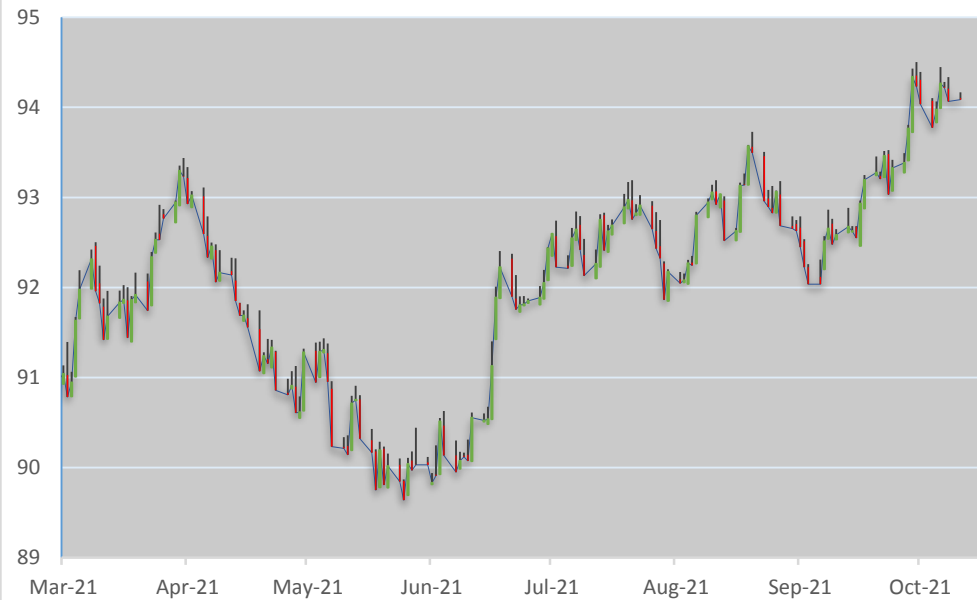


WEEKLY FOREIGN EXCHANGE OUTLOOK

11 Oct 2021 - 15 Oct 2021

 **Dollar Index**

Dollar Index Graph



Source: Thomson Reuters

Dollar Outlook

- We believe the dollar is just temporarily down because September's Payrolls are unlikely to deter speculations of a sooner-rather-than-later QE tapering.
- Inflation worries remain central to the market's thinking, and new consumer price index figures for September will be closely watched this week.
- Although the danger of default has been removed, for now, but the question is will more leftist lawmakers agree to compromise. Positive headlines from Washington are set to improve the mood and weigh on the safe-haven dollar, while news of a deadlock could weigh on sentiment.

Dollar News

- The dollar index ticked down since the senate voted to extend the nation's debt limit through early December after Democrats and Republicans reached a deal, relieving concerns of a possible US government debt default. This postponement improved the atmosphere and weighed on the safe-haven dollar.
- The dollar sank into the negative territory after Nonfarm payrolls figures showed the economy added 194K jobs during last month, coming in (very) short of the 500K expected. On a rosier side, the Unemployment Rate improved to 4.8% (from 5.2%).
- However, the US 10-year yields was increasing and closed week at around 1.60% level.

Dollar Index Performance

Last Week Close	94.0350	Monthly High	94.5030
Week Open	94.0710	Monthly Low	91.9470
Week Close	93.9390	30 Days Average	93.1847
Weekly High	94.5030	90 Days Average	92.5707
Weekly Low	93.6780	YTD Change	+4.61%

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
CPI MM, SA	Sep	13-Oct	0.3%	0.3%
Initial Jobless Clm	9 Oct, w/e	14-Oct	328k	326k
Retail Sales MM	Sep	15-Oct	-0.2%	0.7%
U Mich Sentiment Prelim	Oct	15-Oct	73.8	72.8

Lower Bound	93.5000	Upper Bound	95.0000
Forecast	Appreciation		

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

WEEKLY FOREIGN EXCHANGE OUTLOOK

11 Oct 2021 - 15 Oct 2021



Thai Baht Graph



Source: Thomson Reuters

Thai Baht Outlook

- The baht has strong resistance level at 34.00 THB/USD. If it could not pass through, the currency might technically ticked down (appreciated) for a while.
- Investors are still focus on the Covid-19 situation in Thailand included the number for cases and the progress of the vaccination plan.
- There is no economic data released this week as the Wednesday is H.M. King Bhumibol Adulyadej Memorial Day.

Thai Baht News

- The Thai baht hovered between 33.65-33.97 THB/USD as the resistance level of 34.00 THB/USD was too strong to break.
- The headline consumer price index (CPI) rose more than expected in September as government utility subsidies ended and energy prices increased.
- A deputy prime minister said that the economy should improve further in the final quarter of this year thanks to government support measures and September's relaxation of coronavirus curbs to spur activity while he said the government aimed for growth of about 5% in 2022, as Thailand will soon reopen to more foreign visitors.
- Five more tourist destinations in Thailand will be opened to visitors starting Nov 1 on the condition that there is no new large Covid-19 cluster in the areas until then.

Last Week Close	33.6200 THB/USD	Monthly High	33.9800 THB/USD
Week Open	33.6300 THB/USD	Monthly Low	33.6000 THB/USD
Week Close	33.8500 THB/USD	30 Days Average	33.1576 THB/USD
Weekly High	33.9800 THB/USD	90 Days Average	32.6543 THB/USD
Weekly Low	33.6300 THB/USD	YTD Change	+12.96%

Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Forex Reserves	4 Oct, w/e	15-Oct		245.3B
Currency Swaps	4 Oct, w/e	15-Oct		32.6B

Lower Bound	33.5000	Upper Bound	34.0000
Forecast	Neutral		

WEEKLY FOREIGN EXCHANGE OUTLOOK

11 Oct 2021 - 15 Oct 2021



Euro Graph



Source: Thomson Reuters

Euro News

- The EUR/USD pair fell to a fresh 2021 low of 1.1530 USD/EUR on Wednesday(6/10) as the world struggles to overcome the pandemic. Soaring gas prices and the subsequent pressure on inflation are part of this considerable hurdle.
- It is worrisome about German economic figures which were the most disappointing, as most of them missed the market's expectations. August Factory Orders fell 7.7% MoM, while Industrial Production in the same month was down 4 %
- However, after the US Nonfarm Payrolls showed that the country added just 194K jobs in September, the euro rebounded to near 1.1600 level.

Euro Performance

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

Euro Outlook

- The outlook for the euro was in a downtrend as Central banks' imbalances. The US Federal Reserve has long anticipated reducing its pandemic-related facilities programs, while the European Central Bank seems quite comfortable maintaining financial support.
- The upcoming week will start with Germany publishing the October ZEW Survey. It will also bring the final readings of German inflation data.
- We believe that the euro will trade in bearish mood and if the currency break below the year low at 1.1528 exposes the 1.1460/70 price zone, a long-term static resistance area and a potential bearish target.

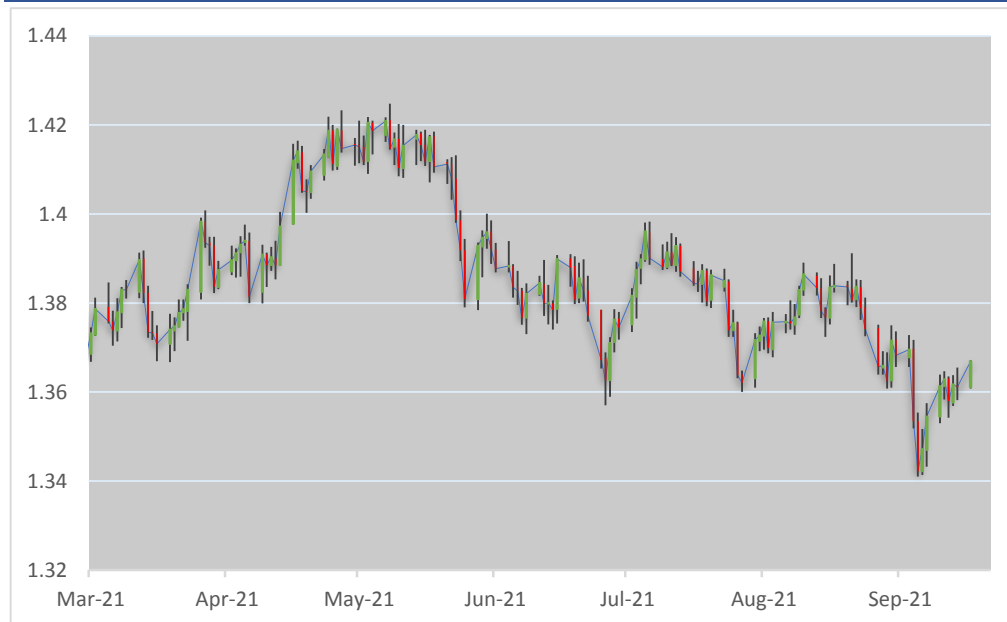
Euro Economic Events

Events	Period	Date	Forecast	Previous
Industrial Production MM	Aug	13-Oct	-1.6%	1.5%
Industrial Production YY	Aug	13-Oct	4.9%	7.7%
Reserve Assets Total	Sep	15-Oct		1,009.38B

Lower Bound	1.1450	Upper Bound	1.1650
Forecast	Depreciation		

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

WEEKLY FOREIGN EXCHANGE OUTLOOK
11 Oct 2021 - 15 Oct 2021

Pound Sterling
Pound Sterling Graph


Source: Thomson Reuters

Pound Sterling Outlook

- The pound has been trading under a downtrend resistance line and suffers from downside momentum on the daily basis.
- Rising natural gas prices worries still weigh the currency. If they resume their rise, the pound will suffer amid fears that Brits will have less money in their pockets and the greenback would benefit from safe-haven flows.
- This week, the highlight of the UK economic calendar is the jobs report. Economists expect no change in the Unemployment Rate at 4.6%, once again in August. Wage growth is forecast to remain at elevated levels. Another upbeat labor report could boost the pound on expectations that the Bank of England would raise rates sooner than later.

Pound Sterling News

- The kicking of the US debt ceiling issue down the road and some ease in energy costs have allowed the GBP/USD extended its recovery last week.
- The pound was also supported after the economic figures including Markit services pmi and Halifax house prices were released better than expected.
- However, Coronavirus cases remain elevated in Britain in comparison to its peers.
- The leftovers from Britain's EU exit also remain an issue for the pound as the UK and France clashed over fishing rights, a minuscule industry, while London and Brussels continued tussling over the Northern Irish protocol.

Pound Sterling Performance

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

Pound Sterling Events

Events	Period	Date	Forecast	Previous
Claimant Count Unem Chng	Sep	12-Oct		-58.6k
ILO Unemployment Rate	Aug	12-Oct	4.5%	4.6%
GDP Est 3M/3M	Aug	13-Oct	2.9%	3.6%
GDP Estimate MM	Aug	13-Oct	0.5%	0.1%
GDP Estimate YY	Aug	13-Oct	6.7%	7.5%
Manufacturing Output MM	Aug	13-Oct	0.0%	0.0%

Lower Bound **1.3400** **Upper Bound** **1.3750**
Forecast **Neutral**

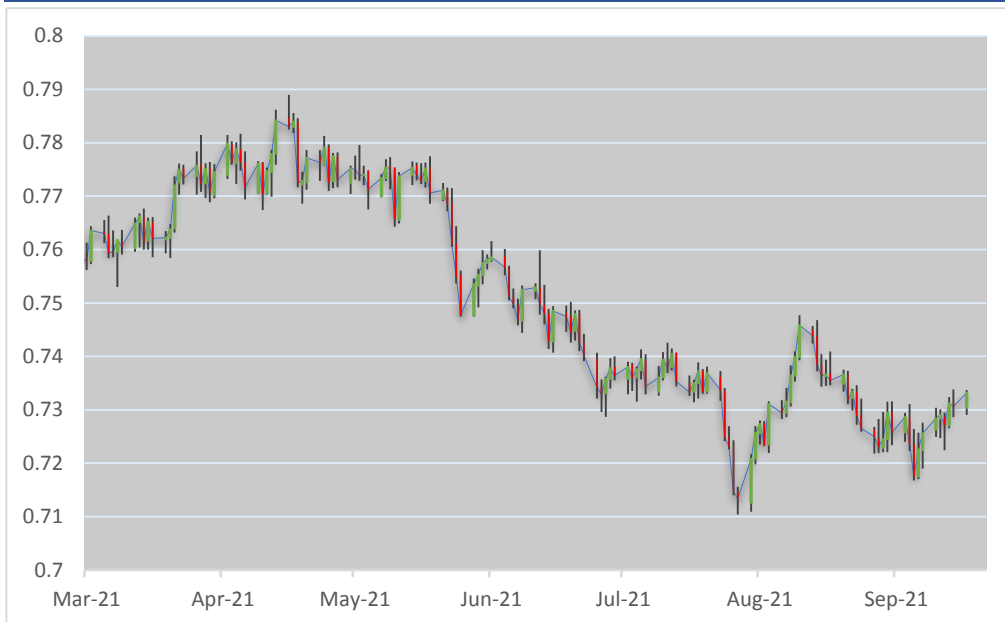
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WEEKLY FOREIGN EXCHANGE OUTLOOK

11 Oct 2021 - 15 Oct 2021

 **Australian Dollar**

Australian Dollar Graph



Source: Thomson Reuters

Australian Dollar News

- The Australian dollar started last week on the back foot, falling to as low as 0.7225 level, but recovered alongside with the market's mood, to settle above the 0.7300 threshold.
- The Reserve Bank of Australia had a monetary policy meeting last week, and as widely anticipated, the central bank left its cash rate at a record low of 0.1%. Policymakers remain committed to maintaining highly supportive monetary conditions, why they still don't believe the conditions for a rate rise would be met before 2024.
- The economic setback is likely to be temporal, as the central bank thinks that the economy will bounce back in the final quarter of the year on the back of higher vaccination rates.

Australian Dollar Performance

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

Australian Dollar Outlook

- Investors will eyes on September NAB's Business Confidence, expected at -6 from -5 in August. Additionally, the country will unveil October Westpac consumer confidence and consumer inflation expectations for the same month. Finally, it will publish September employment data on Thursday(14/10).
- We think the aussie has a mildly bullish potential as latest Australian data released these days was quite encouraging, providing additional support to the aussie. However, investors still worried that supply chain issues and rapidly rising energy prices are fuelling inflation and holding back economic growth.

Australian Dollar Events

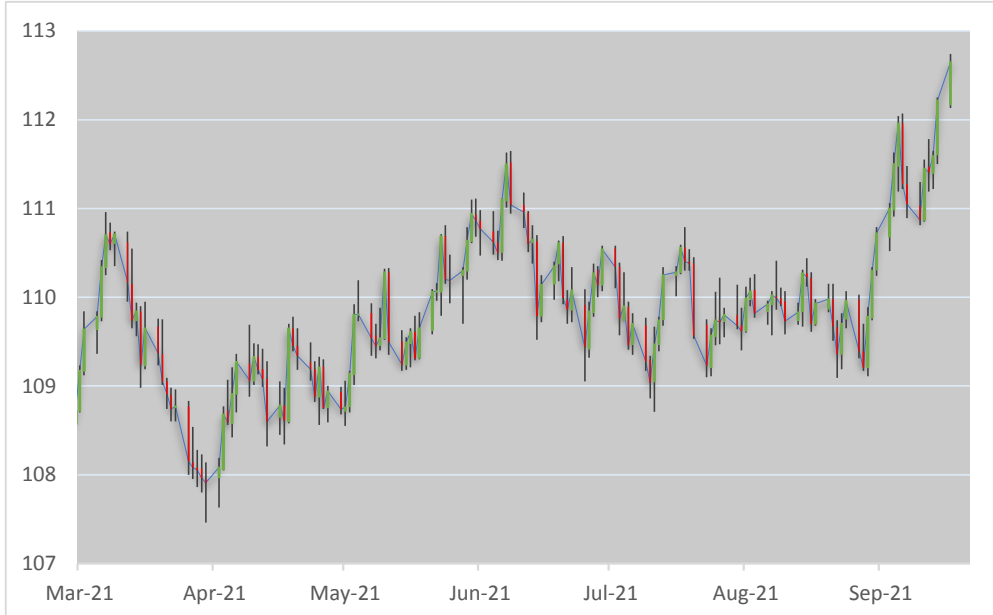
Events	Period	Date	Forecast	Previous
Employment	Sep	14-Oct	-120.0k	-146.3k
Unemployment Rate	Sep	14-Oct	4.8%	4.5%

Lower Bound	0.7150	Upper Bound	0.7400
Forecast	Neutral		

WEEKLY FOREIGN EXCHANGE OUTLOOK



Japanese Yen Graph



Source: Thomson Reuters

- The continued gains in US Treasury yields portend further gains on US dollar compared to the yen as there is concern over the difference between two countries' yield.
- Initially, the USD/JPY tumbled on Friday's payroll report, falling 30 points to 111.50, but within an hour the pair had soared to the week's high at 112.25 after the US 10-year yield added another 14 points this week to 1.6% .
- Furthermore, the yen was pressured after the Bank of Japan (BOJ) Governor Haruhiko Kuroda said that the central bank will continue to support Japan's economic recovery with its massive stimulus which is different to the FED that the tapering is on plan.

Japanese Yen Performance

Last Week Close	111.0500 JPY/USD	Monthly High	112.7400 JPY/USD
Week Open	111.0300 JPY/USD	Monthly Low	110.8400 JPY/USD
Week Close	112.2200 JPY/USD	30 Days Average	109.6915 JPY/USD
Weekly High	112.2500 JPY/USD	90 Days Average	108.9914 JPY/USD
Weekly Low	110.8100 JPY/USD	YTD Change	+9.23%

Japanese Yen Outlook

- The Federal Reserve's pending bond taper and the resulting higher treasury rates are the main order of market business. The yen will continue to dip as long as Treasury yields push higher.
- Japanese Industrial Production data for August due on Thursday(14/10) will have little to no market impact.
- We believe that if the USD/JPY can stand above the 112.25 resistance once broken on Friday, the pair could make further gains to next resistance level at 113.30 and 114.20 JPY/USD respectively.

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
Corp Goods Price MM	Sep	12-Oct	0.3%	0.0%
Corp Goods Price YY	Sep	12-Oct	5.9%	5.5%
Machinery Orders MM	Aug	13-Oct	1.7%	0.9%
Machinery Orders YY	Aug	13-Oct	14.7%	11.1%

Lower Bound	110.50	Upper Bound	113.50
Forecast	Depreciation		

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