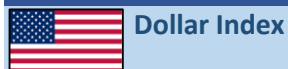


WEEKLY FOREIGN EXCHANGE OUTLOOK

20 Sep 2021 - 24 Sep 2021



Dollar Index Graph



Source: Thomson Reuters

Dollar News

- The better-than-forecast US retail sales brought the capital inflows to the dollar index as the market expected that the Fed could signal any further details for the tapering and the rate hike in the FOMC meeting on 21-22 September.
- The consumer price index increased 5.3% from a year earlier and 0.3% from July. A month ago, prices rose 0.5% from June. Stripping out food and energy, the consumer price index was up just 0.1% for the month.
- The dollar index was supported by the rise in the US 10-year Treasury yield which was hit at 1.38% last week.

Dollar Index Performance

Last Week Close	92.5820	Monthly High	93.7290
Week Open	92.6110	Monthly Low	91.9470
Week Close	92.7650	30 Days Average	92.7868
Weekly High	93.4530	90 Days Average	91.9395
Weekly Low	92.3220	YTD Change	+3.89%

Dollar Outlook

- Investors are looking ahead for FOMC meeting which is scheduled on 21-22 September. The Fed is expected to reduce its asset purchases and signal for the rate hike.
- As we have seen that the US economic data released was brighter than an earlier reported and the market has already priced in, it is possible that the dollar could dropped against its peer currencies from taking profit after the Fed released the meeting result.

Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Housing Starts Number	Aug	21-Sep	1560000	1,534.0k
Existing Home Sales	Aug	22-Sep	5880K	5990K
Fed Funds Tgt Rate	22 Sep	23-Sep	0-0.25	0-0.25
Initial Jobless Clm	18 Sep, w/	23-Sep	320K	332K
Markit Mfg PMI Flash	Sep	23-Sep	61.5%	61.1%
Markit Svcs PMI Flash	Sep	23-Sep	55.0%	55.1%
Markit Comp Flash PMI	Sep	23-Sep		55.4%
New Home Sales-Units	Aug	24-Sep	713K	708K
Durable Goods	Aug	27-Sep	0.5%	-0.1%

Lower Bound	92.0000	Upper Bound	93.5000
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

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Thai Baht Graph



Source: Thomson Reuters

Thai Baht Outlook

- The Thai baht could move lower as the flow might be continuously out from the baht in the bond and stock market.
- The market awaits for the FOMC meeting this week followed by the Bank of Thailand monetary policy meeting on 29 September.
- Investors is still focusing on the number of covid-19 cases in Thailand and the progress of vaccination plan.

Thai Baht News

- The Thai baht depreciated against the dollar due to the strong dollar. Another point that pressure the baht is that the foreign investors sold the massive thai bond last week which was accounted about THB 26,800 bln.
- Last week, Thailand's tourism authority announced that five other areas, including Bangkok and Chiang Mai, would allow international arrivals from 15 October.

Last Week Close	32.6400 THB/USD	Monthly High	33.3900 THB/USD
Week Open	32.7800 THB/USD	Monthly Low	32.1900 THB/USD
Week Close	33.2100 THB/USD	30 Days Average	32.9383 THB/USD
Weekly High	33.2400 THB/USD	90 Days Average	32.2884 THB/USD
Weekly Low	32.7400 THB/USD	YTD Change	+11.32%

Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
Custom-Based Export Data	Aug	23-Sep		0.0k
Custom-Based Import Data	Aug	23-Sep		45.9%
Customs-Based Trade Data	Aug	23-Sep		180M

Lower Bound	33.0000	Upper Bound	33.5000
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK
20 Sep 2021 - 24 Sep 2021

Euro Graph


Source: Thomson Reuters

Euro Outlook

- The euro could trade in a narrow range in the wait-and-see mode for further hints from the Fed.
- This week, the market eyes on the PMI data released on Thursday.
- The euro could appreciate against the greenback after the ECB unofficially hinted that its inflation could reach 2% target by the year of 2025 which could lead to the interest rate hike in just over 2 years, closing the gap with a forecast move by Fed.

Lower Bound	1.1700	Upper Bound	1.1850
Forecast	Appreciation		

Euro News

- The euro closed the week by depreciating against the dollar due to the US upbeat economic data which was retail sales.
- The ECB President Christine Lagarde gave her speech that "Recovery in the eurozone is faster than anticipated six months ago mostly due to a rapid vaccination campaign."
- The ECB Executive Board member Isabel Schnabel said that inflation will noticeably decrease as soon as next year; however, investors ignored on this and focus on the Fed tapering concerns. Moreover, she commented on the covid-19 situation over the world that the market might be overestimating risk to global growth from the spread of the more contagious Delta variant.

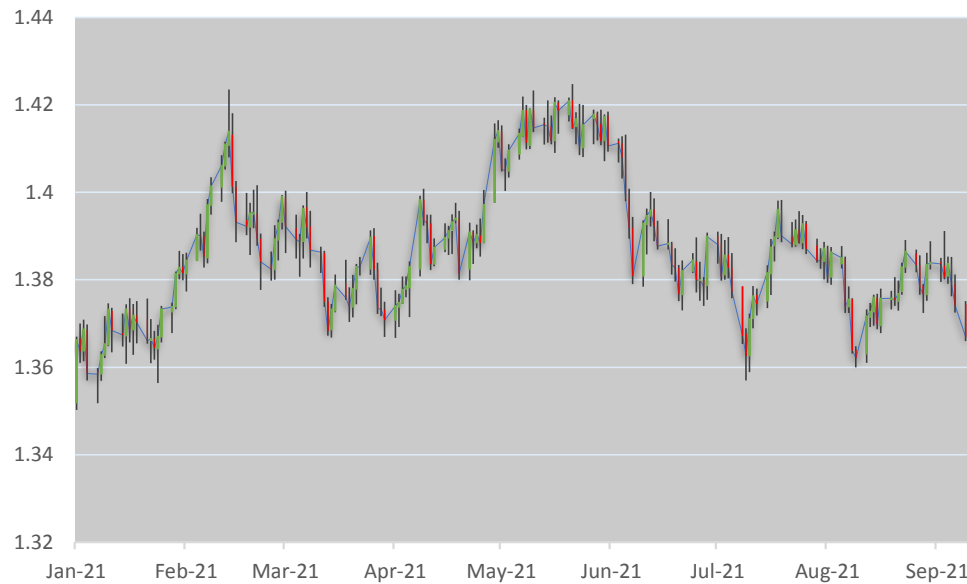
Euro Performance

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 Economic Events

Events	Period	Date	Forecast	Previous
Consumer Confid. Flash	Sep	22-Sep	-5.8	0.0k
Markit Comp Flash PMI	Sep	23-Sep	56.0%	55.9%
Markit Mfg Flash PMI	Sep	23-Sep	61.5%	62.6%
Markit Service Flash PMI	Sep	23-Sep	60.3%	60.8%
Markit Comp Flash PMI	Sep	23-Sep	59.5%	60.0%
Markit Mfg Flash PMI	Sep	23-Sep	60.5%	61.4%
Markit Serv Flash PMI	Sep	23-Sep	58.7%	59.0%
Markit Comp Flash PMI	Sep	23-Sep	58.8%	59.0%
Ifo Business Climate New	Sep	24-Sep	98.9%	99.4%

WEEKLY FOREIGN EXCHANGE OUTLOOK
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Pound Sterling
Pound Sterling Graph


Source: Thomson Reuters

Pound Sterling Outlook

- Investors are focusing on the Bank of England monetary policy meeting which is scheduled on 23 September for further signs of the UK economy and the rate hike. Some analysts forecast that the Bank of England will raise the rate in mid-2022, after recent strong inflation and economic data.

Pound Sterling News

- The country published strong jobs numbers that revealed that the unemployment rate declined to 4.6% in July. The economy also added thousands of jobs in three months to July.
- The volume of monthly retail sales fell 0.9 per cent between July and August, according to data from the Office for National Statistics, raising concerns among some economists over the pace of the post-pandemic recovery.

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
Flash Composite PMI	Sep	23-Sep	54.7	0.1k
Flash Manufacturing PMI	Sep	23-Sep	59.0%	60.3%
Flash Services PMI	Sep	23-Sep	55.5%	55.0%
BOE Bank Rate	Sep	23-Sep	0.1%	0.1%
GB BOE QE Corp	Sep	23-Sep	20000M	20000M

Lower Bound	1.3700	Upper Bound	1.3900
Forecast	Appreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

20 Sep 2021 - 24 Sep 2021



Australian Dollar

Australian Dollar Graph



Source: Thomson Reuters

Australian Dollar News

- The speech of Philip Lowe, the central bank's governor, signaled that he expects the Q3 contraction to be 2% or larger, along with a jobless rate in the high 5% range. While the market is pricing in a rate hike in 2023, Mr. Lowe said 2024 will likely be the liftoff point.
- The Australian Dollar took a hit after a downbeat jobs report revealed the economy lost a massive 146.3k jobs in August, relative to the -80.0k Bloomberg consensus forecast.
- The unemployment rate ticked down to a percentage point to 4.5% against an expected 5.0%. A wave of lockdowns, mostly across New South Wales (NSW) and Victoria, are the likely culprits fueling the big employment losses.

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 are expecting growth to contract in the third quarter due to the expansive Covid-related restriction measures.
- The Aussie could depreciate against the dollar as the covid-19 situation in China, the main trade partner, is getting worse.
- Another focus that could effect the aussie movement is the RBA's policy meeting minutes which is released on 21 September.

Australian Dollar Events

Events	Period	Date	Forecast	Previous
Mfg PMI Flash	Sep	23-Sep		0.1k
Services PMI Flash	Sep	23-Sep		42.9%
Comp PMI Flash	Sep	23-Sep		43.3%

Lower Bound	0.7200	Upper Bound	0.7400
Forecast	Depreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK



Japanese Yen Graph



Source: Thomson Reuters

- Along with another currencies, the Japanese yen weakened against the dollar as the better-than-forecast US economic data released last week.
- The Japanese Yen lost its ground amid growing expectations of Fed tapering in November.
- The Japanese government cut its economic view for the first time in 4 months on private consumption and the first time in 17 months on production as they have seen that the domestic and overseas virus situation were the downside risks to the country's economy recovery.

Japanese Yen Performance

Last Week Close	109.9300 JPY/USD	Monthly High	110.4400 JPY/USD
Week Open	109.8700 JPY/USD	Monthly Low	109.1200 JPY/USD
Week Close	109.9600 JPY/USD	30 Days Average	109.1330 JPY/USD
Weekly High	110.1500 JPY/USD	90 Days Average	108.1801 JPY/USD
Weekly Low	109.0900 JPY/USD	YTD Change	+6.29%

Japanese Yen Outlook

- The market eyes on the Bank of Japan monetary policy meeting on 21-22 September for the future policy after Yoshihide Suga step down from the Japan's prime minister and awaits for the new election.
- As the covid-19 situation is still concerned over the world, as a safe haven asset, the Japanese yen could strengthen against the greenback.

Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
JP BOJ Rate Decision	22 Sep	22-Sep		0.0k
CPI, Core Nationwide YY	Aug	24-Sep	0.0%	-0.2%
CPI, Overall Nationwide	Aug	24-Sep		-0.3%
Jibun Bank Mfg PMI Flash	Sep	24-Sep		52.7%

Lower Bound	109.00	Upper Bound	110.50
Forecast	Appreciation		

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