

WEEKLY FOREIGN EXCHANGE OUTLOOK
20 Apr 2020 - 24 Apr 2020

Dollar Index
Dollar Index Graph


Source: Thomson Reuters

Dollar News

- Last week, the market mood was lifted after the US President Trump announced a 3-stage plan to re-open the US economy.
- The recent positive covid-19 news also helped boost the market and investors returned to risk appetite and sold-off dollar.
- The big surge in jobless claim also added to the dollar's correction.
- With President Donald Trump presenting guidelines on reopening the economy and a couple of states taking measures to slowly ease travel restrictions, the possibility of a resurface in infections remains a risk.

Dollar Index Performance

Last Week Close	99.52	Monthly High	102.99
Week Open	99.49	Monthly Low	95.23
Week Close	99.62	30 Days Average	99.65
Weekly High	100.43	90 Days Average	98.42
Weekly Low	98.82	YTD Change	+3.63%

Dollar Outlook

- The DYX probably retreat within range .
- If it can to break above 100 figure, it will open door to go further to 100.50 and 101.00 price levels while support is expected to be 99.50 and 98 levels.
- The economic data isn't expected to come out positive e.g. durable goods, ISM Manufacturing Index and Markit's flash composite PMI, however, the jobless claims data will attract attention from investors.
- Sentiment may remain bolstered amid aggressive easing efforts from monetary and fiscal authorities.
- All eyes will be on the covid-19 situation.

Lower Bound	98.23	Upper Bound	101.43
Forecast	Neutral		

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Existing Home Sales	Mar	21-Apr	5.30M	5.77M
Initial Jobless Claims	18 Apr, w/e	23-Apr	4,000k	5,245k
Markit Comp Flash PMI	Apr	23-Apr		40.9
Markit Mfg PMI Flash	Apr	23-Apr	37.0	48.5
Markit Svcs PMI Flash	Apr	23-Apr	30.0	39.8
New Home Sales-Units	Mar	23-Apr	0.645M	0.765M
Durable Goods	Mar	24-Apr	-11.3%	1.2%
U Mich Sentiment Final	Apr	24-Apr	68.0	71.0

WEEKLY FOREIGN EXCHANGE OUTLOOK
20 Apr 2020 - 24 Apr 2020

Thai Baht Graph


Source: Thomson Reuters

Thai Baht Outlook

- Recently , the inflation was negative in March, the first time in 33 months which opened the door for MPC to cut policy rates further; the next MPC meeting will be in May
- Economic impact, together with a dovish BoT, said to be studying a number of unconventional policy options including asset-purchase program and yield curve control, is weighing on the baht.
- Covid-19 continues to dominate the market attention
- Thailand's trade data will be in focus this week
- This week the bath is expected to move in a range of 32.30 – 32.85 THB/USD

Lower Bound	32.30	Upper Bound	32.85
Forecast	Neutral		

Thai Baht News

- The baht was trading in narrow range and appreciating against the USD during the end of the week supported by the sell-off dollar from exporters.
- The Asian stocks ended last week higher on news of gradually reopening US economy on a state-by-state basis, and optimism on curing .
- S&P Global Ratings has revised its outlook on Thailand to stable from positive on Covid-19 uncertainty, with a possible downgrade given heightening political uncertainty and persistent sluggish economic recovery.

Thai Baht Performance

Last Week Close	32.65 THB/USD	Monthly High	33.19 THB/USD
Week Open	32.66 THB/USD	Monthly Low	32.47 THB/USD
Week Close	32.55 THB/USD	30 Days Average	32.48 THB/USD
Weekly High	32.85 THB/USD	90 Days Average	31.32 THB/USD
Weekly Low	32.44 THB/USD	YTD Change	+8.45%

Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Custom-Based Export Data	Mar	21-Apr		-4.47%
Custom-Based Import Data	Mar	21-Apr		-4.30%
Customs-Based Trade Data	Mar	21-Apr		3.90B

WEEKLY FOREIGN EXCHANGE OUTLOOK
20 Apr 2020 - 24 Apr 2020

Euro
Euro Graph


Source: Thomson Reuters

Euro Outlook

- The ZEW Economic sentiment for April is projected to remain negative, while Markit's PMI for Manufacturing and Service are projected to decline which the Service PMI has already gone below 30 in France and will likely remain depressed
- As the Euro area is facing increasing risk into a recession, the shared currency is probably weighed down further
- Any development on coronavirus news, and statistics will be in focus as they impact decisions on lockdowns
- We see the support level of 1.0750 and could go toward 1.0700 levels while the resistance can be 1.0850 and 1.0900 levels

Lower Bound	1.0735	Upper Bound	1.1096
Forecast	Depreciation		

Euro News

- The EUR remained under pressure as the pandemic continued to benefit the greenback as safe-haven asset
- However, during the end of the week, the EUR was trading above 1.0850 last week amid upbeat mood that Gilead's Remdesivir drug has shown positive signs in curing Covid-19 patients
- According to Reuters, EU needs to release 500 billion euros in order to put the economy in recovery in addition to the already agreed upon one trillion euros package

Euro Index Performance

Last Week Close	1.0935 USD/EUR	Monthly High	1.1036 USD/EUR
Week Open	1.0941 USD/EUR	Monthly Low	1.0769 USD/EUR
Week Close	1.0876 USD/EUR	30 Days Average	1.0968 USD/EUR
Weekly High	1.0990 USD/EUR	90 Days Average	1.1018 USD/EUR
Weekly Low	1.0810 USD/EUR	YTD Change	-3.10%

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Consumer Confid. Flash	Apr	22-Apr	-19.3	-11.6
Markit Mfg Flash PMI	Apr	23-Apr	39.6	44.5
Markit Serv Flash PMI	Apr	23-Apr	24.8	26.4
Markit Comp Flash PMI	Apr	23-Apr	26.0	29.7

WEEKLY FOREIGN EXCHANGE OUTLOOK
20 Apr 2020 - 24 Apr 2020

Pound Sterling Graph

Pound Sterling Outlook

- Brexit talks to resume this week with further schedule on May 11 and June 1
- UK's review of social distancing measures is in focus
- Developments on the coronavirus will continue to play a key role to drive market sentiment
- The Sterling this week is likely to be bearish as the shuttering continues
- The Consumer Price Index is due to release Wednesday and is unlikely to print significant changes
- Weak data from the UK will weigh on the Sterling to fall more; the support is at level of 1.2400 and 1.2250 while the resistance is 1.2650 and 1.2730

Lower Bound	1.2250	Upper Bound	1.2650
Forecast	Depreciation		

Pound Sterling News

- The UK extends lockdown by at least 3 weeks as the number of new cases and deaths in the country indicating that pandemic is yet reach its peak
- The Sterling also declined amid broad US dollar strength
- EU and UK have agreed to resume talks after a break due to the coronavirus

Pound Sterling Performance

Last Week Close	1.2452 USD/GBP	Monthly High	1.2646 USD/GBP
Week Open	1.2463 USD/GBP	Monthly Low	1.2167 USD/GBP
Week Close	1.2499 USD/GBP	30 Days Average	1.2285 USD/GBP
Weekly High	1.2646 USD/GBP	90 Days Average	1.2773 USD/GBP
Weekly Low	1.2405 USD/GBP	YTD Change	-5.93%

Pound Sterling Economic Events

Events	Period	Date	Forecast	Previous
Claimant Count Unem Chng	Mar	21-Apr	175.0k	17.3k
ILO Unemployment Rate	Feb	21-Apr	3.9%	3.9%
CPI YY	Mar	22-Apr	1.5%	1.7%
Flash Composite PMI	Apr	23-Apr	32.0	36.0
Flash Manufacturing PMI	Apr	23-Apr	40.0	47.8
Flash Services PMI	Apr	23-Apr	29.0	34.5
Retail Sales MM	Mar	24-Apr	-4.0%	-0.3%
Retail Sales Ex-Fuel MM	Mar	24-Apr	-2.6%	-0.5%
Retail Sales YY	Mar	24-Apr	-4.0%	0.0%

WEEKLY FOREIGN EXCHANGE OUTLOOK

20 Apr 2020 - 24 Apr 2020

 **Australian Dollar**

Australian Dollar Graph



Australian Dollar News

- The AUD hit its 1-month highs earlier last week despite consumer sentiment suffering its largest monthly fall in April
- The pair also ignored the dismal GDP and Retail Sales data from China on Friday
- US President's push for economy to restart boosted the market sentiment

Australian Dollar Performance

Last Week Close	0.6350 USD/AUD	Monthly High	0.6444 USD/AUD
Week Open	0.6341 USD/AUD	Monthly Low	0.5981 USD/AUD
Week Close	0.6364 USD/AUD	30 Days Average	0.6736 USD/AUD
Weekly High	0.6444 USD/AUD	90 Days Average	0.6823 USD/AUD
Weekly Low	0.6262 USD/AUD	YTD Change	-9.71%

Australian Dollar Outlook

- As the Australians have successfully managed to contain their covid-19 spread, this could mean the government might relax the lockdowns which will improve the economic data and favor the Aussie
- The AUD is seen to hold on above 0.63 figure and in the bullish trend with resistance level of 0.6400 and 0.6450 levels while support is 0.6250 and 0.6200 levels

Australian Dollar Economic Events

Events	Period	Date	Forecast	Previous
Manufacturing PMI	Apr	23-Apr		50.1
Services PMI	Apr	23-Apr		39.8
Composite PMI	Apr	23-Apr		40.7

Lower Bound	0.5950	Upper Bound	0.6450
Forecast	Appreciation		


Japanese Yen Graph


Source: Thomson Reuters

Japanese Yen Outlook

- All attentions remain on economic impact of coronavirus amidst fresh measures of restraint in Japan
- The JPY is expected to remain underpinned on the demand for safe havens; however, a prospect of nations getting back to work as the spread slow might support the equities
- Another event that can take JPY lower would be a correction in the USD
- We see the JPY to be in neutral stance this week

Lower Bound	106.50	Upper Bound	110.00
Forecast	Neutral		

Japanese Yen News

- The Yen has been moving back and forth by moves in global risk aversion
- Japan PM Abe reportedly secured funds for JPY 100,000 cash payouts to all citizens
- Japan business confidence plunged to decade lows in April on damage from the coronavirus pandemic; Japan manufacturer's index was -30 in April versus -20 in March
- Japan's February Industrial Production was down by 0.3% MoM and decline 5.7% YoY

Japanese Yen Performance

Last Week Close	108.46 JPY/USD	Monthly High	109.37 JPY/USD
Week Open	108.52 JPY/USD	Monthly Low	106.93 JPY/USD
Week Close	107.51 JPY/USD	30 Days Average	109.07 JPY/USD
Weekly High	108.52 JPY/USD	90 Days Average	108.39 JPY/USD
Weekly Low	106.91 JPY/USD	YTD Change	-0.95%

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
Exports YY	Mar	20-Apr	-10.1%	-1.0%
Imports YY	Mar	20-Apr	-9.8%	-13.9%
Trade Balance Total Yen	Mar	20-Apr	420.0B	1,108.8B
Jibun Bank Mfg PMI Flash	Apr	23-Apr		44.8
CPI, Core Nationwide YY	Mar	24-Apr	0.4%	0.6%
CPI, Overall Nationwide	Mar	24-Apr		0.4%

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.