

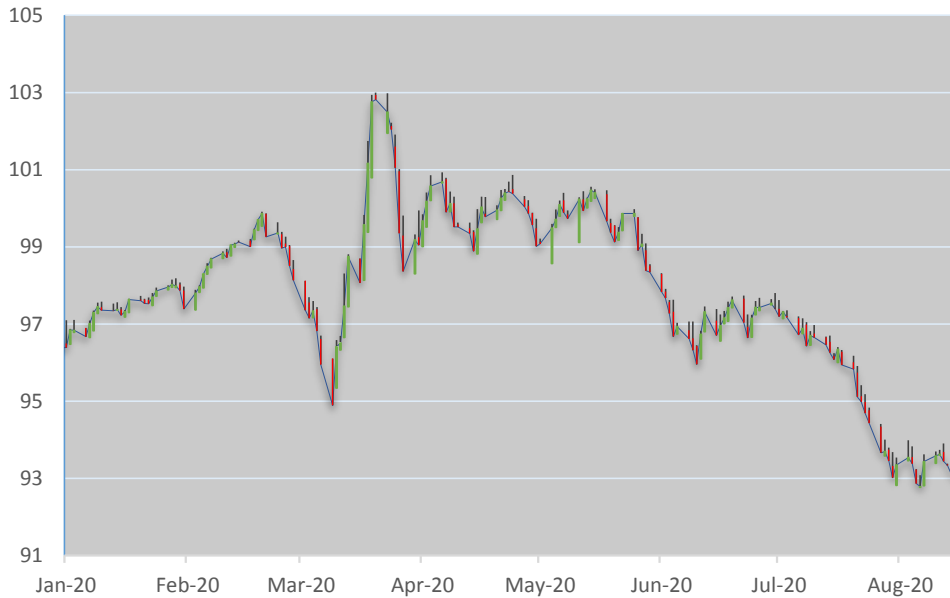
WEEKLY FOREIGN EXCHANGE OUTLOOK

17 Aug 2020 - 21 Aug 2020



Dollar Index

Dollar Index Graph



Source: Thomson Reuters

Dollar News

- The dollar slightly fell against other currencies last week , as investors focused on fiscal stimulus plan in the United States and U.S.-China tensions ahead of key trade talks on Aug. 15.
- Investors are watching for any signs that a political impasse in Washington over a further rescue package for the pandemic-hit economy can be overcome.
- Data on Tuesday showed the U.S. consumer price index rose 0.6% last month after rebounding 0.6% in June.
- The weekly number of applications for unemployment benefits in the U.S. dropped below 1 million for the first time since the start of the pandemic.
- Retail sales rose only 1.2% from June. The figure was below consensus forecasts for 1.9% growth ahead of time.

Dollar Index Performance

Last Week Close	93.44	Monthly High	97.05
Week Open	93.39	Monthly Low	92.52
Week Close	93.02	30 Days Average	94.44
Weekly High	93.91	90 Days Average	97.16
Weekly Low	92.93	YTD Change	-3.96%

Dollar Outlook

- Investors will focus on the release of the minutes from the Federal Reserve's last meeting, due on Wednesday, for further insight into the outlook for monetary policy through the end of the year and beyond.
- Several important economic reports are also expected, with weekly jobless claims data on Thursday topping the list.

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Housing Starts Number	Jul	18-Aug	1.230M	1.186M
Initial Jobless Clm	10-Aug	20-Aug		963k
Philly Fed Business Indx	Aug	20-Aug	21.0	24.1
Markit Comp Flash PMI	Aug	21-Aug		50.3
Markit Mfg PMI Flash	Aug	21-Aug		50.9
Markit Svcs PMI Flash	Aug	21-Aug		50.0
Existing Home Sales	Jul	21-Aug	5.10M	4.72M

Lower Bound	91.50	Upper Bound	95.00
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

17 Aug 2020 - 21 Aug 2020



Thai Baht Graph



Source: Thomson Reuters

Thai Baht News

- The baht appreciated as the dollar dropped.
- An assistant governor of the Bank of Thailand said on Tuesday that they cannot target baht levels that go against market forces, as the Thai currency strengthened. Fixing exchange rates at certain levels will open the door to currency speculation and affect the overall economy.
- The National Economic and Social Development Council, which compiles GDP data, forecast the economy would shrink 5%-6% this year and will give a new projection on Monday. The poll saw a 7.5% GDP contraction, the worst since 1998.
- Data on Thailand's GDP in 2Q20 showed a 12.2% year-on-year and 9.7% quarter-on-quarter contraction in the economy in the last quarter. The result was slightly better than our -12.8% YoY forecast.

Thai Baht Performance

Last Week Close	31.14 THB/USD	Monthly High	31.29 THB/USD
Week Open	31.17 THB/USD	Monthly Low	31.03 THB/USD
Week Close	31.12 THB/USD	30 Days Average	31.32 THB/USD
Weekly High	31.19 THB/USD	90 Days Average	31.71 THB/USD
Weekly Low	31.02 THB/USD	YTD Change	+4.07%

Thai Baht Outlook

- Investors focus on global Covid-19 situation and US Covid-19 aid program.



Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Forex Reserves	10-Aug	21-Aug		
Currency Swaps	10-Aug	21-Aug		

Lower Bound	30.85	Upper Bound	31.25
Forecast	Neutral		

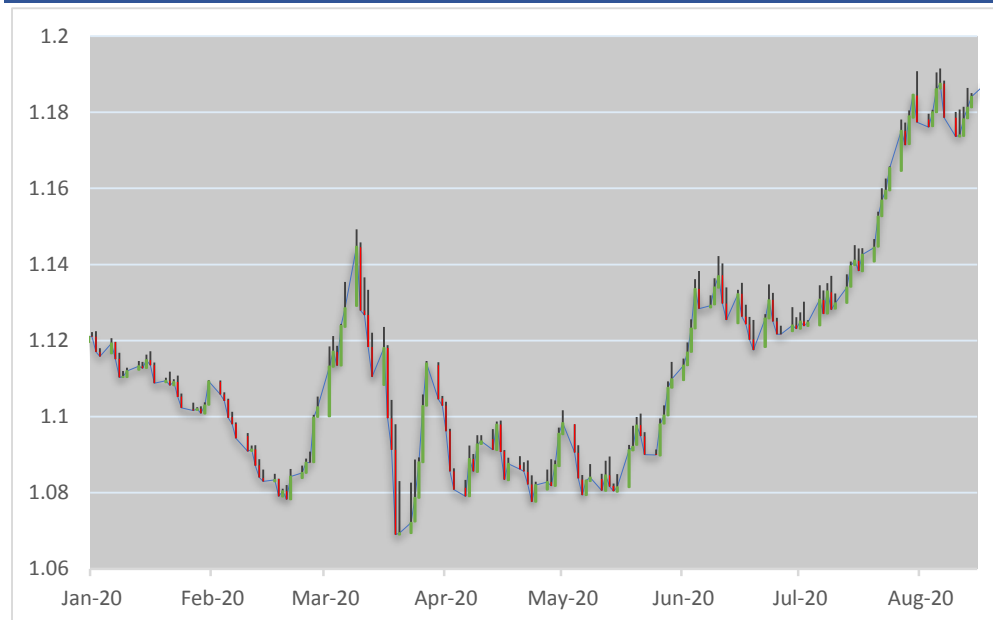
WEEKLY FOREIGN EXCHANGE OUTLOOK

17 Aug 2020 - 21 Aug 2020



Euro

Euro Graph



Source: Thomson Reuters

Euro News

- The euro traded higher on Tuesday after investor sentiment in Germany improved more than expected in August.
- Germany's ZEW economic survey of economic sentiment rose to 71.5 from 59.3 points the previous month, beating economists' forecast for 58.0.
- The gridlock in Washington contrasts with the historic coronavirus aid package delivered by the European Union last month. By mutualizing debt for the first time, that deal enhanced the euro's appeal as an alternative to the dollar as a reserve currency.
- Eurozone GDP plunged 12.1% in the second quarter, its worst quarterly decline on record.

Euro Index Performance

Last Week Close	1.1786 USD/EUR	Monthly High	1.1903 USD/EUR
Week Open	1.1786 USD/EUR	Monthly Low	1.1698 USD/EUR
Week Close	1.1841 USD/EUR	30 Days Average	1.1648 USD/EUR
Weekly High	1.1864 USD/EUR	90 Days Average	1.1247 USD/EUR
Weekly Low	1.1709 USD/EUR	YTD Change	+6.01%

Euro Outlook

- In Europe, markets are keeping an eye on flash PMI surveys on manufacturing and service sector activity, which should give further indication of how the region's economy is coping with the coronavirus pandemic.

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Reserve Assets Total	Jul	17-Aug		904.94B
HICP Final MM	Jul	19-Aug	-0.3%	0.3%
HICP Final YY	Jul	19-Aug	0.4%	0.4%
HICP-X F, E, A, T Final MM	Jul	19-Aug		-0.2%
HICP-X F,E,A&T Final YY	Jul	19-Aug		1.2%
Markit Mfg Flash PMI	Aug	21-Aug	52.5	51.8
Markit Serv Flash PMI	Aug	21-Aug	54.0	54.7
Markit Comp Flash PMI	Aug	21-Aug	54.7	54.9
Consumer Confid. Flash	Aug	21-Aug		-15.0

Lower Bound	1.1650	Upper Bound	1.1950
Forecast	Appreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK
17 Aug 2020 - 21 Aug 2020

Pound Sterling
Pound Sterling Graph


Source: Thomson Reuters


Pound Sterling News

- The Pound sterling traded higher after Bank of England Deputy Governor Dave Ramsden said in an interview published on Tuesday the central bank will step up quantitative easing (QE) if the British economy struggles again.
- Data showed the UK economy had entered a deep recession, as signs of a recovery in June provided some support for the currency. Britain's economy shrank by a record 20.4% in the second quarter when the coronavirus lockdown was tightest, the most severe contraction reported by any major economy so far, with a wave of job losses set to hit later in 2020.
- Sterling gained against the dollar on Thursday, driven by a weakening dollar and rising hopes of a post-Brexit trade deal before a transition period ends this year.

Pound Sterling Performance

Last Week Close	1.3051 USD/GBP	Monthly High	1.3167 USD/GBP
Week Open	1.3041 USD/GBP	Monthly Low	1.2982 USD/GBP
Week Close	1.3084 USD/GBP	30 Days Average	1.2865 USD/GBP
Weekly High	1.3142 USD/GBP	90 Days Average	1.2570 USD/GBP
Weekly Low	1.3003 USD/GBP	YTD Change	-0.79%

Pound Sterling Outlook

- Investors will focus on the release of CPI data on Wednesday, Retail sales and PMI on Friday.
- Also in focus will be the next round of UK:EU trade talks. Despite optimistic tweets in advance of the meeting, we see little progress being made on key sticking points such as state aid. We do not see GBP getting a lift from this. 

Pound Sterling Economic Events

Events	Period	Date	Forecast	Previous
CPI YY	Jul	19-Aug		0.6%
Retail Sales MM	Jul	21-Aug		13.9%
Retail Sales Ex-Fuel MM	Jul	21-Aug		13.5%
Retail Sales YY	Jul	21-Aug		-1.6%
Flash Composite PMI	Aug	21-Aug		57.0
Flash Manufacturing PMI	Aug	21-Aug		53.3
Flash Services PMI	Aug	21-Aug		56.5

Lower Bound	1.2900	Upper Bound	1.3250
Forecast	Appreciation		

Please carefully examine the Important Disclosure on the last section of this material.

WEEKLY FOREIGN EXCHANGE OUTLOOK
17 Aug 2020 - 21 Aug 2020

Australian Dollar
Australian Dollar Graph


Source: Thomson Reuters

Australian Dollar News

- The Australian Dollar traded higher after better-than-expected jobs data eased concerns about a persistent coronavirus outbreak in the country's second-largest city.
- Data showed the economy created three times as many jobs as expected and the jobless rate fell from a 22-year high in July. The positive jobs data suggests the economy remains resilient in the face of an ongoing outbreak of coronavirus cases in Melbourne.
- Speaking on Friday, RBA Governor Philip Lowe said monetary policy had done what it could and it was up to fiscal policy to support the economy, urging the government to borrow as much as needed to fund more spending.

Australian Dollar Performance

Last Week Close	0.7157 USD/AUD	Monthly High	0.7233 USD/AUD
Week Open	0.7160 USD/AUD	Monthly Low	0.7077 USD/AUD
Week Close	0.7171 USD/AUD	30 Days Average	0.6774 USD/AUD
Weekly High	0.7189 USD/AUD	90 Days Average	0.6473 USD/AUD
Weekly Low	0.7107 USD/AUD	YTD Change	+2.89%

Australian Dollar Outlook

- Investors will look into the RBA August policy meeting minutes to track any signs of shifts in the Bank's stance.
- Also focus on PMI data due on Friday.

Australian Dollar Economic Events

Events	Period	Date	Forecast	Previous
Composite Leading Idx MM	Jul	19-Aug		0.44%
Reserve Assets Total	Jul	20-Aug		65,423M
Manufacturing PMI	Aug	21-Aug		53.4
Services PMI	Aug	21-Aug		58.5
Composite PMI	Aug	21-Aug		57.9

Lower Bound	0.7050	Upper Bound	0.7300
Forecast	Appreciation		

Please carefully examine the Important Disclosure on the last section of this material.

WEEKLY FOREIGN EXCHANGE OUTLOOK
17 Aug 2020 - 21 Aug 2020

Japanese Yen Graph


Source: Thomson Reuters

Japanese Yen Outlook

- Investors will focus on Japanese 2Q20 GDP release on Monday, Japanese July export data on Wednesday and CPI data on Friday.

Lower Bound	105.00	Upper Bound	107.50
Forecast	Neutral		

Japanese Yen News

- The Yen depreciated against the dollar.
- The latest optimism over the development of a potential vaccine for the highly contagious coronavirus disease remained supportive of the prevalent risk-on environment.
- The risk-on mood undermined the safe-haven JPY
- Japan published the June Current Account, which posted a surplus of ¥167.5 B, beating the market expectation.
- Japan's July month Producer Price Index (PPI) grew past -0.3% forecast on MoM to 0.6%. Further, the yearly figures slipped less than -1.1% expected level to -0.9%.

Japanese Yen Performance

Last Week Close	105.91 JPY/USD	Monthly High	107.04 JPY/USD
Week Open	105.94 JPY/USD	Monthly Low	105.47 JPY/USD
Week Close	106.59 JPY/USD	30 Days Average	108.05 JPY/USD
Weekly High	107.04 JPY/USD	90 Days Average	108.58 JPY/USD
Weekly Low	105.69 JPY/USD	YTD Change	-3.11%

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
GDP QQ	Q2	17-Aug	-7.6%	-0.6%
GDP QQ Annualised	Q2	17-Aug	-27.2%	-2.2%
Machinery Orders MM	Jun	19-Aug	2.0%	1.7%
Machinery Orders YY	Jun	19-Aug	-17.6%	-16.3%
Exports YY	Jul	19-Aug	-21.0%	-26.2%
Imports YY	Jul	19-Aug	-22.8%	-14.4%
Trade Balance Total Yen	Jul	19-Aug	-77.6B	-268.8B
CPI, Core Nationwide YY	Jul	21-Aug	0.1%	0.0%
CPI, Overall Nationwide	Jul	21-Aug	0.1%	0.1%

IMPORTANT DISCLAIMER

This material was prepared by a Treasury Marketing Unit, Bangkok Bank PCL, only. Any opinions expressed herein may differ from these by other departments. This material is prepared for informational purpose only, not to be an offer to the recipients to purchase or sale any financial instrument. The information herein has been obtained from other public sources and the rates informed are subject to change according to the market condition. The use of any information provided shall be on the recipients' discretion. Opinions and Assumptions in this document constitute the current judgment as of the date of the author only, do not reflect the opinions of Bangkok Bank, and are subject to change without notice. Neither Bangkok Bank nor any of its directors, officers, employees or advisors nor any other person make no representations or warranties of any kind, about the completeness, accuracy, reliability or suitability, of the information contained in this presentation and will not be liable for any loss or damage whatsoever arising from the use of any such information. Each recipient should carefully consider the risks associated and make a determination based upon the recipient's own particular circumstances entering into such transaction.