

**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**09 Nov 2020 - 13 Nov 2020**

 **Dollar Index**

**Dollar Index Graph**

**Dollar News**



Source: Thomson Reuters

- The dollar sank to its lowest level in over two months against a basket of peer currencies, as vote counting for the contentious U.S. election dragged on and investors predicted more losses for the currency.
- The Federal Reserve kept its monetary policy unchanged. The Fed chief did say the U.S. economy was now recovering more slowly after being boosted earlier in the year by fiscal aid and the re-opening of some businesses.
- Major networks declared Democrat Joe Biden the winner of the U.S. presidential election on Saturday and although current President Donald Trump said he would fight the results in court his chances of overturning the election results are slim.
- The rise in new coronavirus cases to record levels in several states could also curb economic activity.

**Dollar Index Performance**

<b>Last Week Close</b>	<b>94.04</b>	<b>Monthly High</b>	<b>94.30</b>
<b>Week Open</b>	<b>93.89</b>	<b>Monthly Low</b>	<b>92.15</b>
<b>Week Close</b>	<b>92.18</b>	<b>30 Days Average</b>	<b>93.40</b>
<b>Weekly High</b>	<b>94.30</b>	<b>90 Days Average</b>	<b>93.71</b>
<b>Weekly Low</b>	<b>92.18</b>	<b>YTD Change</b>	<b>-4.36%</b>

**Dollar Outlook**

- Investors will be watching appearances by several Federal Reserve officials, including Chairman Jerome Powell later in the week.
- The U.S. economic calendar features updates on inflation and consumer confidence along with Thursday's report on initial jobless claims.

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
JOLTS Job Openings	Sep	10-Nov		6.493M
Core CPI YY, NSA	Oct	12-Nov	1.8	1.7
CPI MM, SA	Oct	12-Nov	0.2%	0.2%
CPI YY, NSA	Oct	12-Nov		0.0B
Initial Jobless Clm	2 Nov, w/ε	12-Nov		751k
Cont Jobless Clm	26 Oct, w/i	12-Nov		7.285M
PPI Final Demand YY	Oct	13-Nov	0k	0k
PPI Final Demand MM	Oct	13-Nov	0k	0k
U Mich Sentiment Prelim	Nov	13-Nov	82.0%	81.8%

<b>Lower Bound</b>	<b>92.11</b>	<b>Upper Bound</b>	<b>94.36</b>
<b>Forecast</b>	<b>Appreciation</b>		

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**Thai Baht Graph**

**Thai Baht News**



- The baht strengthened to its highest against the dollar in over ten months, while the dollar is seen likely to extend its downward trend as Democrat Joe Biden won the U.S. presidential election in a move that analysts say would prop up risk assets.
- Investors eyes on political uncertainty, Thousands of pro-democracy protesters in Bangkok were prevented by police on Sunday evening from reaching the Palace Office to petition for reform of the monarchy.

Source: Thomson Reuters

**Thai Baht Outlook**

- Apart from the US election, investors are suggested to keep eyes on domestic political unrests.

Thai Baht Performance			
Last Week Close	31.16 THB/USD	Monthly High	31.20 THB/USD
Week Open	31.17 THB/USD	Monthly Low	30.46 THB/USD
Week Close	30.55 THB/USD	30 Days Average	31.24 THB/USD
Weekly High	31.20 THB/USD	90 Days Average	31.26 THB/USD
Weekly Low	30.53 THB/USD	YTD Change	+2.00%

**Thai Baht Economic Events**

Events	Period	Date	Forecast	Previous
Consumer Confidence Idx	Oct	10-Nov		50.2
Forex Reserves	2 Nov, w/e	13-Nov		248.5B
Currency Swaps	2 Nov, w/e	13-Nov		24.9B

Lower Bound	30.69	Upper Bound	31.51
Forecast	Depreciation		

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**Euro**
**Euro Graph**


Source: Thomson Reuters

**Euro Outlook**

- Data like German ZEW sentiment and third-quarter Eurozone GDP may do little to drive near-term ECB policy expectations. What will be more interesting to watch is how the European Union approaches the November 10th target date for imposing WTO-approved \$4 billion retaliatory tariffs against the US over local aid to Boeing Co.

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

**Euro News**

- The Euro gained cautiously against its major counterparts this past week on a very close US presidential election race.
- Many countries in Europe are shutting high-risk businesses and even ordering national or regional lockdowns as a second wave sweeps over the Continent.

**Euro Index Performance**

<b>Last Week Close</b>	<b>1.16 USD/EUR</b>	<b>Monthly High</b>	<b>1.19 USD/EUR</b>
<b>Week Open</b>	<b>1.17 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>1.17 USD/EUR</b>
<b>Weekly Low</b>	<b>1.16 USD/EUR</b>	<b>YTD Change</b>	<b>+6.07%</b>

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
Trade Balance, EUR, SA	Sep	9-Nov		#####
ZEW Economic Sentiment	Nov	10-Nov	45.4	56.1
ZEW Current Conditions	Nov	10-Nov		-59.5
CPI Final MM	Oct	12-Nov	0.1%	0.1%
CPI Final YY	Oct	12-Nov	-0.2%	-0.2%
HICP Final YY	Oct	12-Nov		-0.5%
Industrial Production MM	Sep	12-Nov	0.9%	0.7%
Industrial Production YY	Sep	12-Nov	-5.5	-7.2
GDP Flash Estimate QQ	Q3	13-Nov	12.7	12.7
GDP Flash Estimate YY	Q3	13-Nov	-4.3	-4.3

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 **Pound Sterling**
**Pound Sterling Graph**
**Pound Sterling News**


Source: Thomson Reuters

**Pound Sterling Outlook**

- There is very little official data on the slate until the latest employment and GDP figures are released on Tuesday and Thursday respectively. The unemployment rate is seen nudging higher, to 4.8% from 4.5%, while the annual UK GDP is seen at -9.4% compared to a prior -21.5%.
- Brexit talks remain stalled as the mid-November deadline nears. Britain and the European Union have until Nov. 15 to try, once again, reach an agreement on a Brexit trade deal.

- The BoE kept its benchmark Bank Rate at 0.1%, and made little mention of negative rates and increased its already huge bond-buying stimulus by a bigger-than-expected 150 billion pounds (\$195 billion) as it prepared for economic damage from new coronavirus lockdowns and the looming risk of Brexit.
- The BoE said Britain's economy was set to shrink 2% during the fourth quarter as a result, and that the economy would shrink a record 11% over the course of 2020 overall, more than the 9.5% it had forecast in March

**Pound Sterling Performance**

<b>Last Week Close</b>	<b>1.29 USD/GBP</b>	<b>Monthly High</b>	<b>1.32 USD/GBP</b>
<b>Week Open</b>	<b>1.29 USD/GBP</b>	<b>Monthly Low</b>	<b>1.29 USD/GBP</b>
<b>Week Close</b>	<b>1.32 USD/GBP</b>	<b>30 Days Average</b>	<b>1.30 USD/GBP</b>
<b>Weekly High</b>	<b>1.32 USD/GBP</b>	<b>90 Days Average</b>	<b>1.30 USD/GBP</b>
<b>Weekly Low</b>	<b>1.29 USD/GBP</b>	<b>YTD Change</b>	<b>-0.57%</b>

**Pound Sterling Economic Events**

Events	Period	Date	Forecast	Previous
Claimant Count Unem Chng	Oct	10-Nov		28,000.0
ILO Unemployment Rate	Sep	10-Nov	4.7	4.5
GDP Est 3M/3M	Sep	12-Nov		8.0
GDP Estimate MM	Sep	12-Nov		2.10%
GDP Estimate YY	Sep	12-Nov		0B
Manufacturing Output MM	Sep	12-Nov		1
GDP Prelim QQ	Q3	12-Nov	16	-20
GDP Prelim YY	Q3	12-Nov		-22

<b>Lower Bound</b>	<b>1.28</b>	<b>Upper Bound</b>	<b>1.32</b>
<b>Forecast</b>	<b>Neutral</b>		

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 **Australian Dollar**

**Australian Dollar Graph**



Source: Thomson Reuters

**Australian Dollar Outlook**

- The Aussie will look for any signs in an uptick in business confidence after the RBA cut the rate to a record low of 0.1%.

<b>Lower Bound</b>	<b>0.70</b>	<b>Upper Bound</b>	<b>0.73</b>
<b>Forecast</b>	<b>Depreciation</b>		

**Australian Dollar News**

- The Australia Dollar closed well in the positive last week, up 3.27% to 0.7263 as the US election dominated currency movements.
- The Reserve Bank of Australia trimmed rates from 0.25% to 0.10%, and bank members also implemented QE for the first time ever, announcing plans to buy A\$5 billion/ week in government bonds.

**Australian Dollar Performance**

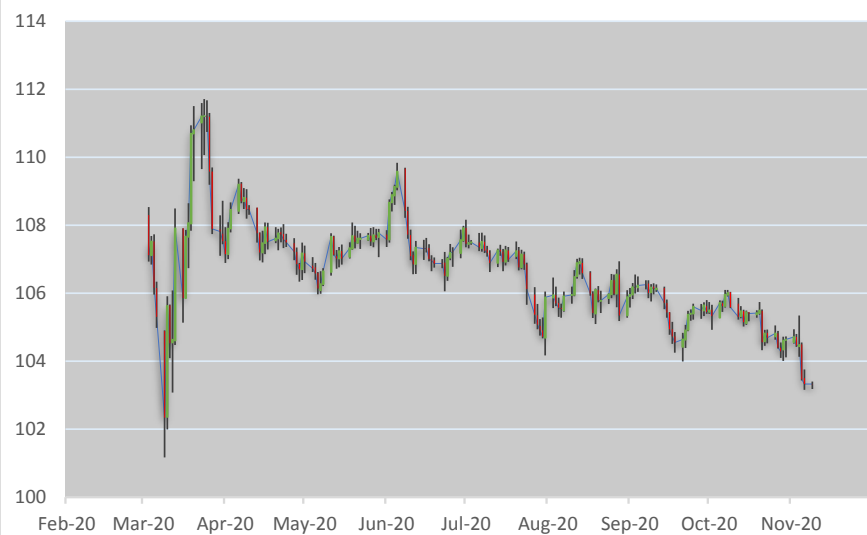
<b>Last Week Close</b>	<b>0.70 USD/AUD</b>	<b>Monthly High</b>	<b>0.73 USD/AUD</b>
<b>Week Open</b>	<b>0.70 USD/AUD</b>	<b>Monthly Low</b>	<b>0.70 USD/AUD</b>
<b>Week Close</b>	<b>0.73 USD/AUD</b>	<b>30 Days Average</b>	<b>0.72 USD/AUD</b>
<b>Weekly High</b>	<b>0.73 USD/AUD</b>	<b>90 Days Average</b>	<b>0.70 USD/AUD</b>
<b>Weekly Low</b>	<b>0.70 USD/AUD</b>	<b>YTD Change</b>	<b>+3.73%</b>

**Australian Dollar Economic Events**

<b>Events</b>	<b>Period</b>	<b>Date</b>	<b>Forecast</b>	<b>Previous</b>
Building Approvals	Oct	9-Nov		15.4
Private House Approvals	Oct	9-Nov		9.7%
NAB Business Conditions	Oct	10-Nov		0.0%
NAB Business Confidence	Oct	10-Nov		-4.00%
Consumer Sentiment	Nov	11-Nov		11.9
Refinitiv IPSOS PCSI	Nov	13-Nov		49.3%

 Japanese Yen

Japanese Yen Graph



Source: Thomson Reuters

Japanese Yen Outlook

- The spread of the coronavirus and ongoing geopolitical matters support demand for safe-haven yen.
- Market await the final outcome of the US election.

Japanese Yen News

- The Japanese yen has been getting a lot of attention throughout the US elections which are potentially distressing for the Japanese officials, especially Finance Minister, Taro Aso, who has said Japan will need to respond to currency market moves if results of the US presidential election cause a sudden spike in the yen.
- Bank of Japan Governor Haruhiko Kuroda said on Wednesday (4/11) it was desirable for currency rates to move stably reflecting economic fundamentals.

Japanese Yen Performance

<b>Last Week Close</b>	<b>104.64 JPY/USD</b>	<b>Monthly High</b>	<b>105.34 JPY/USD</b>
<b>Week Open</b>	<b>104.56 JPY/USD</b>	<b>Monthly Low</b>	<b>103.18 JPY/USD</b>
<b>Week Close</b>	<b>103.33 JPY/USD</b>	<b>30 Days Average</b>	<b>107.16 JPY/USD</b>
<b>Weekly High</b>	<b>105.34 JPY/USD</b>	<b>90 Days Average</b>	<b>107.62 JPY/USD</b>
<b>Weekly Low</b>	<b>103.16 JPY/USD</b>	<b>YTD Change</b>	<b>-5.11%</b>

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
Current Account NSA JPY	Sep	10-Nov	1,994.9B	2,102.8B
Corp Goods Price MM	Oct	12-Nov	-0.2	-0.2
Corp Goods Price YY	Oct	12-Nov	-2.1%	-0.8%
Machinery Orders MM	Sep	12-Nov	-0.7%	0.2%
Machinery Orders YY	Sep	12-Nov	-11.6	-15.2%

<b>Lower Bound</b>	<b>103.34</b>	<b>Upper Bound</b>	<b>105.96</b>
<b>Forecast</b>	<b>Appreciation</b>		

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