

Weekly Global FX Market Monitor

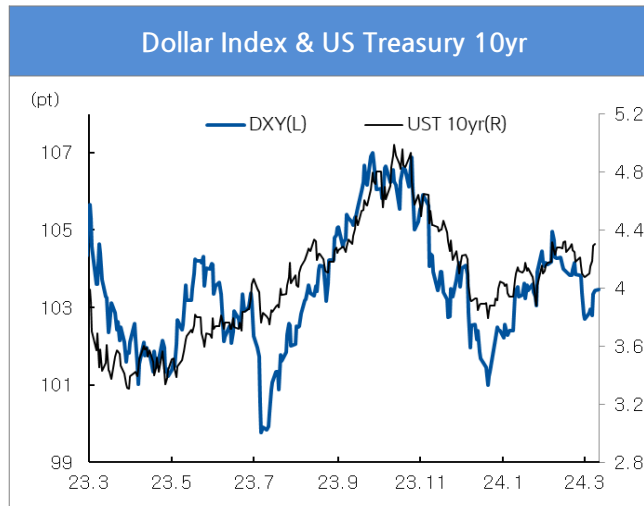
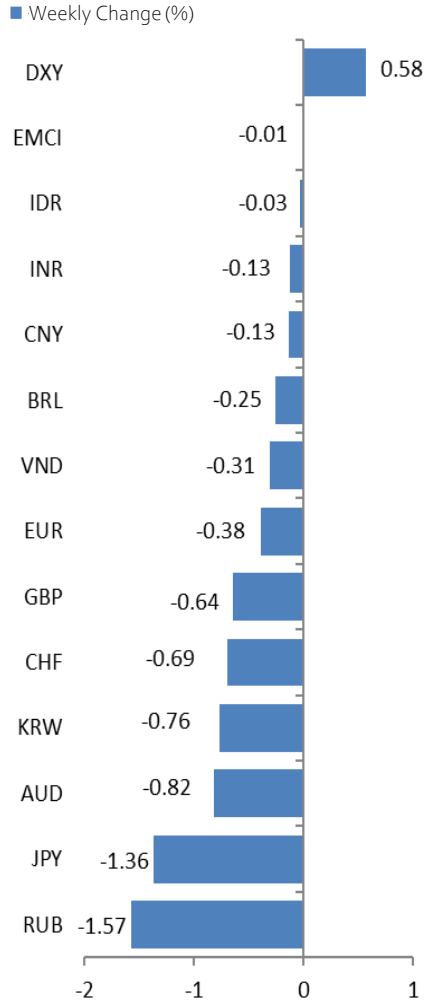
2024. 03. 18



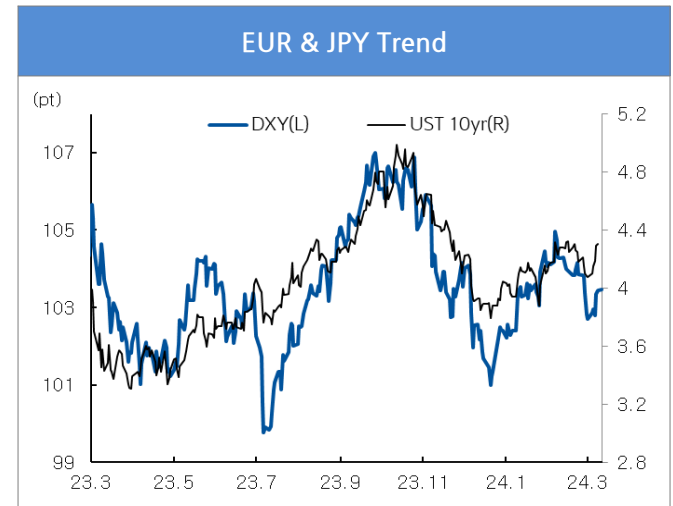
Global

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

- Last week: Strong USD(+0.58%), Weak EUR(-0.38%), Weak JPY(-1.36%)
- Anticipation on the Fed's pivot diminished due to better-than-expected US February CPI PPI. DXY and US bond yield rose. DXY closed at 103pt.
- ECB announced amendment plans for monetary policy structure but didn't have much impact on FX rate. US bond yield and USD rose as CPI and PPI exceeded market expectation and EUR dropped, closing at 1.0880 dollar.
- Major Japanese companies announced aggressive wage increase, higher than request from labor unions. USDJPY dropped on rising anticipations on BOJ's rate hike but closed at 149 yen due to rise in US bond yield late in the week.
- Despite higher-than-expected US CPI, anticipation on the Fed's rate cut has been maintained. But as PPI also rose 0.6% compared to last month, rate cut in June became less likely, resulting in weakening of EM currencies.
- With 87% approval vote, Putin's fifth term has been confirmed. Putin can be in the office for 6 more years, until 2030. RUB(-1.57%) weakened.
- INR(-0.13%), VND(-0.31%) weakened while IDR(-0.03%) remained steady.



Source: Bloomberg, SHBSolution & Trading Center



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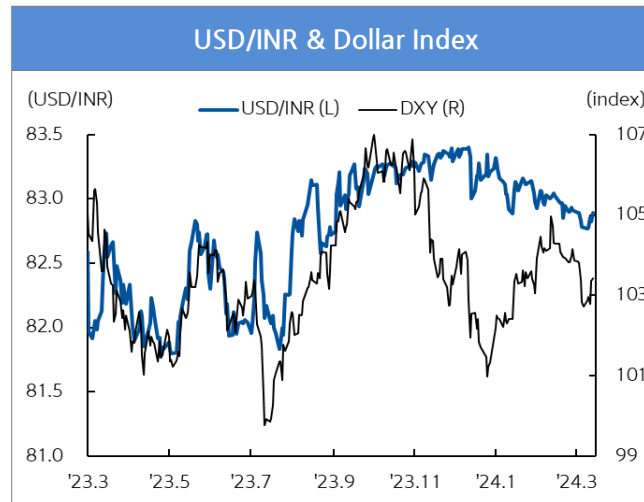


India

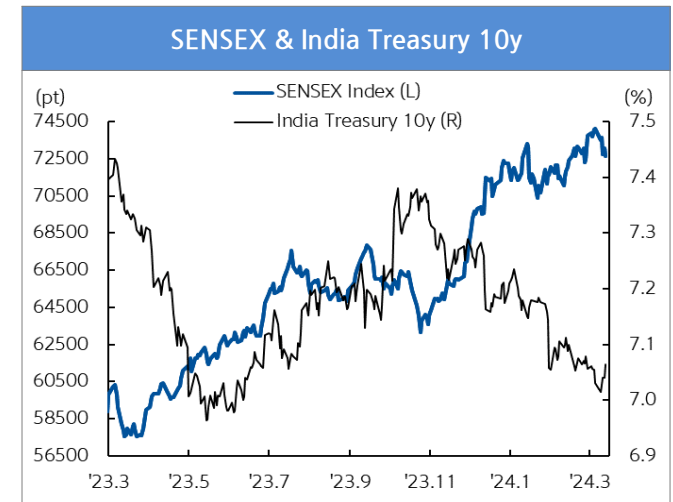
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USD / INR	82.89
52wk high	83.50
52wk low	81.61
Sensex	72,643
52wk high	74,245
52wk low	57,085
Government Bond (10yr, %)	7.06
52wk high	7.40
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	8.36
Consumer Prices (% YoY)	5.09
Producer Prices (% YoY)	0.2
RBI rate(%)	6.50
Manufacturing PMI (index)	56.9
Industrial Production (% YoY)	3.80
Core Sector Growth(% YoY)	3.57
Exports (% YoY)	11.86
Imports (% YoY)	12.19
Current Account (\$bn)	-8.30
Financial Earnings and Expenses (INR10mn)	-120324
FX Reserve (\$mn)	636,095

- Last week, USD/IN moved around 82.76~82.89, weakened compared to last week. (-0.13%)
- INR weakened as foreign capital outflow from equity market and drop in bond yield due to the rise in US bond yield.
- February consumer price rose 5.09% yoy. (+5.1% compared to last month) Food prices rose but core inflation dropped to 3.3%, lowest since 2015. Wholesale price was 0.2% (dropped 0.7% compared to last month)
- While January mining and manufacturing production rose 3.8% yoy, February export/import rose 11.9% and 12.2%. Trade deficit increased to \$1.87billion (last month: \$1.75 billion)
- FPI net purchased in equity and bond market.
 - Equity: net purchased(3/11~3/14 cumulative: \$2.28 billion), SENSEX dropped. (-1.99%)
 - Bond: net purchased (3/11~3/14 cumulative: \$324.43 million), bond yield rose. (10y, 7.06%, +3.30bp)
- While rising pressure on oil price is dominating due to Putin's fifth term and geopolitical risk related to Israel-Hamas, USD/INR may rise if the Fed's rate cut in June becomes less likely at this week's FOMC, which would trigger a rise in USD and US bond yield. (Expected Range: 82.4~83.1)



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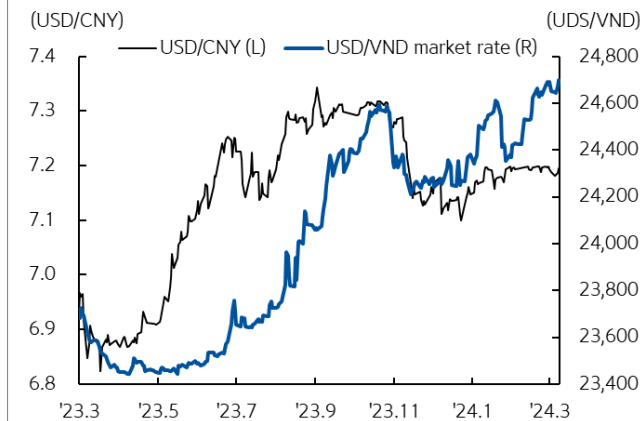
Vietnam

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USD/VND	24,723
52wk high	24,740
52wk low	23,415
VN index	1,264
52wk high	1,278
52wk low	1,017
Government Bond(10yr.%)	2.62
52wk high	4.10
52wk low	1.32
Major Indices Snap shot	
Real GDP Growth Rate(% YoY)	6.72
Consumer Prices (% YoY)	3.98
Total Mining Industries Producer Price(% YoY)	9.18
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

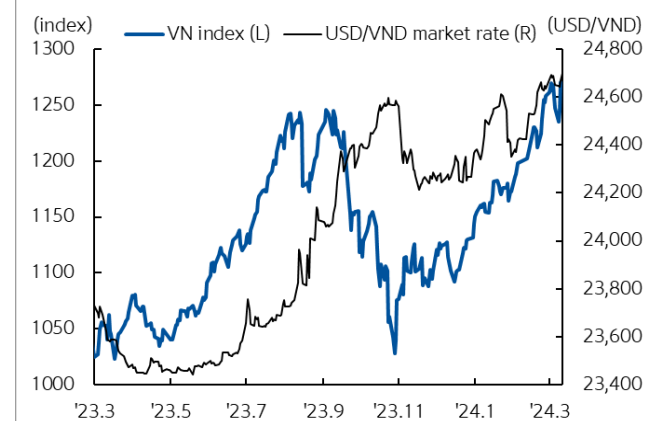
- Last week, USD/VND(market rate) moved around 24,644~24,723, weakened compared to last week. (-0.31%)
- SBV announced central rate at 23,979 (3/15), strengthened compared to 3/8. (23,996, +0.07%)
- CNY dropped on BOJ's possible rate hike in March and weakening of USD. But as CPI and PPI exceeded market expectation and rate cut in June becomes less likely, USD strengthened and CNY rate rose. VND continued to rise late in the week.
- February automobile sales was 11,633 (decreased 50% yoy, 40% mom). This was due to the expiration of registration tax exemption and sluggish economy.
- FPI net sold \$105.61 million.
- VN Index rose (+1.32%), and VNIBOR3M was 2.60% , dropped 5.0bps. (3/15)
- This week, FOMC and BOJ's monetary policy meeting are scheduled. While BOJ's pivot is anticipated, if possibility of rate cut in June decreases and the number of rate cuts is downward adjusted at FOMC, USD will rise, resulting and additional rise in VND rate. (Expected Range :24,450~24,870)

USD/CNY & USD/VND Market rate



Source: Bloomberg, SHBSolution & Trading Center

VN Index & USD/VND Market rate



Source: Bloomberg, SHBSolution & Trading Center

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Australia

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AUD/USD 0.6566

52wk high 0.6889

52wk low 0.6296

S&P/ASX200 7,678

52wk high 7,847

52wk low 6,773

Government Bond(10yr,%) 4.12

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(%) -0.85

China Imports From Australia(billion USD) 24.9

Exports(% MoM) 4.0

Imports(% MoM) -0.4

Current Account(billion AUD) 1.2

Last Week :

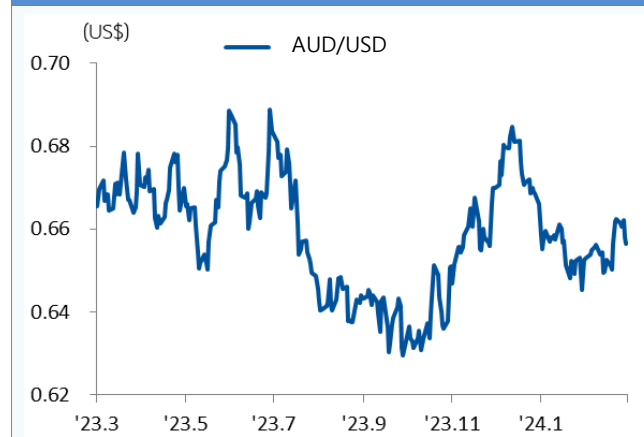
- Due to possibility of BOJ's pivot in March and slowdown in US employment in February, USD dropped and AUDUSD dropped below 0.66 dollar, which rose up to 0.666 dollar on 8th.
- As inflation pressure was confirmed through US February CPI and PPI, US bond yield rose, resulting in weakening of AUD.

Outlook :

- While decline in iron ore price is deepening, US bond yield rose gain, exposing AUD to downward pressure.
- The Fed may maintain cautious stance and maintain its outlook on rate cut at the FOMC. But if the market interprets it to be hawkish, AUD is likely to weaken.

*No changes.

AUDUSD exchange rate



Source:Refinitiv,,SHBSolution&TradingCenter

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, SHBSolution & Trading Center

Major Price Variations in Global Markets

2024.03.18

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2024-03-18	103.46	0.58	-0.78	0.88	-1.65	-0.24	2.10
	Euro (EUR/USD)	2024-03-18	1.09	-0.38	0.97	-0.37	1.80	1.52	-1.40
	Yen (USD/JPY)	2024-03-18	148.98	-1.36	0.77	-4.16	-0.92	-11.85	-5.33
	Pound (GBP/USD)	2024-03-18	1.27	-0.64	1.10	0.66	2.82	3.70	0.01
	Switzerland (USD/CHF)	2024-03-18	0.88	-0.69	-0.12	-1.86	1.54	5.16	-4.77
	Australia (AUD/USD)	2024-03-18	0.66	-0.82	0.31	-2.19	1.91	-2.35	-3.70
FX - EM	South Korea (USD/KRW)	2024-03-15	1,329.90	-0.76	0.31	-2.52	-0.29	-1.96	-3.14
	China (USD/CNY)	2024-03-16	7.20	-0.13	-0.05	-1.05	1.09	-4.04	-1.35
	India (USD/INR)	2024-03-15	82.89	-0.13	0.19	0.13	0.35	-0.35	0.39
	Indonesia (USD/IDR)	2024-03-15	15,595.00	-0.03	0.16	-0.65	-1.55	-1.47	-1.27
	Vietnam (USD/VND)	2024-03-18	24,723.00	-0.31	-0.79	-1.63	-1.40	-4.59	-1.84
	Brazil (USD/BRL)	2024-03-16	5.00	-0.25	-0.44	-1.04	-2.63	5.86	-2.78
Russia (USD/RUB)	2024-03-16	92.53	-1.57	-0.10	-2.40	4.51	-17.30	-3.30	
Stock - DM	United States Dow Jones	2024-03-16	38,714.77	-0.02	0.22	3.78	11.81	21.51	2.72
	United States NASDAQ	2024-03-16	15,973.17	-0.70	1.25	7.17	16.51	37.34	6.41
	United States S&P 500	2024-03-16	5,117.09	-0.13	2.23	7.94	14.90	30.65	7.28
	Japan NIKKEI225	2024-03-15	38,707.64	-2.47	0.57	18.16	15.43	41.61	15.67
	United Kingdom FTSE	2024-03-16	7,727.42	0.88	0.20	1.48	0.97	5.34	-0.08
	France CAC40	2024-03-16	8,164.35	1.70	5.10	7.87	12.21	17.89	8.23
	Germany DAX	2024-03-16	17,936.65	0.69	4.79	7.72	14.05	21.45	7.07
Stock - EM	South Korea KOSPI	2024-03-15	2,666.84	-0.50	0.68	3.90	3.58	11.32	0.44
	China Shanghai Stock Exchange	2024-03-15	3,054.64	0.28	6.59	4.23	-2.28	-6.03	2.68
	India Sensex	2024-03-15	72,643.43	-1.99	0.30	1.86	7.47	25.27	0.56
	Indonesia Jakarta	2024-03-15	7,328.05	-0.02	-0.10	2.93	5.65	9.73	0.76
	Vietnam VN index	2024-03-15	1,263.78	1.32	4.47	15.74	4.29	20.92	11.85
	Russia RTS	2024-03-16	1,119.66	-2.82	1.11	4.11	9.29	17.99	3.34
	Brazil Bovespa	2024-03-16	126,741.81	-0.26	-1.54	-3.31	7.15	24.28	-5.55
Rates - DM	United States	2024-03-15	4.31	23.14	7.63	39.53	-2.61	85.15	42.72
	Germany	2024-03-15	2.44	17.50	8.30	42.60	-23.30	31.20	41.80
	United Kingdom	2024-03-15	4.10	12.60	4.80	41.50	-25.60	78.10	56.50
	Japan	2024-03-15	0.79	5.10	5.50	9.00	7.10	45.70	17.20
Rates - EM	South Korea	2024-03-15	3.41	8.90	-7.00	6.20	-51.70	-1.00	23.50
	India	2024-03-15	7.06	3.30	-2.40	-9.90	-13.50	-27.80	-11.00
	Indonesia	2024-03-15	6.65	2.40	2.10	8.00	-4.00	-11.70	16.90
	Vietnam	2024-03-15	2.62	18.00	22.00	22.00	-9.00	-168.00	25.00
	Russia	2024-03-14	12.86	13.02	86.64	33.65	119.75	205.05	99.26
	Brazil	2024-03-15	11.05	18.10	18.40	38.40	-25.70	-209.50	68.50
Commodity	WTI (\$/bbl)	2024-03-18	81.07	4.03	2.37	11.87	-11.38	21.47	13.15
	Brent (\$/bbl)	2024-03-18	85.35	3.82	2.25	9.49	-9.62	16.97	10.79
	Gold (\$/oz)	2024-03-18	2,154.80	-1.28	6.82	6.29	11.43	8.89	4.45

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