

WEEKLY FOREIGN EXCHANGE OUTLOOK
10 Oct 2022 - 14 Oct 2022

Dollar Index
Dollar Index Graph


Source: Thomson Reuters

Dollar Outlook

- On Monday (10/10) is a bank holiday in the US.
- Futures pricing suggests traders see a nearly 90% chance of a 0.75% rate hike in the meeting next month.
- On Thursday (13/10), markets will get a chance so see how inflation held up during the month of September as the US releases its CPI report. Expectations are for the headline print to fall to 8.1% YoY from 8.3% YoY while the Core CPI is expected to increase to 6.5% YoY from 6.3% YoY.
- On Friday (14/10), the US will release the Preliminary Michigan Consumer Sentiment Index of October and US Retail Sales data of September.

Lower Bound	111.00	Upper Bound	114.00
Forecast	Appreciation		

Dollar News

- At the beginning of the week, the USD traded lower even the US Commerce Department released personal consumption expenditure (PCE) price index, excluding food and energy, up 4.9% y/y in August, higher than expectations of 4.7%.
- The greenback continuingly weak vs the board after US ISM manufacturing Index fell to 50.9 in September from 52.8. in August, below expectation of 52.2 while US construction spending was at -0.7% in September, below expectation of -0.3%.
- In the middle of the week, the USD rose VS major peers after upbeat ADP job data and hawkish FED policymaker comments supported the view that the Fed's aggressive stance on interest rates as likely unchanged
- At the end of the week, the USD continuingly rose after NFP increased 263,000 units, above the expectation, while unemployment rate was released at 3.5%, average hourly earnings rose 5% from a year ago.

Dollar Index Performance

Last Week Close	112.12	Monthly High	114.78
Week Open	112.17	Monthly Low	107.68
Week Close	111.95	30 Days Average	110.74
Weekly High	114.78	90 Days Average	107.64
Weekly Low	110.06	YTD Change	+17.87%

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
PPI Machine Manuf'ing	Sep	12-Oct		169.1
CPI MM, SA	Sep	13-Oct	0.2%	0.1%
CPI YY, NSA	Sep	13-Oct	8.1%	8.3%
CPI Wage Earner	Sep	13-Oct		291.629
Initial Jobless Clm	8 Oct, w/e	13-Oct	225k	219k
Import Prices YY	Sep	14-Oct		7.8%
Retail Sales MM	Sep	14-Oct	0.2%	0.3%
U Mich Sentiment Prelim	Oct	14-Oct	59.0	58.6

WEEKLY FOREIGN EXCHANGE OUTLOOK
10 Oct 2022 - 14 Oct 2022

Thai Baht Graph


Source: Thomson Reuters

Thai Baht Outlook

- The Baht is expected to move along with region currency as market eyes on the US inflation data which will be announced on Wednesday (12/10) and Thursday (13/10).
- Thursday (13/10) and Friday (14/10) is a bank holiday in Thailand, while markets focus on FOMC Meeting Minutes and US Inflation data.

Thai Baht News

- At the early of the week, the Baht traded stronger against the greenback as weaker-than-expected US manufacturing PMI data.
- The Baht slightly fell against the dollar even Thailand's headline inflation rate was less than expected in September, decelerating from the previous month. The headline consumer price index (CPI) rose 6.41% in September from a year earlier, helped by easing energy prices and last year's low base, and down from August's 7.86% increase, which was a 14-year high.
- The Baht continually depreciated against stronger dollar as multiple FED officials continued to emphasize that rates would continue to go up until inflation was under control. Moreover, the US labor data which released on Friday (7/10) is better-than-expected.

Thai Baht Performance

Last Week Close	37.77 THB/USD	Monthly High	38.15 THB/USD
Week Open	34.43 THB/USD	Monthly Low	37.13 THB/USD
Week Close	37.58 THB/USD	30 Days Average	37.08 THB/USD
Weekly High	38.15 THB/USD	90 Days Average	36.19 THB/USD
Weekly Low	37.09 THB/USD	YTD Change	

Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Consumer Confidence Idx	Sep	12-Oct		43.7

Lower Bound	37.50	Upper Bound	38.20
Forecast	Depreciation		

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

WEEKLY FOREIGN EXCHANGE OUTLOOK
10 Oct 2022 - 14 Oct 2022

Euro
Euro Graph


Source: Thomson Reuters

Euro News

- The European Union's statistics office Eurostat said on Friday (30/7) that the consumer price index (CPI) rose 10% in September from a year earlier, from 9.1% in August.
- The manufacturing activity data across the Eurozone declined further last month. A downturn in Eurozone business activity deepened in September, slipping to its lowest mark in 20 months.
- The euro gained against USD and already surpasses the 0.9950 mark towards the key resistance at the parity. There was report shown that ECB policymaker Francois Villeroy de Galhau reiterated on Tuesday (4/10) that they will raise interest rates as much as necessary to bring core inflation down.
- The euro fell VS the USD after the released of the US official employment report that showed numbers slightly above expectations.

Euro Index Performance

Last Week Close	0.9799 USD/EUR	Monthly High	0.9999 USD/EUR
Week Open	0.9798 USD/EUR	Monthly Low	0.9683 USD/EUR
Week Close	0.9741 USD/EUR	30 Days Average	0.9910 USD/EUR
Weekly High	0.9999 USD/EUR	90 Days Average	1.0148 USD/EUR
Weekly Low	0.9724 USD/EUR	YTD Change	-14.66%

Euro Outlook

- For the eurozone, the terms-of-trade shock spurred a dramatic shift in the trade balance. September trade figures are reported on October 14. In the January-August period this year, it recorded a trade deficit of 185 bln euros, more deterioration would be expected to be negative for the euro.
- Markets were waiting to see how the kremlin might repond to a blast that hit Russia's only bridge to Crimea.
- In additional, the Eurozone Industrial Production will be released on Wednesday (12/10), while Germany inflation will be announced on Thursday (13/10).

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Sentix Index	Oct	10-Oct	-34.7	-31.8
Industrial Production MM	Aug	12-Oct	0.5%	-2.3%
Industrial Production YY	Aug	12-Oct	1.1%	-2.4%
CPI Final MM	Sep	13-Oct	1.9%	1.9%
CPI Final YY	Sep	13-Oct	10.0%	10.0%
HICP Final MM	Sep	13-Oct	2.2%	2.2%
HICP Final YY	Sep	13-Oct	10.9%	10.9%

Lower Bound	0.9600	Upper Bound	0.9900
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

10 Oct 2022 - 14 Oct 2022



Pound Sterling Graph



Source: Thomson Reuters

Pound Sterling News

- The GBP rose towards 1.1200 against USD, the recovery came after the BoE announced an emergency bond purchase. Moreover, the sterling was also supported by data showing the GDP growth index rose 0.2% in the second quarter, higher than estimate.
- At the mid of the week, the GBP rallied against the dollar after the British government said it would reverse a controversial tax cut that had rocked UK markets.
- The Sterling extended its losses and tumbled below 1.1200 as Fed policymakers insist on higher rates. Even, BoE policymaker Jonathan Haskel insisted that the BoE has the tools and the resolve to return inflation to target in the medium term.
- At the end of the week, The pound fell against the dollar after US labor data reaffirms Fed rate hike bets.

Pound Sterling Performance

Last Week Close	1.1160 USD/GBP	Monthly High	1.1495 USD/GBP
Week Open	1.1156 USD/GBP	Monthly Low	1.1028 USD/GBP
Week Close	1.1084 USD/GBP	30 Days Average	1.1326 USD/GBP
Weekly High	1.1495 USD/GBP	90 Days Average	1.1832 USD/GBP
Weekly Low	1.1053 USD/GBP	YTD Change	-18.23%

Pound Sterling Outlook

- For the Sterling, UK will report the labor data (11/10) which has shown a trend of both unemployment and employment decreasing m/m.
- Moreover the UK's August GDP y/y will be released on Wednesday (12/10) which expected to unchange.

Pound Sterling Economic Events

Events	Period	Date	Forecast	Previous
Claimant Count Unem Chng	Sep	11-Oct		6.3k
ILO Unemployment Rate	Aug	11-Oct	3.6%	3.6%
HMRC Payrolls Change	Sep	11-Oct		71k
GDP Est 3M/3M	Aug	12-Oct	-0.2%	0.0%
GDP Estimate MM	Aug	12-Oct	-0.1%	0.2%
GDP Estimate YY	Aug	12-Oct		2.3%
Manufacturing Output MM	Aug	12-Oct	0.0%	0.1%

Lower Bound	1.0800	Upper Bound	1.1200
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

10 Oct 2022 - 14 Oct 2022



Australian Dollar

Australian Dollar Graph



Source: Thomson Reuters

Australian Dollar News

- The AUD sank after the Reserve Bank of Australia (RBA) blinked in the fight on wealth destroying high and volatile inflation. Their hike of 25 basis points to 2.60% last week is seen as dovish in light of persistent price pressures domestically and globally.
- The 3rd quarter Australian CPI is due at the end of this month and the RBA said in their statement that they expect it 'to be around 7¼ per cent over 2022', well above their target of 2–3% over the cycle.
- The Aussie fall back below the 0.6400 against the dollar after the upbeat US NFP report reaffirms Fed rate hike bets and boosts demand for the dollar.

Australian Dollar Performance

Last Week Close	0.6402 USD/AUD	Monthly High	0.65470 USD/AUD
Week Open	0.6400 USD/AUD	Monthly Low	0.62890 USD/AUD
Week Close	0.6368 USD/AUD	30 Days Average	0.69199 USD/AUD
Weekly High	0.6547 USD/AUD	90 Days Average	0.70225 USD/AUD
Weekly Low	0.6353 USD/AUD	YTD Change	-13.07%

Australian Dollar Outlook

- It's seem like a quiet week for the AUD as less economic data, while market focus on the US inflation data on Thursday (13/10).
- On data front, the AIG Services Index is released on Monday (10/10), Australia's NAB business confidence and Westpac Consumer Sentiment will be released on Tuesday (11/10).

Australian Dollar Economic Events

Events	Period	Date	Forecast	Previous
Consumer Sentiment	Oct	11-Oct		3.9%
NAB Business Conditions	Sep	11-Oct		20
NAB Business Confidence	Sep	11-Oct		10
Refinitiv IPSOS PCSI	Oct	14-Oct		52.76

Lower Bound	0.6200	Upper Bound	0.6500
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK
10 Oct 2022 - 14 Oct 2022

Japanese Yen Graph


Source: Thomson Reuters

Japanese Yen Outlook

- On Monday (10/10) is a bank holiday in the Japan.
- For data front, the Japan Core Machinery Order of September will be released on Wednesday (13/10) which expected to fell 3.0%
- Another important data for Japan is Producer Price Index of September which will rekeased on Thursday (13/10) at 8.8%, market expectation.

Japanese Yen News

- The yen traded flat against USD, but remains near the highly psychologically important 145 level. After last week it gained sharply due to Japanese officials intervened to buy the yen for the first time since 1998.
- The yen slid below 145.00 against the greenback following a positive US jobs report. The Yen remains subdued after US employment data unexpectedly surprised market participants, with the US economy adding more jobs than economists estimated.
- Japan's real wages fell in August for a fifth straight month. The Japanese Inflation-adjusted real wages dropped 1.7% in August from a year earlier, labour ministry data showed, following a revised 1.8% fall in the prior month.
- The yen was drifting into a zone on the weaker side of 145 per USD after the solid US labor data was released.

Japanese Yen Performance

Last Week Close	144.75 JPY/USD	Monthly High	145.66 JPY/USD
Week Open	144.67 JPY/USD	Monthly Low	143.54 JPY/USD
Week Close	145.33 JPY/USD	30 Days Average	131.22 JPY/USD
Weekly High	145.44 JPY/USD	90 Days Average	125.58 JPY/USD
Weekly Low	143.50 JPY/USD	YTD Change	+26.42%

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
Current Account NSA JPY	Aug	11-Oct	121.8B	229.08
Reuters Tankan N-Man Idx	Oct	12-Oct		11
Machinery Orders MM	Aug	12-Oct	-2.3%	5.30%
Machinery Orders YY	Aug	12-Oct	12.6%	12.80%
Corp Goods Price MM	Sep	13-Oct	0.2%	0.20%
Corp Goods Price YY	Sep	13-Oct	8.8%	9.00%

Lower Bound	143.00	Upper Bound	146.00
Forecast	Depreciation		

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

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.