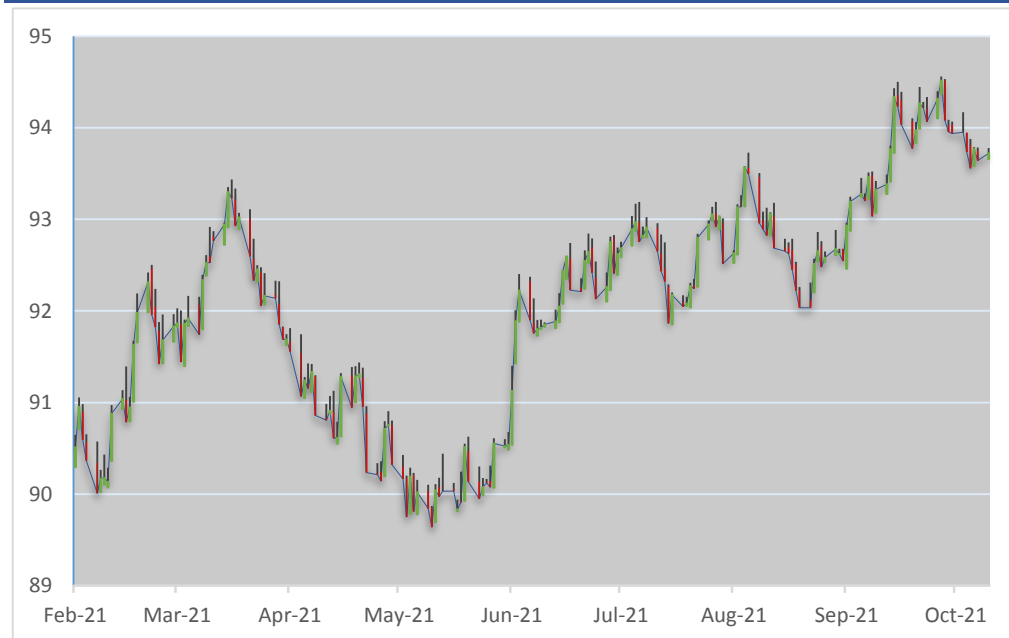


**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**25 Oct 2021 - 29 Oct 2021**

 **Dollar Index**

**Dollar Index Graph**



Source: Thomson Reuters

**Dollar News**

- The dollar index dropped against its peer currencies as the market is on the risk on mode which led to the capital inflows to the risky asset.
- The dollar pared losses after Federal Reserve Chairman Jerome Powell said the U.S. central bank should begin reducing its asset purchases soon, but should not yet raise interest rates.
- Investors have taken profits since the dollar index hit a one-year high last week, when concerns that inflation will remain stubbornly high for longer led investors to bring forward expectations on when the Fed will first raise rates to mid-2022.
- The dollar rally has also faded as investors build in expectations for sooner rate increases in other currencies.
- Investors digested news that China Evergrande Group appeared to avert default after it made a last-minute bond coupon payment.

**Dollar Index Performance**

<b>Last Week Close</b>	<b>93.9370</b>	<b>Monthly High</b>	<b>94.5610</b>
<b>Week Open</b>	<b>93.9540</b>	<b>Monthly Low</b>	<b>92.3220</b>
<b>Week Close</b>	<b>93.5360</b>	<b>30 Days Average</b>	<b>93.6662</b>
<b>Weekly High</b>	<b>94.5310</b>	<b>90 Days Average</b>	<b>92.9123</b>
<b>Weekly Low</b>	<b>93.4960</b>	<b>YTD Change</b>	<b>+4.20%</b>

**Dollar Outlook**

- The market's eyes are on the first estimated of US GDP. The economy is expected to grow by 2.6% in the third quarter.
- The dollar, in the short term, could weakened against it peer currencies as the market are now a risk appetite.

**Dollar Index Economic Events**

<b>Events</b>	<b>Period</b>	<b>Date</b>	<b>Forecast</b>	<b>Previous</b>
Consumer Confidence	Oct	26-Oct	108.8	109.3
New Home Sales-Units	Sep	26-Oct	0.755M	0.740M
Durable Goods	Sep	27-Oct	-1.0%	1.8%
GDP Advance	Q3	28-Oct	2.8%	6.7%
Initial Jobless Clm		23 Oct, w/ 28-Oct	292k	290k
Consumption, Adjusted MM	Sep	29-Oct	0.5%	0.8%
U Mich Sentiment Final	Oct	29-Oct	71.6	71.4

<b>Lower Bound</b>	<b>93.5000</b>	<b>Upper Bound</b>	<b>94.5000</b>
<b>Forecast</b>	<b>Depreciation</b>		

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

**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**25 Oct 2021 - 29 Oct 2021**



**Thai Baht Graph**



Source: Thomson Reuters

**Thai Baht News**

- Prime Minister Prayut Chan-o-cha ordered an end to the curfew in 17 provinces, including Bangkok, from 11 p.m. on 31 October to support the reopening of the country. However, Entertainment venues in the 17 provinces will remain closed, including pubs, bars and karaoke shops, but operators and officials could begin preparing for their reopening.
- The Covid-19 situation in the country was improving with stable new caseloads and faster patient recovery, and it was necessary to revive the national economy.
- The IMF has downgraded its 2021 economic growth forecast for Asia which it expected Asia's economy to grow by 6.5% in 2021, compared with its previous forecast for a 7.6% expansion. Furthermore, it expected Thailand to grow by 1.0% and 4.5% this year and next year, respectively.

<b>Last Week Close</b>	<b>33.2900</b> THB/USD	<b>Monthly High</b>	<b>33.9800</b> THB/USD
<b>Week Open</b>	<b>33.4200</b> THB/USD	<b>Monthly Low</b>	<b>33.0900</b> THB/USD
<b>Week Close</b>	<b>33.3600</b> THB/USD	<b>30 Days Average</b>	<b>33.3917</b> THB/USD
<b>Weekly High</b>	<b>33.4800</b> THB/USD	<b>90 Days Average</b>	<b>32.8485</b> THB/USD
<b>Weekly Low</b>	<b>33.2300</b> THB/USD	<b>YTD Change</b>	

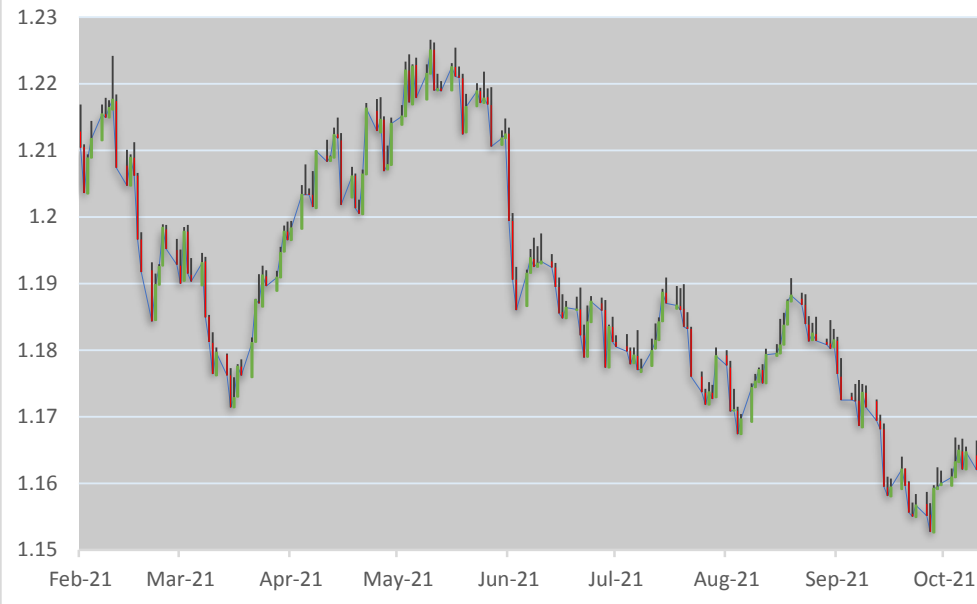
**Thai Baht Outlook**

- Investors focus on the country's reopening for vaccinated foreign visitors from 46 countries on this 1 November along with the progress of vaccination plan.
- In the medium term, it is likely that the Thai baht could appreciate against the dollar after the reopening since the economy of Thailand mainly depend on tourism, the momentum for other sectors could gain back which lead to a rebound in Thailand economy. The more number of tourists travel to Thailand, the more economic expands.

**Thai Baht Economic Events**

Events	Period	Date	Forecast	Previous
Manufacturing Prod YY	Sep	27-Oct		-4.15%
Exports YY	Sep	29-Oct		8.20%
Imports YY	Sep	29-Oct		39.60%
Trade Account	Sep	29-Oct		1.90B
Current Account	Sep	29-Oct		-2.50B

<b>Lower Bound</b>	<b>33.0000</b>	<b>Upper Bound</b>	<b>33.5000</b>
<b>Forecast</b>	<b>Appreciation</b>		


**Euro**
**Euro Graph**


Source: Thomson Reuters

**Euro Outlook**

- The market's eyes are on the ECB monetary policy meeting which is scheduled on Thursday (28/10). Investors expect that they will keep its interest unchanged; however, President Lagarde is expected to push back strongly against the recent shift in rate expectations.
- As investors are now prefer the risky asset, the euro tends to strengthen against the dollar.

**Euro News**

- The euro held gains after Fed's Powell commented that the Fed could hike the rate later.
- At the EU summit meeting, the final summit for German Chancellor Angela Merkel, European Union leaders pressured a defiant Polish Prime Minister Mateusz Morawiecki Thursday to fall back into line on recognising that EU law trumps national decision-making, hoping that dialogue will stave off a fundamental crisis in the bloc.
- Bank of France Governor Francois Villeroy de Galhau said that it is unlikely that the ECB could hike the rate soon as he expects inflation in the euro area to fall below 2% by the end of 2022.

**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	Oct	28-Oct		-4.8
ECB Refinancing Rate	Oct	28-Oct	0.00%	0.00%
ECB Deposit Rate	Oct	28-Oct	-0.50%	-0.50%
HICP Flash YY	Oct	29-Oct	3.7%	3.4%
HICP-X F&E Flash YY	Oct	29-Oct	1.9%	1.9%
GDP Flash Prelim YY	Q3	29-Oct	3.5%	14.3%
GDP Flash Prelim QQ	Q3	29-Oct	2.0%	2.2%

<b>Lower Bound</b>	<b>1.1550</b>	<b>Upper Bound</b>	<b>1.1750</b>
<b>Forecast</b>	<b>Appreciation</b>		

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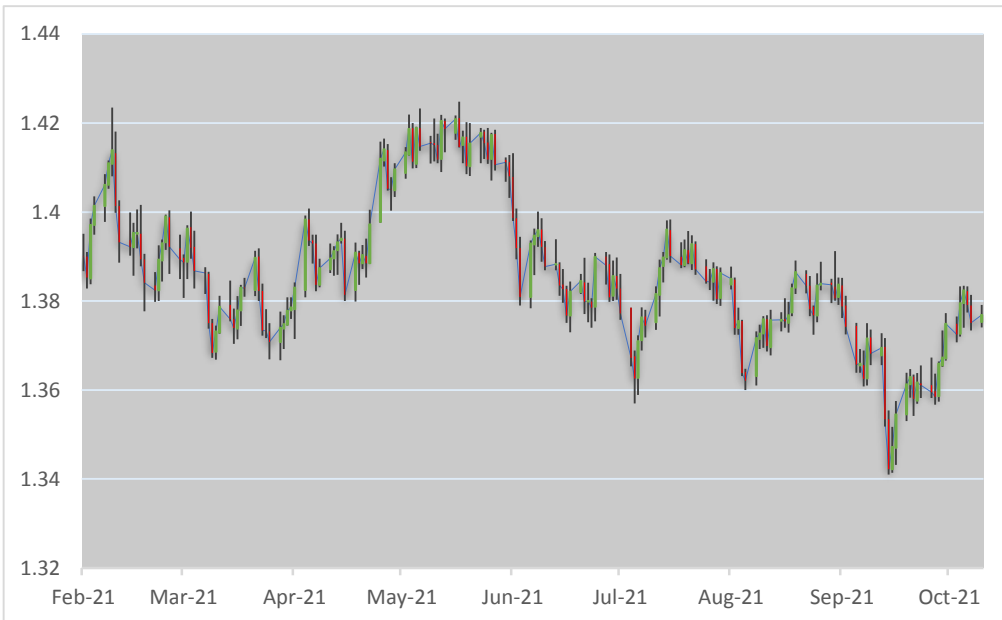
**WEEKLY FOREIGN EXCHANGE OUTLOOK**

**25 Oct 2021 - 29 Oct 2021**



**Pound Sterling**

**Pound Sterling Graph**



Source: Thomson Reuters

**Pound Sterling News**

- The pound appreciated against the dollar after BoE Governor Andrew Bailey signaled that there is a possibility that the central bank could hike the rate this year as inflation risks mount; however, economists are concerned that the central bank is moving too fast, with some stating that the current inflation emerging from supply chain issues and increased energy prices is temporary.
- The Biden administration has dropped its plans to raise the corporate income tax rate to 28% from 21%, one of its key election promises, after dogged resistance from centrist Democrat Senators.
- The pound sterling weakened late in Friday's session after the report said that the European Union could terminate the post-Brexit trade deal if the U.K.'s disagreement on the Northern Ireland border deepens.

**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**

- The pound sterling could depreciate against the dollar as the concern over the new variant of covid-19 in the UK. Cases, hospitalizations and also deaths are on the rise, raising fears of new lockdowns; however, if the situation is under control, the cable, along with another currencies, could appreciate against the dollar due to the more risky asset demand.

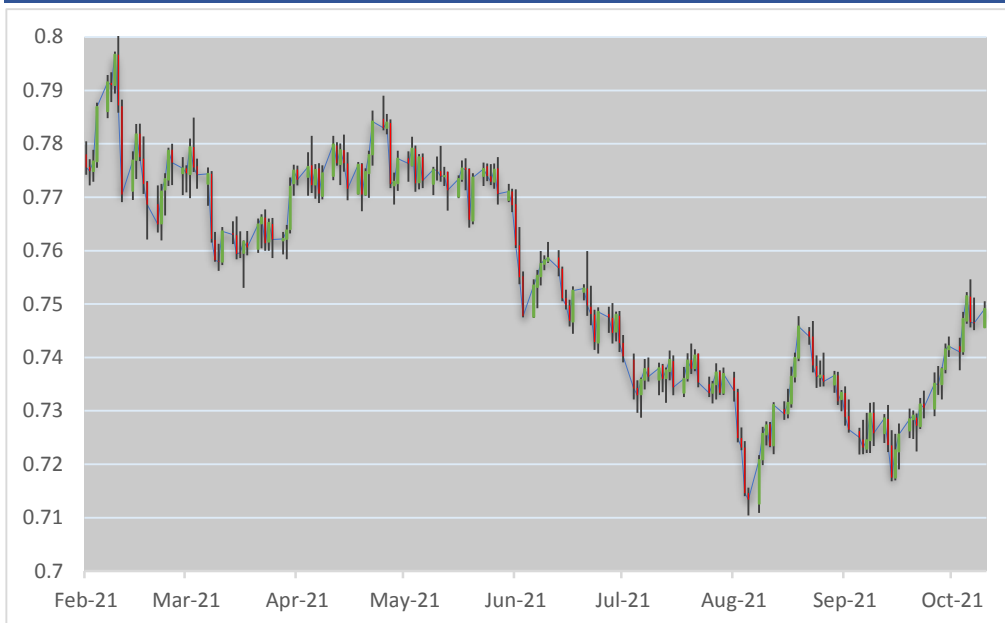
**Pound Sterling Events**

Events	Period	Date	Forecast	Previous
CBI Distributive Trades	Oct	26-Oct		11
BOE Consumer Credit	Sep	29-Oct	0.500B	0.400B
Mortgage Lending	Sep	29-Oct		5.293B
Mortgage Approvals	Sep	29-Oct	72.500k	74.453k

<b>Lower Bound</b>	<b>1.3600</b>	<b>Upper Bound</b>	<b>1.3900</b>
<b>Forecast</b>	<b>Appreciation</b>		

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

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**25 Oct 2021 - 29 Oct 2021**

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


Source: Thomson Reuters

**Australian Dollar Outlook**

- The market's eyes are on the Australian CPI which is scheduled to be reported on Wednesday (27/10).
- As the capital flows to the risky asset, it is possible that the aussie could rise against the dollar as it is a commodity currency.

**Australian Dollar News**

- A less concern over the China Evergrande was clearly benefitting the highly exposed thr aussie.
- The Reserve Bank of Australia intervened for AUD 1 billion on Friday to defend its 0.10% yield target on the April 2024 government security.
- The Australian dollar was also supported by the increasing of the commodities price such as copper, tin, crude oil and coal.

**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
CPI QQ	Q3	27-Oct	0.8%	0.8%
CPI YY	Q3	27-Oct	3.1%	3.8%
RBA Weightd Medn CPI QQ	Q3	27-Oct	0.5%	0.5%
RBA Weightd Medn CPI YY	Q3	27-Oct	1.9%	1.7%
RBA Trimmed Mean CPI QQ	Q3	27-Oct	0.5%	0.5%
RBA Trimmed Mean CPI YY	Q3	27-Oct	1.8%	1.6%
Retail Sales MM Final	Sep	29-Oct	0.2%	

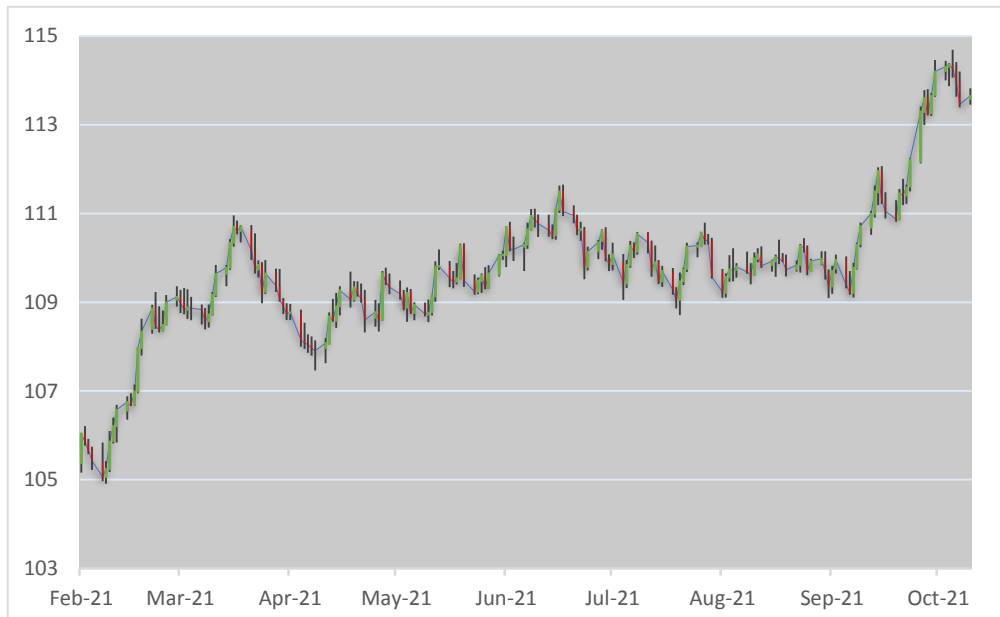
<b>Lower Bound</b>	<b>0.7350</b>	<b>Upper Bound</b>	<b>0.7550</b>
<b>Forecast</b>	<b>Appreciation</b>		

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

**WEEKLY FOREIGN EXCHANGE OUTLOOK**



**Japanese Yen Graph**



Source: Thomson Reuters

- The yen mostly depreciated against the dollar as the market's eyes are on the general election at the end of this month after the new Prime Minister Fumio Kishida dissolved the House of Representatives.
- The Bank of Japan is deliberating whether to phase out a COVID-19 loan program should the number of COVID-19 cases in the country continue to fall
- At the end of the week, the safe-haven yen gained due to the drop of the dollar.

**Japanese Yen Performance**

<b>Last Week Close</b>	<b>114.2000</b> JPY/USD	<b>Monthly High</b>	<b>114.6900</b> JPY/USD
<b>Week Open</b>	<b>114.2100</b> JPY/USD	<b>Monthly Low</b>	<b>110.8400</b> JPY/USD
<b>Week Close</b>	<b>113.4600</b> JPY/USD	<b>30 Days Average</b>	<b>110.2252</b> JPY/USD
<b>Weekly High</b>	<b>114.6900</b> JPY/USD	<b>90 Days Average</b>	<b>109.4638</b> JPY/USD
<b>Weekly Low</b>	<b>113.3900</b> JPY/USD	<b>YTD Change</b>	<b>+10.18%</b>

**Japanese Yen Outlook**

- The market's eyes are on the Bank of Japan monetary policy meeting which is scheduled on Thursday (28/10) with the expectations to keep its interest rate on hold.
- The yen has seen to be as appreciate against the dollar as other currencies. Nonetheless we have seen that the yen is the weakest performer as it is a safe haven asset which is less interesting when the market is in the risk-on mode.

**Japanese Yen Economic Events**

Events	Period	Date	Forecast	Previous
JP BOJ Rate Decision	28 Oct	28-Oct	-0.10%	-0.10%
CPI Tokyo Ex fresh food YY	Oct	29-Oct	0.3%	0.1%
CPI, Overall Tokyo	Oct	29-Oct		0.3%
Jobs/Applicants Ratio	Sep	29-Oct	1.14	1.14
Unemployment Rate	Sep	29-Oct	2.8%	2.8%
Industrial O/P Prelim MM SA	Sep	29-Oct	-3.2%	-3.6%

<b>Lower Bound</b>	<b>112.00</b>	<b>Upper Bound</b>	<b>114.50</b>
<b>Forecast</b>	<b>Appreciation</b>		

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