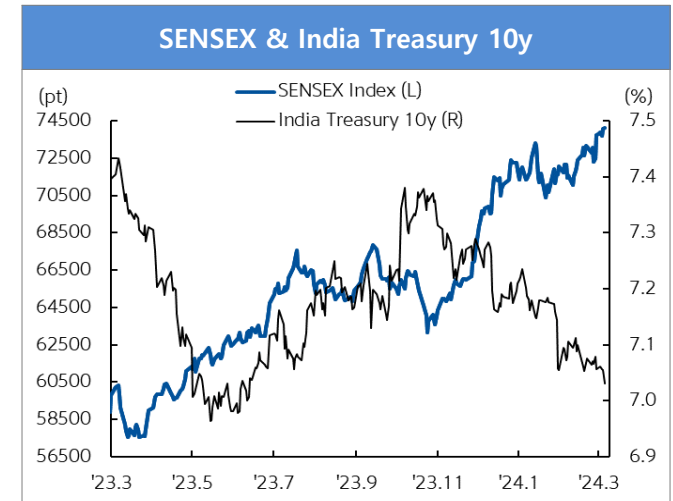
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USD/INR	82.79
52wk high	83.50
52wk low	81.61
Sensex	74,119
52wk high	74,245
52wk low	57,085
Government Bond (10yr,%)	7.03
52wk high	7.42
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	8.36
Consumer Prices (% YoY)	5.1
Producer Prices (% YoY)	0.27
RBI rate(%)	6.50
Manufacturing PMI (index)	56.9
Industrial Production (% YoY)	3.80
Core Sector Growth(% YoY)	3.57
Exports (% YoY)	3.12
Imports (% YoY)	2.99
Current Account (\$bn)	-8.30
Financial Earnings and Expenses (INR10mn)	-120324
FX Reserve (\$mn)	625,626

- Last week, USD/INR moved around 82.78~82.90, strengthened compared to last week (+0.16%)
- While India is to be included in the MSCI index, USDINR dropped to 82.7 rupee, lowest in 6 months, due to drop in US bond yield and continued capital inflow into bond market.
- February services PMI eased to 60.6. Slowed slightly but remained robust.
- India signed TEPA with ETFA (4 European countries including Switzerland) (3/10). Four members of ETFA will invest \$100 billion to India and about a million new jobs will be created.
- FPI net purchased in equity and bond market.
 - Equity: net purchased(3/4~3/6 cumulative: \$657.48 mil) SENSEX rose. (+0.51%)
 - Bond: net purchased(3/4~3/6 cumulative: \$442.22 mil) bond yield dropped. (10y, 7.03%, -2.40bp)
- USDINR is anticipated to fall this week due to weakening USD considering capital inflow into bond market and Powell's dovish stance. This week, January mining and manufacturing production (consensus: 4.1%yoY), February consumer price (consensus: 5.05%yoY) and export/import will be announced. (Expected Range: 82.4~83.0)



Source: Bloomberg, SHB Solution & Trading Center



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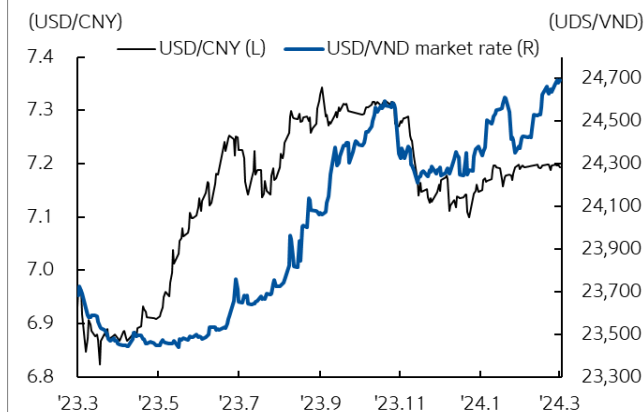
Vietnam

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USD/VND	24,657
52wk high	24,718
52wk low	23,415
VN index	1,247
52wk high	1,278
52wk low	1,017
Government Bond(10yr,%)	2.65
52wk high	4.55
52wk low	2.35
Major Indices Snap shot	
Real GDP Growth	6.72
Rate(% YoY)	
Consumer Prices (% YoY)	3.98
Total Mining Industries	9.18
Producer Price(% YoY)	
Refinance rate(%)	4.50
Manufacturing PMI (index)	50.4
Industrial Production (% YoY)	-6.80
Retail Sales(% YoY)	8.10
Exports (% YoY)	-5
Imports (% YoY)	1.8
Current Account (\$mn)	9673.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,200

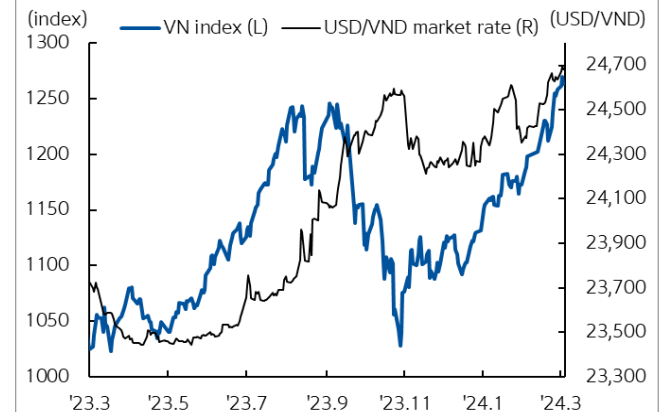
- Last week, USD/VND ranged from 24,651 – 24,693. Strengthened compared to last week. (+0.07%)
- SBV set the central rate at 23,996, strengthened compared to 3/1(23,996, +0.03%).
- CNY experienced a decline due to disappointment over the lack of specific solutions despite presenting a growth rate of around 5% at the 'Two Sessions.' However, it recouped losses in the latter part of the week amid declining US bond yields and a weaker USD. The VND also rose to nearly 24,700 levels but retreated in the latter half of the week following easing concerns over the Fed's interest rate cut delay.
- FPI net purchased \$3,979.
- -VN index dropped(-0.87%), 3M-VNIBOR recorded 2.55% on 3/8, dropped 10.0bp.
- VND remains undervalued compared to improving external conditions such as export-import performance amid concerns about China's instability and global economic slowdown. With the weakening USD due to Fed's dovish remarks and the sudden expectation of a rate hike by the BOJ in March, the VND's upward trend may be tempered this week. (Expected Range:24,400~24,850)

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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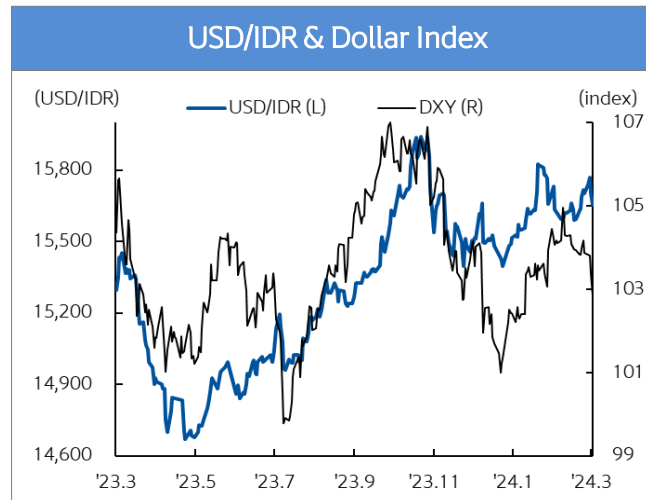


Indonesia

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USD/IDR	15,590
52wk high	15,962
52wk low	14,575
Jakarta index	7,382
52wk high	7,416
52wk low	6,543
Government Bond(10yr,%)	6.63
52wk high	7.26
52wk low	6.16
Major Indices Snap shot	
Real GDP Growth	5.04
Rate(% YoY)	
Consumer Prices (% YoY)	2.75
Total Mining Industries	3.23
Producer Price(% YoY)	
Refinance rate(%)	6.00
Manufacturing PMI (index)	52.7
Industrial Production (% YoY)	-1.04
Retail Sales(% YoY)	3.70
Exports (% YoY)	-8.2
Imports (% YoY)	0.28
Current Account (\$mn)	-1,290
Financail Earnings and Expenses (IDR10bn)	-460,420
FX Reserve (\$mn)	144

- Last week, USD/IDR(market rate) ranged from 15,590~15,769, strengthened in a week(+0.71%).
- Following the 'Two Sessions' in China last week, where the Chinese government announced a growth target of around 5%, market sentiment became skeptical due to the absence of specific stimulus measures, leading to negative impacts on investor confidence and IDR exchange rate rose in the early this week. However, in the latter part of the week, Fed's congressional remarks were interpreted as dovish, leading to expectations of a US rate cut in June, which strengthened the IDR.
- FPI net purchased in equity market and net sold in bond market.
 - Equity: net purchased(3/4~3/8 cumulative: \$43.46 mil), Jakarta index rose(+0.96%).
 - Bond: net sold(3/4~3/7 cumulative: 436.81mil), bond yield dropped(10y, 6.63%, -0.20bp)
- Confirmation of a weakening labor market was observed with February US unemployment rate reaching 3.9% and wage growth rates falling below expectations. With the weakening USD, emerging market currencies may exhibit strength this week. However, despite the increasingly certain victory of Prabowo in the elections, investors will be cautious until the cabinet and policy become clear and the rise of IDR will be limited. Export/import will be announced this week, and slight increase in trade surplus is anticipated. (Expected Range: 15,450~15,700)



Source : Bloomberg , SHB Solution & Trading Center



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Australia

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AUD/USD 0.6625

52wk high 0.6889

52wk low 0.6296

S&P/ASX200 7,737

52wk high 7,847

52wk low 6,773

Government Bond(10yr,%) 3.96

52wk high 4.95

52wk low 3.19

Major Indices Snap shot

Real GDP growth rate (%YoY) 1.5

Consumer Prices(%YoY) 4.1

Producer Prices(%YoY) 4.1

Policy rate(%) 4.35

AU-US 2yr spread(%) -0.76

China Imports From Australia(billion USD) 24.9

Exports(%MoM) 4.0

Imports(%MoM) -0.4

Current Account(billion AUD) 1.2

Last Week :

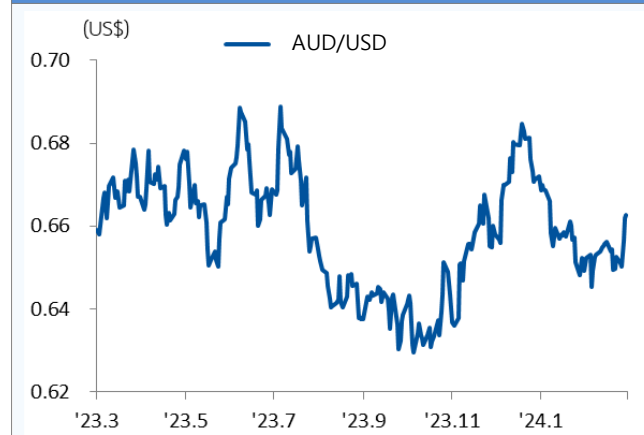
- Amid disappointment over the Chinese 'Two Sessions', AUD experienced a slight decline at the beginning of the week. However, the continued decline in US bonds interest rates for the second consecutive week, along with the sudden speculation of a rate hike by the BOJ in March, led to a weakening of the USD, causing a sharp rise in the AUD, which surpassed 0.66 by later this week. There was no significant reaction to Australian economic indicators.

Outlook :

- While there were no positive factors stimulating commodity demand at the Chinese "Two Sessions", the short-term continuation of the decline in US bond yields could lead to further appreciation of the AUD. However, the upward momentum of the AUD is limited, with any gains expected to be reflective of the weakening USD.

*JP Morgan hasn't been updated for a while, replaced by Citi.

AUDUSD exchange rate



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 3/8)

	'24.03	'24.06	'24.09
A N Z	0.69	0.70	0.70
Wells Fargo	0.64	0.66	0.67
MUFG	0.67	0.68	0.71
Citi	0.64	0.64	0.65

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets 2024.03.11

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-03-11	102.71	-1.08	-1.35	-1.33	-1.78	-1.78	1.36
	Euro (EUR/USD)	2024-03-11	1.09	0.79	1.58	1.64	1.79	1.97	-0.88
	Yen (USD/JPY)	2024-03-11	146.78	2.55	1.75	-0.42	-0.13	-9.25	-3.91
	Pound (GBP/USD)	2024-03-11	1.29	1.28	1.78	2.38	2.76	5.51	0.97
	Switzerland (USD/CHF)	2024-03-11	0.88	0.85	-0.19	0.11	1.53	3.93	-4.10
	Australia (AUD/USD)	2024-03-11	0.66	1.72	1.39	0.82	2.97	-0.69	-2.79
FX - EM	South Korea (USD/KRW)	2024-03-08	1,319.75	0.88	0.64	-0.97	1.00	0.12	-2.40
	China (USD/CNY)	2024-03-09	7.19	0.13	0.13	-0.24	2.18	-3.17	-1.21
	India (USD/INR)	2024-03-07	82.79	0.16	0.22	0.69	0.52	-1.05	0.51
	Indonesia (USD/IDR)	2024-03-08	15,590.00	0.71	0.29	-0.51	-1.70	-0.99	-1.24
	Vietnam (USD/VND)	2024-03-11	24,657.00	0.07	-0.95	-1.62	-2.36	-4.19	-1.57
	Brazil (USD/BRL)	2024-03-09	4.98	-0.57	0.28	-1.06	0.05	3.18	-2.53
Russia (USD/RUB)	2024-03-09	91.07	0.73	0.05	0.83	7.56	-16.49	-1.76	
Stock - DM	United States Dow Jones	2024-03-09	38,722.69	-0.93	0.13	6.37	11.71	21.35	2.74
	United States NASDAQ	2024-03-09	16,085.11	-1.17	0.59	11.45	15.57	44.40	7.15
	United States S&P 500	2024-03-09	5,123.69	-0.26	1.93	10.84	14.18	32.68	7.42
	Japan NIKKEI225	2024-03-08	39,688.94	-0.56	7.57	21.03	22.24	41.02	18.60
	United Kingdom FTSE	2024-03-09	7,659.74	-0.30	1.15	1.52	2.17	-1.14	-0.95
	France CAC40	2024-03-09	8,028.01	1.18	4.98	6.31	10.30	11.18	6.43
	Germany DAX	2024-03-09	17,814.51	0.45	5.25	6.07	12.74	15.47	6.34
Stock - EM	South Korea KOSPI	2024-03-08	2,680.35	0.23	2.29	6.14	4.83	11.93	0.94
	China Shanghai Stock Exchange	2024-03-08	3,046.02	0.63	6.28	1.82	-3.08	-5.70	2.39
	India Sensex	2024-03-07	74,119.39	0.51	3.77	6.15	11.29	22.82	2.60
	Indonesia Jakarta	2024-03-08	7,381.91	0.96	2.03	4.14	6.01	9.11	1.50
	Vietnam VN index	2024-03-08	1,247.35	-0.87	4.07	10.83	1.94	18.46	10.39
	Russia RTS	2024-03-08	1,152.12	2.20	2.42	9.28	13.80	21.10	6.34
	Brazil Bovespa	2024-03-09	127,070.79	-1.63	-0.75	0.12	8.72	22.63	-5.30
Rates - DM	United States	2024-03-08	4.07	-10.49	-7.91	-15.07	-18.92	8.36	19.58
	Germany	2024-03-08	2.27	-14.70	-8.70	-0.90	-34.30	-37.90	24.30
	United Kingdom	2024-03-08	3.98	-13.80	-7.50	-6.50	-44.70	21.10	43.90
	Japan	2024-03-08	0.74	1.80	3.00	-3.10	8.00	23.00	12.10
Rates - EM	South Korea	2024-03-08	3.32	-15.90	-8.40	-21.30	-56.50	-39.10	14.60
	India	2024-03-07	7.03	-2.60	-4.20	-20.70	-14.60	-37.40	-14.30
	Indonesia	2024-03-08	6.63	-0.20	0.80	2.00	7.40	-42.50	14.50
	Vietnam	2024-03-08	2.65	20.00	20.00	20.00	-5.00	-190.00	25.00
	Russia	2024-03-07	12.73	41.80	90.67	58.06	105.74	194.36	86.24
	Brazil	2024-03-08	10.87	6.20	7.60	-6.70	-42.20	-252.30	50.40
Commodity	WTI (\$/bbl)	2024-03-11	77.72	-1.30	1.15	8.97	-10.96	1.36	8.47
	Brent (\$/bbl)	2024-03-11	81.77	-1.24	-0.51	7.55	-9.79	-1.22	6.14
	Gold (\$/oz)	2024-03-11	2,182.66	3.22	8.05	10.13	13.54	14.05	5.80

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