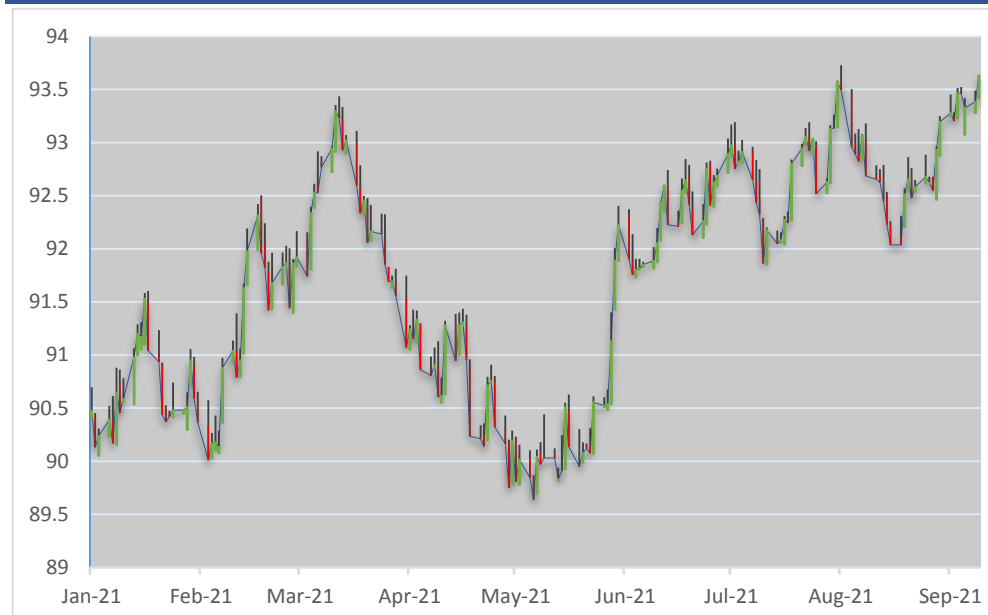


**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**27 Sep 2021 - 01 Oct 2021**



**Dollar Index Graph**



Source: Thomson Reuters

**Dollar News**

- The Federal Reserve surprised markets on Wednesday with a slightly more hawkish tone from its board members following a two-day Federal Open market Committee that concluded on Wednesday (22/9) by hinting at clearer definitions on tapering timing in its upcoming November meeting.
- More members agreed to consider raising Fed Funds Rate once in 2022 (9 from 7 in the previous meeting) which is sooner than analysts' expectation.
- The Flash Manufacturing Purchasing Manager Index (PMI) dropped to 60.5 in September from 61.1 in August, while the service sector fell to 54.4 from 51.1.

**Dollar Index Performance**

<b>Last Week Close</b>	<b>93.1950</b>	<b>Monthly High</b>	<b>93.7290</b>
<b>Week Open</b>	<b>93.2460</b>	<b>Monthly Low</b>	<b>91.9470</b>
<b>Week Close</b>	<b>93.0460</b>	<b>30 Days Average</b>	<b>92.8729</b>
<b>Weekly High</b>	<b>93.6610</b>	<b>90 Days Average</b>	<b>92.1650</b>
<b>Weekly Low</b>	<b>92.9810</b>	<b>YTD Change</b>	<b>+4.12%</b>

**Dollar Outlook**

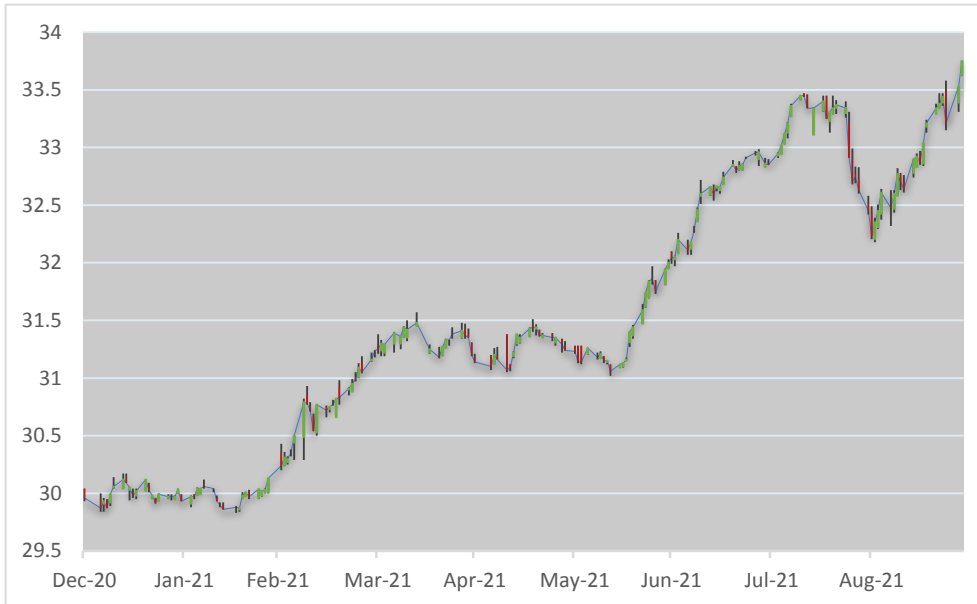
- Markets will focus on September job report that would indicate whether the Fed reduce its QE bond-buying pace in November meeting.
- The Fed Chairman, Jerome Powell commented that he does not concern on China Evergrande's default risk would directly impact US economy while default risk among US private firms is still in the low level. However, looming debt crisis could obstruct global recovery which was hard-hit from COVID-19 pandemic.

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
Durable Goods	Aug	27-Sep	0.7%	-0.1%
Consumer Confidence	Sep	28-Sep	114.50	113.80
GDP Final	Q2	30-Sep	6.6%	6.6%
Initial Jobless Clm	25 Sep, w/	30-Sep	335,000	351,000
Consumption, Adjusted MM	Aug	1-Oct	0.6	0.3
Markit Mfg PMI Final	Sep	1-Oct		60.5%
ISM Manufacturing PMI	Sep	1-Oct	0.0B	0.0B
U Mich Sentiment Final	Sep	1-Oct	71	71

<b>Lower Bound</b>	<b>92.00</b>	<b>Upper Bound</b>	<b>94.00</b>
<b>Forecast</b>	<b>Neutral</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**27 Sep 2021 - 01 Oct 2021**

**Thai Baht Graph**


Source: Thomson Reuters

**Thai Baht Outlook**

- Thai baht would move in depreciative range as the market is in risk-off mode due to uncertainties in Chinese real estate market and hawkish tone in Fed policy direction.

<b>Lower Bound</b>	<b>33.30</b>	<b>Upper Bound</b>	<b>33.95</b>
<b>Forecast</b>	<b>Depreciation</b>		

**Thai Baht News**

- Thai Ministry of Finance announced to increase debt-to-GDP ceiling ratio from 60% to 70% for the purpose of raising funds to encourage economic recovery.

<b>Last Week Close</b>	<b>33.2100</b> THB/USD	<b>Monthly High</b>	<b>33.7900</b> THB/USD
<b>Week Open</b>	<b>33.2900</b> THB/USD	<b>Monthly Low</b>	<b>32.1900</b> THB/USD
<b>Week Close</b>	<b>#N/A</b> THB/USD	<b>30 Days Average</b>	<b>32.9515</b> THB/USD
<b>Weekly High</b>	<b>33.5800</b> THB/USD	<b>90 Days Average</b>	<b>32.4058</b> THB/USD
<b>Weekly Low</b>	<b>33.1500</b> THB/USD	<b>YTD Change</b>	<b>+12.83%</b>

**Thai Baht Economic Events**

Events	Period	Date	Forecast	Previous
Manufacturing Prod YY	Aug	29-Sep	0.0%	5.1%
1-Day Repo Rate	29 Sep	29-Sep	0.50	0.50
Exports YY	Aug	30-Sep		21.7%
Imports YY	Aug	30-Sep		37
Trade Account	Aug	30-Sep		#####
Current Account	Aug	30-Sep		#####
Manufacturing PMI SA	Sep	1-Oct		0.0B

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**27 Sep 2021 - 01 Oct 2021**

**Euro**
**Euro Graph**


Source: Thomson Reuters

**Euro Outlook**

- Some cooling of growth from the two-decade highs seen earlier in the summer was to be expected. On the other hand, firms have become increasingly frustrated by supply delays, shortages and ever-higher prices for inputs. Businesses, most notably in manufacturing but also now in the service sector, are being constrained as a result, often losing sales and customers.
- ECB president, Christine Lagard commented in the same direction as Mr. Powell about China Evergrande's default risk.
- German general election takes place on Sunday (26/9), markets expect the result of coalition government led by center-left SPD party which would be positive for macroeconomic outlook in Eurozone.

<b>Lower Bound</b>	<b>1.1600</b>	<b>Upper Bound</b>	<b>1.1850</b>
<b>Forecast</b>	<b>Appreciation</b>		

**Euro News**

- The Eurozone Manufacturing purchasing managers index (PMI) arrived at 58.7 in September vs. 60.3 expectations and 61.4 last. The index was at its weakest in seven months.
- The bloc's Services PMI fell to four-month lows of 56.3 in September vs. 58.5 expected and 59.0 previous.

**Euro Performance**

<b>Last Week Close</b>	<b>1.1870</b> USD/EUR	<b>Monthly High</b>	<b>1.1899</b> USD/EUR
<b>Week Open</b>	<b>1.1862</b> USD/EUR	<b>Monthly Low</b>	<b>1.1743</b> USD/EUR
<b>Week Close</b>	<b>1.1760</b> USD/EUR	<b>30 Days Average</b>	<b>1.1835</b> USD/EUR
<b>Weekly High</b>	<b>1.1899</b> USD/EUR	<b>90 Days Average</b>	<b>1.1988</b> USD/EUR
<b>Weekly Low</b>	<b>1.1752</b> USD/EUR	<b>YTD Change</b>	<b>-3.72%</b>

**Euro Economic Events**

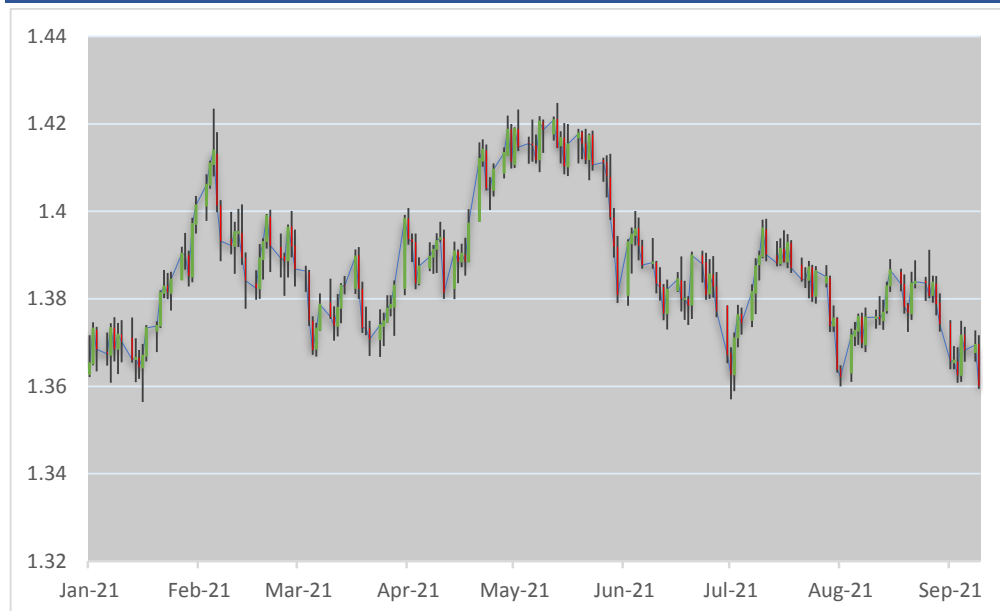
Events	Period	Date	Forecast	Previous
Consumer Confid. Final	Sep	29-Sep	-4.0%	-4.0%
Unemployment Chg SA	Sep	30-Sep	-33,000.00	-53,000.00
Unemployment Rate SA	Sep	30-Sep	5.4%	5.5%
Unemployment Rate	Aug	30-Sep	8	8
CPI Prelim YY	Sep	30-Sep	4.2	3.9
HICP Prelim YY	Sep	30-Sep	4.0%	3.4%
Markit Mfg PMI	Sep	1-Oct	0.0B	0.0B
Markit/BME Mfg PMI	Sep	1-Oct	58.5	58.5
Markit Mfg Final PMI	Sep	1-Oct	58.7	58.7
HICP Flash YY	Sep	1-Oct	3.3	3

**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**27 Sep 2021 - 01 Oct 2021**



**Pound Sterling Graph**



Source: Thomson Reuters

**Pound Sterling News**

- The UK central bank left its monetary policy unchanged and the £895 billion facilities program on hold. The MPC voted 9-0 to leave rates on hold but voted 7-2 on reducing QE, while the statement noted that some developments strengthen the case for modest tightening.
- UK Manufacturing Purchasing Managers' Index (PMI) fell to 56.3 in September versus 59.0 expected and 60.3 – August's final reading.
- The Preliminary UK Services Business Activity Index for September eased 54.6 to versus August's final readout of 55.0 and 55.0 expected. The index also reaches seven-month lows as well as in manufacturing sector.

**Pound Sterling Performance**

<b>Last Week Close</b>	<b>1.3901</b> USD/GBP	<b>Monthly High</b>	<b>1.3957</b> USD/GBP
<b>Week Open</b>	<b>1.3899</b> USD/GBP	<b>Monthly Low</b>	<b>1.3856</b> USD/GBP
<b>Week Close</b>	<b>1.3871</b> USD/GBP	<b>30 Days Average</b>	<b>1.3827</b> USD/GBP
<b>Weekly High</b>	<b>1.3957</b> USD/GBP	<b>90 Days Average</b>	<b>1.3936</b> USD/GBP
<b>Weekly Low</b>	<b>1.3859</b> USD/GBP	<b>YTD Change</b>	<b>+1.40%</b>

**Pound Sterling Outlook**

- Policymakers said that uncertainties around the labour market still remain, but added that a rate hike would precede tapering.
- The September PMI data will add some worries that the UK economy is heading towards stagflation with growth continuing to trend lower, while prices surge ever higher.

**Pound Sterling Events**

Events	Period	Date	Forecast	Previous
GDP QQ	Q2	30-Sep	4.8%	4.8%
GDP YY	Q2	30-Sep	22.20	22.20
Nationwide house price mm	Sep	30-Sep	0.6%	2.1%
Nationwide house price yy	Sep	30-Sep	11	11
Markit/CIPS Mfg PMI Final	Sep	1-Oct	56.3	56.3

<b>Lower Bound</b>	<b>1.3500</b>	<b>Upper Bound</b>	<b>1.3800</b>
<b>Forecast</b>	<b>Neutral</b>		

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**27 Sep 2021 - 01 Oct 2021**

**Australian Dollar**
**Australian Dollar Graph**


Source: Thomson Reuters

**Australian Dollar Outlook**

- The Australian dollar is the most exposed currency for any spillover from a potential Evergrande's default. The rationale is that Australia is the most Chinese-dependant country in the G10. A collapse in the real estate market would raise further demand concerns in the iron ore market, generating another sell-off in the commodity's price.

<b>Lower Bound</b>	<b>0.7200</b>	<b>Upper Bound</b>	<b>0.7400</b>
<b>Forecast</b>	<b>Depreciation</b>		

**Australian Dollar News**

- There is no new issue from the Reserve Bank of Australia (RBA)'s meeting minutes: "The monetary and fiscal policy need to remain in place to support the economy through a tough period of coronavirus lockdowns".
- IMF cut Australia's 2021 GDP growth forecast amid property market concerns.

**Australian Dollar Performance**

<b>Last Week Close</b>	<b>0.7344</b> USD/AUD	<b>Monthly High</b>	<b>0.7426</b> USD/AUD
<b>Week Open</b>	<b>0.7334</b> USD/AUD	<b>Monthly Low</b>	<b>0.7329</b> USD/AUD
<b>Week Close</b>	<b>0.7353</b> USD/AUD	<b>30 Days Average</b>	<b>0.7745</b> USD/AUD
<b>Weekly High</b>	<b>0.7426</b> USD/AUD	<b>90 Days Average</b>	<b>0.7731</b> USD/AUD
<b>Weekly Low</b>	<b>0.7326</b> USD/AUD	<b>YTD Change</b>	<b>-4.42%</b>

**Australian Dollar Events**

Events	Period	Date	Forecast	Previous
Retail Sales MM Final	Aug	28-Sep	-2.5%	
Building Approvals	Aug	30-Sep	-5.00	-8.60
Private Sector Credit	Aug	30-Sep		0.7%
Housing Credit	Aug	30-Sep		1

**WEEKLY FOREIGN EXCHANGE OUTLOOK**



**Japanese Yen Graph**



Source: Thomson Reuters

- The Bank of Japan (BOJ) announced no changes to its monetary policy settings yet again in September but released the details of its scheme for combating climate change.
- The BOJ still have negative sentiment on exports and industrial production as most of Asian plant shutdowns and supply shortages.

**Japanese Yen Outlook**

- The market is still in risk-off mode but demands for safe-haven mostly inflow to the greenback so the yen could depreciate against dollar as well as other major currencies.

**Japanese Yen Performance**

<b>Last Week Close</b>	<b>109.9600</b> JPY/USD	<b>Monthly High</b>	<b>111.4400</b> JPY/USD
<b>Week Open</b>	<b>109.9700</b> JPY/USD	<b>Monthly Low</b>	<b>109.1200</b> JPY/USD
<b>Week Close</b>	<b>110.7200</b> JPY/USD	<b>30 Days Average</b>	<b>109.2953</b> JPY/USD
<b>Weekly High</b>	<b>110.7900</b> JPY/USD	<b>90 Days Average</b>	<b>108.4704</b> JPY/USD
<b>Weekly Low</b>	<b>109.1100</b> JPY/USD	<b>YTD Change</b>	<b>+8.00%</b>

**Japanese Yen Economic Events**

Events	Period	Date	Forecast	Previous
Industrial O/P Prelim MM SA	Aug	30-Sep	-0.5%	-1.5%
Jobs/Applicants Ratio	Aug	1-Oct	1.14	1.15
Unemployment Rate	Aug	1-Oct	2.9%	2.8%
Tankan Big Mf Idx	Q3	1-Oct	13	14
Jibun Bank Mfg PMI	Sep	1-Oct		51.2

<b>Lower Bound</b>	<b>109.00</b>	<b>Upper Bound</b>	<b>112.00</b>
<b>Forecast</b>	<b>Appreciation</b>		

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