


**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**23 Nov 2020 - 27 Nov 2020**

 **Dollar Index**

**Dollar Index Graph**

**Dollar News**



Source: Thomson Reuters

- At the beginning of last week, the market's risk sentiment got a boost from the news that Moderna's (MRNA) COVID-19 vaccine trial candidate was found to be 94.5% effective in preventing the coronavirus.

- The dollar index (DXY), which tracks the greenback's value against majors, advanced on Thursday (19/11) as a bull run in stocks took a breather, with investors reassessing coronavirus vaccine optimism. The coronavirus cases have still been rising across US and Europe.

**Dollar Index Performance**

<b>Last Week Close</b>	<b>92.76</b>	<b>Monthly High</b>	<b>94.30</b>
<b>Week Open</b>	<b>92.72</b>	<b>Monthly Low</b>	<b>92.13</b>
<b>Week Close</b>	<b>92.21</b>	<b>30 Days Average</b>	<b>93.06</b>
<b>Weekly High</b>	<b>93.21</b>	<b>90 Days Average</b>	<b>93.29</b>
<b>Weekly Low</b>	<b>92.21</b>	<b>YTD Change</b>	<b>-4.29%</b>

**Dollar Outlook**

- Comments from the World Health Organization Director Michael Ryan that vaccines would be available in large numbers in four to six months forced investors to scale back the optimism and consider the possibility of a near-term economic slowdown.

- As such, the safe-haven dollar picked up a bid. However, the gains were muted as investors continued to believe that the Federal Reserve would boost monetary stimulus, compensating for the lack of effort on the fiscal front.

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
Markit Comp Flash PMI	Nov	23-Nov		56.3
Markit Mfg PMI Flash	Nov	23-Nov		53.4
Markit Svcs PMI Flash	Nov	23-Nov		56.9
Consumer Confidence	Nov	24-Nov	98.0	100.9
Durable Goods	Oct	25-Nov	0.3%	1.9%
GDP 2nd Estimate	Q3	25-Nov	33.2%	33.1%
Initial Jobless Clm	16 Nov, w/	25-Nov		742k
U Mich Sentiment Final	Nov	25-Nov	78.0	77.0
New Home Sales-Units	Oct	25-Nov	0.970M	0.959M

<b>Lower Bound</b>	<b>91.73</b>	<b>Upper Bound</b>	<b>94.14</b>
<b>Forecast</b>	<b>Neutral</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**23 Nov 2020 - 27 Nov 2020**

**Thai Baht**
**Thai Baht Graph**
**Thai Baht News**


Source: Thomson Reuters

- Thai Baht rose against the greenback as fading demands on safe-haven assets from the vaccine hopes.
- On Wednesday (18/11), the Bank of Thailand (BoT) kept its policy rate unchanged at the record low of 0.50% and expect to remain at this level for long-run to lift the economy.
- BoT announced the latest measures to prevent THB appreciation on Friday (20/11) by encourage capital outflows from Thai investors and curb capital inflows especially Thai bonds from Foreign investors.
- BoT also frees the legislation about deposit foreign currency and transfer money between FCD account for Thai residences to help exporters manage exposure and FX risk.

**Thai Baht Performance**

<b>Last Week Close</b>	<b>30.17 THB/USD</b>	<b>Monthly High</b>	<b>31.20 THB/USD</b>
<b>Week Open</b>	<b>30.15 THB/USD</b>	<b>Monthly Low</b>	<b>30.13 THB/USD</b>
<b>Week Close</b>	<b>30.31 THB/USD</b>	<b>30 Days Average</b>	<b>30.83 THB/USD</b>
<b>Weekly High</b>	<b>30.42 THB/USD</b>	<b>90 Days Average</b>	<b>31.18 THB/USD</b>
<b>Weekly Low</b>	<b>30.13 THB/USD</b>	<b>YTD Change</b>	<b>+1.14%</b>

**Thai Baht Outlook**
**Thai Baht Economic Events**

- Investors would turn their attentions on safe-haven assets as concerns over rising coronavirus cases and fresh lockdowns dampened the euphoria from vaccine trial breakthrough.
- Political uncertainties in the country is still in focus after the majority of Thai Parliament voted against "I-Law" constitutional bill last week.

Events	Period	Date	Forecast	Previous
Custom-Based Export Data	Oct	23-Nov		-3.86%
Custom-Based Import Data	Oct	23-Nov		-9.08%
Customs-Based Trade Data	Oct	23-Nov		2.23B
Manufacturing Prod YY	Oct	25-Nov		-2.75%

<b>Lower Bound</b>	<b>29.82</b>	<b>Upper Bound</b>	<b>31.46</b>
<b>Forecast</b>	<b>Depreciation</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**

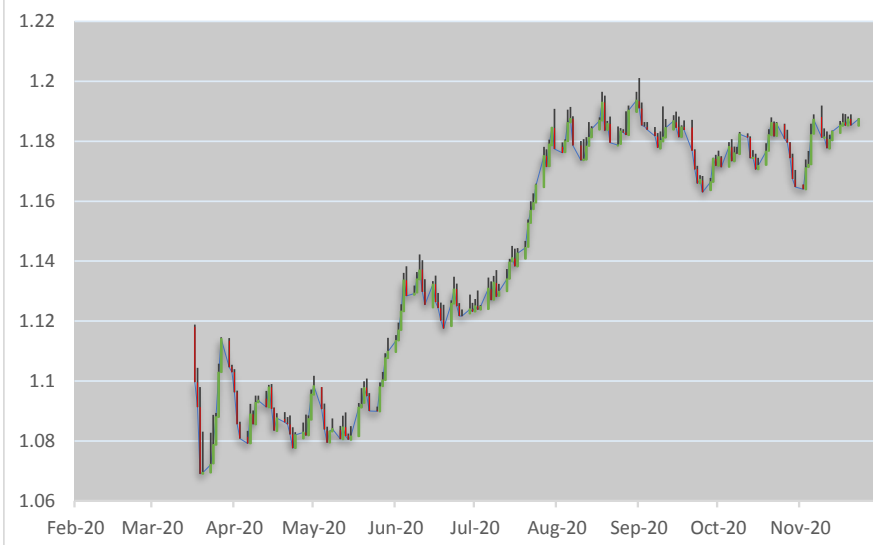
**23 Nov 2020 - 27 Nov 2020**



**Euro**

**Euro Graph**

**Euro News**



- According to Eurostat's final reading of the Eurozone CPI report for October, the consumer prices came in at -0.3% on a yearly basis, meeting the flash estimate of -0.3% and -0.3% expectations. While the core figures rose by 0.2% versus +0.2% previous and +0.2% expectations.

- Euro was supported by the progress in BREXIT negotiation as France stepped in the way more compromise on Britain's fishery area.

Source: Thomson Reuters

**Euro Outlook**

**Euro Index Performance**

- Regarding to US COVID stimulus package, the Democrats still want a big package (\$2T plus), while the Republicans have maintained they want something smaller and more targeted (\$500B). But with the election in the rear mirror, perhaps a compromise will be more palatable to both sides. Any progress towards a deal will of course continue to provide support for risk appetite and is likely to weigh further on USD, to the benefit of EUR/USD.

<b>Last Week Close</b>	<b>1.18 USD/EUR</b>	<b>Monthly High</b>	<b>1.19 USD/EUR</b>
<b>Week Open</b>	<b>1.18 USD/EUR</b>	<b>Monthly Low</b>	<b>1.16 USD/EUR</b>
<b>Week Close</b>	<b>1.19 USD/EUR</b>	<b>30 Days Average</b>	<b>1.18 USD/EUR</b>
<b>Weekly High</b>	<b>1.19 USD/EUR</b>	<b>90 Days Average</b>	<b>1.18 USD/EUR</b>
<b>Weekly Low</b>	<b>1.18 USD/EUR</b>	<b>YTD Change</b>	<b>+5.91%</b>

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
Markit Mfg Flash PMI	Nov	23-Nov	53.1	54.8
Markit Serv Flash PMI	Nov	23-Nov	43.6	46.9
Markit Comp Flash PMI	Nov	23-Nov	45.5	50.0
Consumer Confid. Final	Nov	27-Nov		

<b>Lower Bound</b>	<b>1.16</b>	<b>Upper Bound</b>	<b>1.19</b>
<b>Forecast</b>	<b>Neutral</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**23 Nov 2020 - 27 Nov 2020**
 **Pound Sterling**
**Pound Sterling Graph**
**Pound Sterling News**


Source: Thomson Reuters

- The Sterling rose against the greenback as fading demands on safe-haven assets from the vaccine hopes. Likewise, progress on BREXIT negotiation is still on tracked.
- Brexit negotiations have been suspended for a short period after one of the negotiators has tested positive for COVID-19, European Union's chief Brexit negotiator Michel Barnier announced on Thursday (19/11).

**Pound Sterling Performance**

<b>Last Week Close</b>	<b>1.32</b> USD/GBP	<b>Monthly High</b>	<b>1.33</b> USD/GBP
<b>Week Open</b>	<b>1.32</b> USD/GBP	<b>Monthly Low</b>	<b>1.29</b> USD/GBP
<b>Week Close</b>	<b>1.33</b> USD/GBP	<b>30 Days Average</b>	<b>1.31</b> USD/GBP
<b>Weekly High</b>	<b>1.33</b> USD/GBP	<b>90 Days Average</b>	<b>1.30</b> USD/GBP
<b>Weekly Low</b>	<b>1.32</b> USD/GBP	<b>YTD Change</b>	<b>+0.45%</b>

**Pound Sterling Outlook**
**Pound Sterling Economic Events**

- Amid fears of Brexit negotiation dragging and renewed lockdown measures, the UK economy braces for a double-dip recession with much of the country's dominant service industry forced to close for most of November the economy was expected to contract 2.5% this quarter, a stark reversal from the 2.6% growth predicted last month.
- There is a median 40% chance of a no-deal Brexit, the poll found, unchanged from October's survey, and as in all Reuters polls since the June 2016 decision to leave the bloc, it said the most likely outcome was still some form of free trade agreement.

Events	Period	Date	Forecast	Previous
Flash Composite PMI	Nov	23-Nov	44.1	52.1
Flash Manufacturing PMI	Nov	23-Nov	50.0	53.7
Flash Services PMI	Nov	23-Nov	42.5	51.4
Nationwide house price mm	Nov	27-Nov		0.8%
Nationwide house price yy	Nov	27-Nov		5.8%

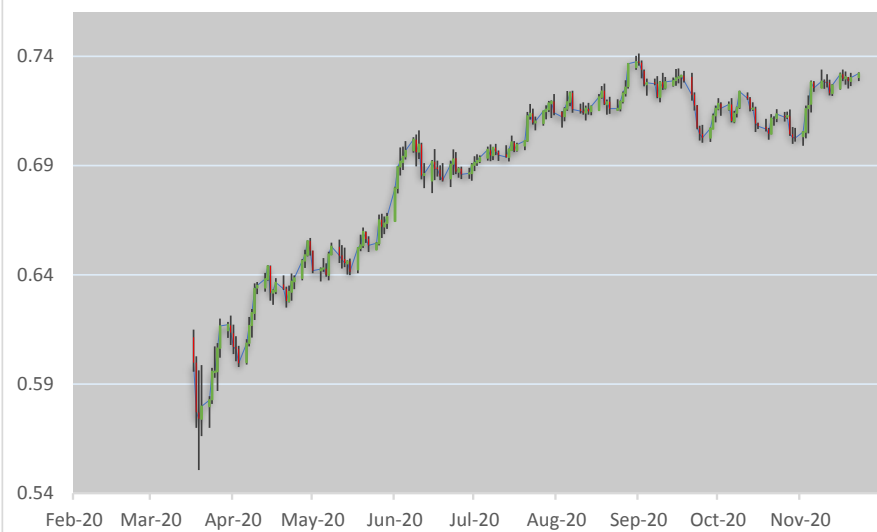
<b>Lower Bound</b>	<b>1.29</b>	<b>Upper Bound</b>	<b>1.34</b>
<b>Forecast</b>	<b>Neutral</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**23 Nov 2020 - 27 Nov 2020**

 **Australian Dollar**

**Australian Dollar Graph**



Source: Thomson Reuters

**Australian Dollar Outlook**

- Investors would turn their attentions on safe-haven assets as concerns over rising coronavirus cases and fresh lockdowns dampened the euphoria from vaccine trial breakthrough.
- However, progress on US COVID stimulus package possibly fades demands on safe-haven assets and benefit the riskiers.

<b>Lower Bound</b>	<b>0.70</b>	<b>Upper Bound</b>	<b>0.74</b>
<b>Forecast</b>	<b>Neutral</b>		

**Australian Dollar News**

- AUD/USD picks up bids near 0.7290 after the Australian jobs report flashes welcome signs during Thursday's Asian session (19/11).
- The Australian seasonally adjusted estimates for October 2020 came out and the Unemployment Rate increased to 7.0% vs 7.1% expected and 6.9% prior.
- Australia's headline Employment Change crossed -29.5K prior and -30.0K market consensus with a surprise +178.8K level. Further details suggest, the Unemployment Rate also eased from 7.2% expected to 7.0% while Participation Rate boosted to 65.8%.

**Australian Dollar Performance**

<b>Last Week Close</b>	<b>0.73 USD/AUD</b>	<b>Monthly High</b>	<b>0.73 USD/AUD</b>
<b>Week Open</b>	<b>0.73 USD/AUD</b>	<b>Monthly Low</b>	<b>0.70 USD/AUD</b>
<b>Week Close</b>	<b>0.73 USD/AUD</b>	<b>30 Days Average</b>	<b>0.72 USD/AUD</b>
<b>Weekly High</b>	<b>0.73 USD/AUD</b>	<b>90 Days Average</b>	<b>0.71 USD/AUD</b>
<b>Weekly Low</b>	<b>0.72 USD/AUD</b>	<b>YTD Change</b>	<b>+4.22%</b>

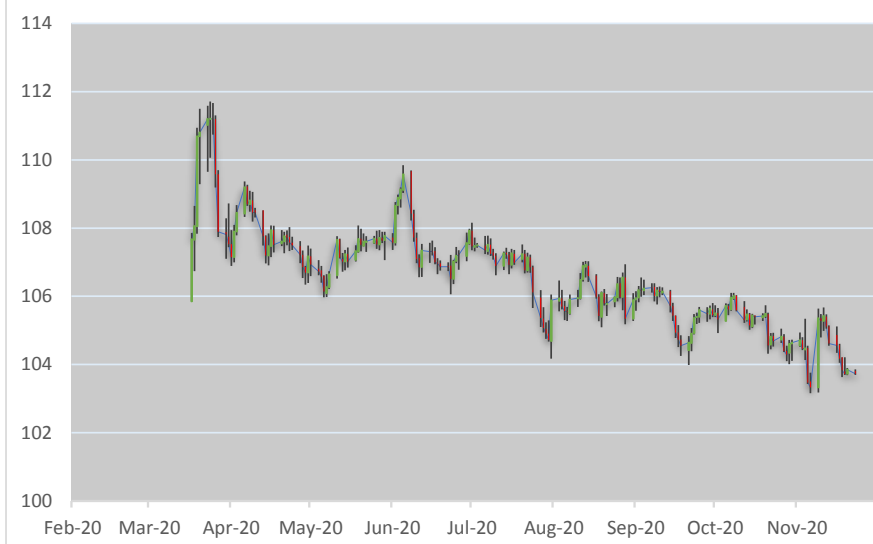
**Australian Dollar Economic Events**

<b>Events</b>	<b>Period</b>	<b>Date</b>	<b>Forecast</b>	<b>Previous</b>
Manufacturing PMI	Nov	23-Nov		54.2
Services PMI	Nov	23-Nov		53.8
Composite PMI	Nov	23-Nov		53.6
Capital Expenditure	Q3	26-Nov	-1.5%	-5.9%

 **Japaneseese Yen**

**Japanese Yen Graph**

**Japanese Yen News**



Source: Thomson Reuters

- Bank of Japan's governor Kuroda has said that the Bank of Japan to provide support measures for regional banks as prudence policy, which is not subjected to monetary policy meeting and need to continue current easing for a while.
- Japanese GDP expanded 5.0% in Q3/2020 which is the first rising in 4 quarters as well as Exports that rose 0.2% in October from contracted 4.9% in the previous month. Analysts expect Japanese Exports would exceed pre-COVID level by rising demands on Japanese goods such automobiles, and recovery in economic activities.

**Japanese Yen Performance**

<b>Last Week Close</b>	<b>104.62 JPY/USD</b>	<b>Monthly High</b>	<b>105.67 JPY/USD</b>
<b>Week Open</b>	<b>104.87 JPY/USD</b>	<b>Monthly Low</b>	<b>103.18 JPY/USD</b>
<b>Week Close</b>	<b>103.85 JPY/USD</b>	<b>30 Days Average</b>	<b>106.65 JPY/USD</b>
<b>Weekly High</b>	<b>105.12 JPY/USD</b>	<b>90 Days Average</b>	<b>107.22 JPY/USD</b>
<b>Weekly Low</b>	<b>103.63 JPY/USD</b>	<b>YTD Change</b>	<b>-4.69%</b>

**Japanese Yen Outlook**

- The Nikkei reports that Tokyo's authorities are raising the alert to warn of the spread.
- Investors would turn their attentions on safe-haven assets as concerns over rising coronavirus cases and fresh lockdowns dampened the euphoria from vaccine trial breakthrough.

**Japanese Yen Economic Events**

<b>Events</b>	<b>Period</b>	<b>Date</b>	<b>Forecast</b>	<b>Previous</b>
CPI Tokyo Ex fresh food YY	Nov	27-Nov	-0.7%	-0.5%
CPI, Overall Tokyo	Nov	27-Nov		-0.3%

<b>Lower Bound</b>	<b>103.21</b>	<b>Upper Bound</b>	<b>105.60</b>
<b>Forecast</b>	<b>Appreciation</b>		

**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.