

WEEKLY FOREIGN EXCHANGE OUTLOOK
27 เม.ย. 2020 - 01 พ.ค. 2020

Dollar Index
Dollar Index Graph


Source: Thomson Reuters

Dollar News

- The dollar edged higher as investors sought safe haven currencies following U.S. oil futures turned negative for the first time ever pressured oil-linked currencies.
- While, President Donald Trump said that U.S. states are safely starting to reopen businesses, even as some public health officials warned that relaxing restrictions too quickly could trigger a new surge in cases of the coronavirus.
- However, new filings for weekly jobless claims, reported Thursday, added to the gloom with another 4.4 million applying for unemployment insurance. That brought the five-week total to more than 26 million.
- The U.S. House of Representatives overwhelmingly approved a \$484 billion coronavirus relief bill on Thursday, funding small businesses and hospitals and pushing the total spending response to the crisis to an unprecedented near \$3 trillion.

Dollar Index Performance

Last Week Close	99.78	Monthly High	102.99
Week Open	99.71	Monthly Low	97.98
Week Close	100.19	30 Days Average	100.18
Weekly High	100.87	90 Days Average	98.58
Weekly Low	99.65	YTD Change	#####

Dollar Outlook

- The House action sent the latest of four relief bills to the White House, where Republican President Donald Trump has promised to sign it quickly into law.
- Interest Fed rate decision is scheduled on 29 Apr with first quarter GDP.
- USD will remain strong as long as global trade and commodity trade is subdued and the most important thing is to gauge the USD response to the slip in oil price.

Lower Bound	99.50	Upper Bound	104.00
Forecast	Appreciation		

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Indicator Name	Period	Local Start	D Reuters Poll	Prior
Consumer Confidence	Apr	28-Apr	88.0	120.0
GDP Advance	Q1	29-Apr	-4.0%	2.1%
Fed Funds Target Rate	29 Apr	30-Apr	0-0.25	0-0.25
Fed Int On Excess Reserves	29 Apr	30-Apr		0.10%
Consumption, Adjusted MM	Mar	30-Apr	-5.0%	0.2%
Initial Jobless Claims	25 Apr, w/	30-Apr	3,500k	4,427k
Markit Mfg PMI Final	Apr	1-May		36.9
ISM Manufacturing PMI	Apr	1-May	36.7	49.1
U Mich Sentiment Final	Mar	27-Mar	95.0	95.9

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Thai Baht
Thai Baht Graph


Source: Thomson Reuters

Thai Baht News

- Thai Baht appreciated in the early of the week as the new cases of the Covid-19 was decline for fifth consecutive day.
- However, Moody's Investors Service ("Moody's") has downgrade its outlook on the Government of Thailand's issuer ratings to stable from positive and affirmed the Baa1 issuer and local currency senior unsecured ratings.
- While, Deputy Prime Minister Somkid Jatusripitak said, The Bank of Thailand should ensure the baht is competitive and has a trade advantage as the coronavirus pandemic hits the economy.

Thai Baht Performance

Last Week Close	32.55 THB/USD	Monthly High	##### THB/USD
Week Open	32.47 THB/USD	Monthly Low	##### THB/USD
Week Close	32.43 THB/USD	30 Days Average	32.60 THB/USD
Weekly High	32.61 THB/USD	90 Days Average	31.42 THB/USD
Weekly Low	32.28 THB/USD	YTD Change	#####

Thai Baht Outlook

- Market eyes on the government relax restriction from better Covid-19 sentiment.
- The volatility in oil price will affect the movement of emerging currencies.
- We expect the Baht to move in a range of 32.00 - 33.00 THB/USD.

Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Manufacturing Prod YY	Mar	29-Apr		-5.19%
Exports YY	Mar	30-Apr		3.60%
Imports YY	Mar	30-Apr		-7.80%
Trade Account	Mar	30-Apr		5.40B
Current Account	Mar	30-Apr		5.40B

Lower Bound	32.00	Upper Bound	33.00
Forecast	Neutral		

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Euro
Euro Graph


Source: Thomson Reuters

Euro Outlook

- Market eyes on the development of emergency fund in European union and the relax restrictions in Eurozone countries.
- Whereas, the ECB policy meeting will be in focus on 30 Apr which expect to remain the rate at -0.50% and how ECB contain Italian and Spanish bond spreads.
- While, Eurozone GDP for the first quarter is published and figures for inflation and unemployment are out.
- We expect the euro to move in a range of 1.0600 - 1.1100 USD/EUR.

Lower Bound	1.0600	Upper Bound	1.1100
Forecast	Depreciation		

Euro News

- The euro moved in a narrow range even the European Central Bank will accept some junk-rated debt as collateral for its loans to banks in a move that aims to shield the euro area's most vulnerable economies as they face the risk of credit downgrades in the coronavirus pandemic.
- The euro fell on Thursday, after a video conference of European Union leaders looking to set up a joint fund to avert an economic collapse in parts of the 27-member bloc ended without any agreement on details.
- Eurozone PMIs were significantly weaker than expected with the composite PMI index falling to a record low of 13.5 in the month of April.

Euro Index Performance

Last Week Close	1.0876 USD/EUR	Monthly High	##### USD/EUR
Week Open	1.0873 USD/EUR	Monthly Low	##### USD/EUR
Week Close	1.0820 USD/EUR	30 Days Average	1.0898 USD/EUR
Weekly High	1.0896 USD/EUR	90 Days Average	1.1002 USD/EUR
Weekly Low	1.0725 USD/EUR	YTD Change	#####

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Consumer Confid. Final	Apr	29-Apr	-22.7	-22.7
HICP Flash YY	Apr	30-Apr	0.1%	0.7%
HICP-X F&E Flash YY	Apr	30-Apr	0.8%	1.2%
GDP Flash Prelim YY	Q1	30-Apr	-2.9%	1.0%
GDP Flash Prelim QQ	Q1	30-Apr	-3.4%	0.1%
Unemployment Rate	Mar	30-Apr	7.7%	7.3%
ECB Refinancing Rate	Apr	30-Apr	0.00%	0.00%
ECB Deposit Rate	Apr	30-Apr	-0.50%	-0.50%

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 **Pound Sterling**

Pound Sterling Graph



Source: Thomson Reuters

Pound Sterling News

- The Sterling depreciated as Britain's death toll from the novel coronavirus increased and officials said it was too soon to talk about easing the lockdown.
- Moreover the labor numbers were for February and March, the subtle deterioration is a sign that the worst is yet to come. Jobless claims ticked higher, the unemployment rate increased and most importantly average weekly earnings sank to 2.8% from 3.1%.
- The pound traded slightly lower at the end of the week after the UK announced increased borrowing plans to meet spending to counter the coronavirus impact and fresh worried about a no-deal Brexit.

Pound Sterling Performance

Last Week Close	1.2499 USD/GBP	Monthly High	##### USD/GBP
Week Open	1.2486 USD/GBP	Monthly Low	##### USD/GBP
Week Close	1.2367 USD/GBP	30 Days Average	1.2231 USD/GBP
Weekly High	1.2502 USD/GBP	90 Days Average	1.2733 USD/GBP
Weekly Low	1.2245 USD/GBP	YTD Change	#####

Pound Sterling Outlook

- Brexit is set to work its way into the headlines again as a June deadline for extending Britain's 11-month transition period turns currency traders' focus.
- UK Manufacturing PMI is released on Friday.
- We expect the Pound to decline to a range of 1.2200 - 1.2500 USD/GBP caused by disappointed economic outlook and threat from Covid-19.

Pound Sterling Economic Events

Events	Period	Date	Forecast	Previous
Nationwide house price mm	Apr	30-Apr	-0.3%	0.8%
Nationwide house price yy	Apr	30-Apr	2.5%	3.0%
Markit/CIPS Mfg PMI Final	Apr	1-May	32.8	32.9

Lower Bound	1.2200	Upper Bound	1.2500
Forecast	Depreciation		

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Australian Dollar
Australian Dollar Graph


Source: Thomson Reuters

Australian Dollar Outlook

- As a commodity currencies, the tumbling in oil price will hurt the AUD.
- Market eyes on the easing restriction on some businesses in Australia.
- We expected the AUD to remain weak and will move in a range of 0.6000 - 0.6500 USD/AUD.

Lower Bound	0.6000	Upper Bound	0.6500
Forecast	Depreciation		

Australian Dollar News

- The Aussie fell against the USD after U.S. crude prices dropped more than 100% and turned negative for the first time in history, showing just how much demand has collapsed due to the coronavirus pandemic.
- RBA released minutes of last meeting that explained rationale of its recent actions including rate cuts and quantitative easing and also said that the current loose monetary policy would remain.
- The AUD soared despite weaker PMIs after Prime Minister Morrison said they are headed for a COVID safe economy. They will be easing restrictions on key health and education services next week.

Australian Dollar Performance

Last Week Close	0.6364 USD/AUD	Monthly High	##### USD/AUD
Week Open	0.6356 USD/AUD	Monthly Low	##### USD/AUD
Week Close	0.6385 USD/AUD	30 Days Average	0.6682 USD/AUD
Weekly High	0.6406 USD/AUD	90 Days Average	0.6807 USD/AUD
Weekly Low	0.6250 USD/AUD	YTD Change	#####

Australian Dollar Economic Events

Events	Period	Date	Forecast	Previous
CPI QQ	Q1	29-Apr	0.2%	0.7%
CPI YY	Q1	29-Apr	2.0%	1.8%
RBA Weightd Medn CPI QQ	Q1	29-Apr	0.4%	0.4%
RBA Weightd Medn CPI YY	Q1	29-Apr	1.5%	1.3%
RBA Trimmed Mean CPI QQ	Q1	29-Apr	0.4%	0.4%
RBA Trimmed Mean CPI YY	Q1	29-Apr	1.6%	1.6%

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Japaneseese Yen

Japanese Yen Graph


Source: Thomson Reuters

Japanese Yen News

- The Yen rose as investors sought safe-haven currencies following a crash in oil prices which underscored deep economic slowdown from the coronavirus pandemic albeit the country's export likely slumped the most in over 3.5 years in March as the pandemic crushed demand in trade partners.
- In additional, the Bank of Japan warned, if the Covid-19 is prolonged, could trigger a negative feedback loop in which a worsening economy threatens to destabilise Japan's financial system.
- However, Japan boosted its new economic stimulus package to a record \$1.1 trillion to expand cash payouts to its citizens, as the fallout from the coronavirus pandemic threatens.

Japanese Yen Performance

Last Week Close	107.51 JPY/USD	Monthly High	##### JPY/USD
Week Open	107.55 JPY/USD	Monthly Low	##### JPY/USD
Week Close	107.50 JPY/USD	30 Days Average	109.00 JPY/USD
Weekly High	108.03 JPY/USD	90 Days Average	108.52 JPY/USD
Weekly Low	107.26 JPY/USD	YTD Change	#####

Japanese Yen Outlook

- Economy Minister Yasutoshi Nishimura said the government would hold a meeting of experts to decide whether to extend the country's state of emergency beyond May 6.
- Market focus on BoJ interest rate decision on 28 Apr which will leave the policy remian unchanged, including the repo rate at 0.0% with the discussion on unlimited bond purchases.
- We expect the JPY to move between 106.50 - 110.00 JPY/USD.

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
Jobs/Applicants Ratio	Mar	28-Apr	1.40	1.45
Unemployment Rate	Mar	28-Apr	2.5%	2.4%
JP BOJ Rate Decision	28 Apr	28-Apr	-0.10%	-0.10%
Industrial O/P Prelim MM SA	Mar	30-Apr	-5.2%	-0.3%
CPI Tokyo Ex fresh food YY	Apr	1-May	0.1%	0.4%
CPI, Overall Tokyo	Apr	1-May		0.4%
Jibun Bank Mfg PMI	Apr	1-May		43.7

Lower Bound	106.50	Upper Bound	110.00
Forecast	Neutral		

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