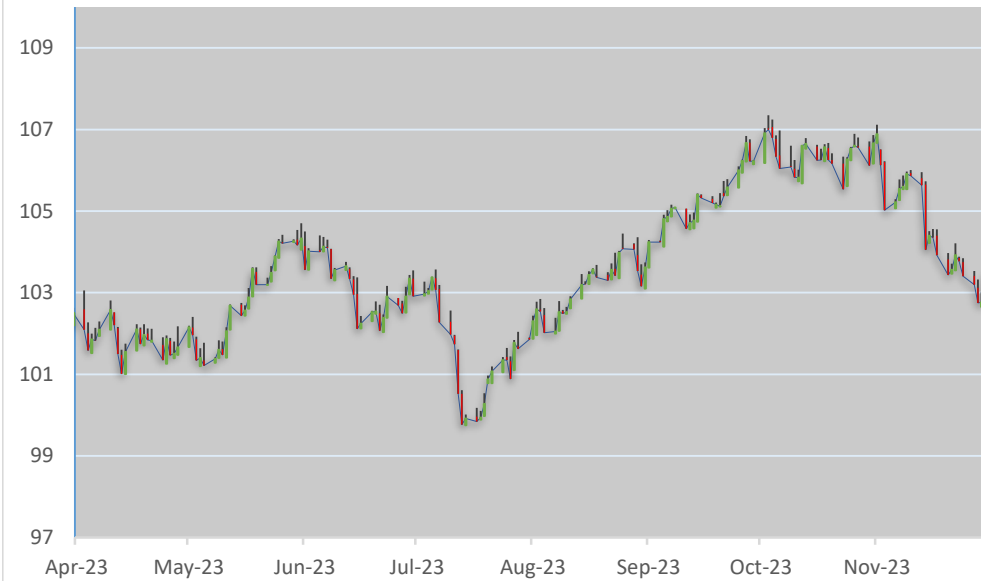


WEEKLY FOREIGN EXCHANGE OUTLOOK

04 ธ.ค. 2023 - 08 ธ.ค. 2023

 **Dollar Index**

Dollar Index Graph



Source: Thomson Reuters

Dollar Outlook

- Looking ahead, the US will release ISM Service PMI on Tuesday (5/12), November's Nonfarm Payrolls report on Friday (8/12). Overall, job creation is expected to have picked up while wages are seen decelerating.
- According to the CME FedWatch Tool, market expectations for the December meeting indicate investors do not expect a rate hike. Additionally, swap markets are pricing in rate cuts midway through 2024. while US bond yields are experiencing a downward trend, with the 2-year, 5-year and 10-year yields standing at 4.57%, 4.16%, and 4.25%, respectively, and seem to limit the upside for the USD.

Lower Bound	102.50	Upper Bound	104.50
Forecast	Depreciation		

Dollar News

- On Monday, The dollar slightly dropped against the major peers after CB consumer sentiment showed better than market expected (102.0 vs expectation of 101.0).
- Also, Federal Reserve Governor Christopher Waller said "stating that if inflation consistently declines, there is no reason to insist on keeping interest rates really high reinforced the negative momentum of the Greenback".
- At the end of the week, The dollar index has shown a modest decline despite Federal Reserve Chair Jerome Powell's hawkish stance. Federal Reserve Chair Jerome Powell said on Friday (1/12) that the central bank is getting what they wanted to get and they don't have to be in a rush at the moment. He noted that inflation is still well above target but moving in the right direction.
- On the data front, the ISM Manufacturing PMI reported by the Institute for Supply Management marked 46.7 for November, on par with the previous figure while falling short of the anticipated 47.6.

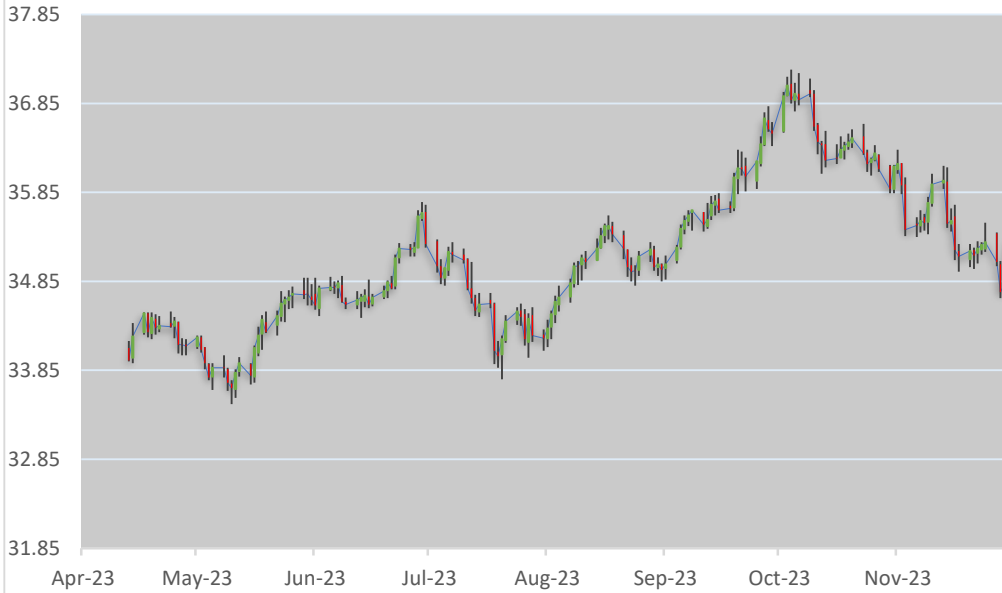
Dollar Index Performance

Last Week Close	103.40	Monthly High	107.11
Week Open	103.42	Monthly Low	102.47
Week Close	103.27	30 Days Average	104.84
Weekly High	104.21	90 Days Average	104.73
Weekly Low	102.47	YTD Change	-0.24%

Next Week's Dollar Index Economic Events

Events	Period	Date	Forecast	Previous
Factory Orders MM	Oct	4-Dec	-2.6%	-3.9%
S&P Global Comp Final PMI	Nov	5-Dec		
S&P Global Svcs PMI Final	Nov	5-Dec		
ISM N-Mfg PMI	Nov	5-Dec	52.0	50.5
International Trade \$	Oct	6-Dec	-64.1B	-65.6B
Initial Jobless Clm	2 Dec, w/e	7-Dec	223k	219k
Non-Farm Payrolls	Nov	8-Dec	180k	100k
Unemployment Rate	Nov	8-Dec	3.9%	3.8%
U Mich Sentiment Prelim	Dec	8-Dec	62.0	60.8

WEEKLY FOREIGN EXCHANGE OUTLOOK
04 ธ.ค. 2023 - 08 ธ.ค. 2023

Thai Baht Graph


Source: Thomson Reuters

Thai Baht Outlook

- Market keep an eyes on Thailand's November inflation rate which will be released on Thursday (7/12) and consumer confidence data on Friday (8/12). The core inflation is expected at 0.6% y/y while CPI is expect at -0.31% y/y while the consumer confidence is expect to released at 60.5 higher than the previous of 60.2.

Thai Baht News

- The Thai baht gained against the U.S. dollar as the investors bet the Fed start easing its policy in 2024. The Commerce Ministry said that the performance of exports during November and December is likely to maintain growth, leading to the contraction for the whole year narrowing to roughly 1%, much lower than the rate of contraction recorded during the first 10 months.
- However after the BOT meeting, the Thai baht weakened against the dollar. Thailand's central bank kept its key interest rate steady on Wednesday (29/11) at 2.50%, as expected, saying the current level was suitable to support the country's economic recovery, while cutting its growth outlook.
- On data front, Thailand' Manufacturing PMI was announced at 47.6 on November, little changed from October's near 3-year low of 47.5. While, Business Confidence was released at 49.0 in November 2023 from 48.9 in October.

Thai Baht Performance

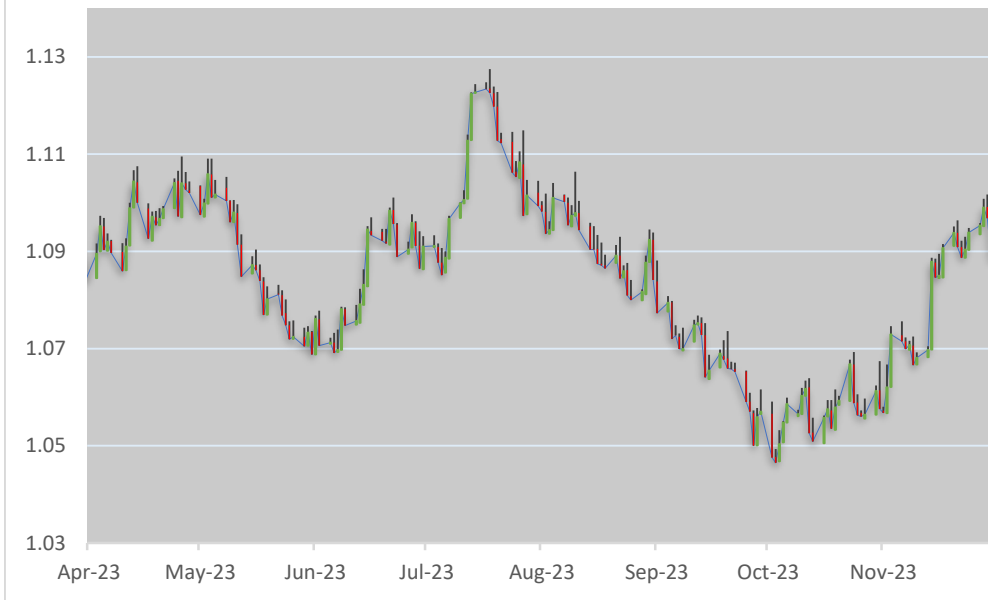
Last Week Close	35.26 THB/USD	Monthly High	35.34 THB/USD
Week Open	35.39 THB/USD	Monthly Low	34.69 THB/USD
Week Close	34.84 THB/USD	30 Days Average	35.54 THB/USD
Weekly High	35.40 THB/USD	90 Days Average	35.66 THB/USD
Weekly Low	34.54 THB/USD	YTD Change	+0.38%

Next Week's Thai Baht Economic Events

Events	Period	Date	Forecast	Previous
CPI Headline Inflation	Nov	7-Dec	-0.30%	-0.53%
CPI Core Inflation YY	Nov	7-Dec	0.60%	0.40%
CPI Index	Nov	7-Dec		
Consumer Confidence Idx	Nov	7-Dec		
Forex Reserves		27 Nov, w/ 8-Dec		
Currency Swaps		27 Nov, w/ 8-Dec		

Lower Bound	34.50	Upper Bound	35.30
Forecast	Appreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK
04 ธ.ค. 2023 - 08 ธ.ค. 2023

Euro Graph


Source: Thomson Reuters

Euro News

- The euro rose against the dollar after ECB President Christine Lagarde reiterated that the fight to contain price growth is not yet done and that the ECB is likely to discuss speeding up the shrinkage of its balance sheet by ending the last of its bond purchases earlier than planned, forcing investors to scale back their expectations that the next move by the central bank is set to be a rate cut.
- The euro fell against the dollar, pressured by inflation data from Germany showing price growth slowed to 2.3% year-on-year in November from 3% in October. In addition, Bundesbank chief Joachim Nagel said the European Central Bank (ECB) may need to raise interest rates again if the inflation outlook worsens. However the euro was bounce after the EZ's CPI dropped to 2.4% in November inevitably bolstered expectations that a first rate cut may happen sooner.

Euro Index Performance

Last Week Close	1.0939 USD/EUR	Monthly High	1.0912 USD/EUR
Week Open	1.0935 USD/EUR	Monthly Low	1.0830 USD/EUR
Week Close	1.0881 USD/EUR	30 Days Average	1.0779 USD/EUR
Weekly High	1.1017 USD/EUR	90 Days Average	1.0746 USD/EUR
Weekly Low	1.0827 USD/EUR	YTD Change	+1.58%

Euro Outlook

- Next week's economic calendar includes the final third quarter GDP reading that is forecast to show that the Euro Area economy contracted on a q/q basis. Falling inflation and a contracting economy will give the ECB the justification it needs to start cutting rates, and quickly.
- On data front, the EZ GDP growth on Q3 will be released on Tuesday (7/12) which expect to decrease 0.1% Q/Q, November Final inflation of Germany will be released on Wednesday (8/12), estimate at 3.2% y/y.

Next Week's Euro Economic Events

Events	Period	Date	Forecast	Previous
HCOB Services PMI	Nov	5-Dec	48.7	48.7
HCOB Composite Final PMI	Nov	5-Dec	47.1	47.1
HCOB Services Final PMI	Nov	5-Dec	48.2	48.2
S&P Global Comp Final PMI	Nov	5-Dec	47.1	47.1
Industrial Orders MM	Oct	6-Dec	0.0%	-1.5%
Manufacturing O/P Cur Price SA	Oct	6-Dec		
Consumer Goods SA	Oct	6-Dec		
Industrial Output MM	Oct	7-Dec	0.5%	-5.0%
Industrial Production YY SA	Oct	7-Dec		
GDP Revised QQ	Q3	7-Dec	-0.1%	-0.2%

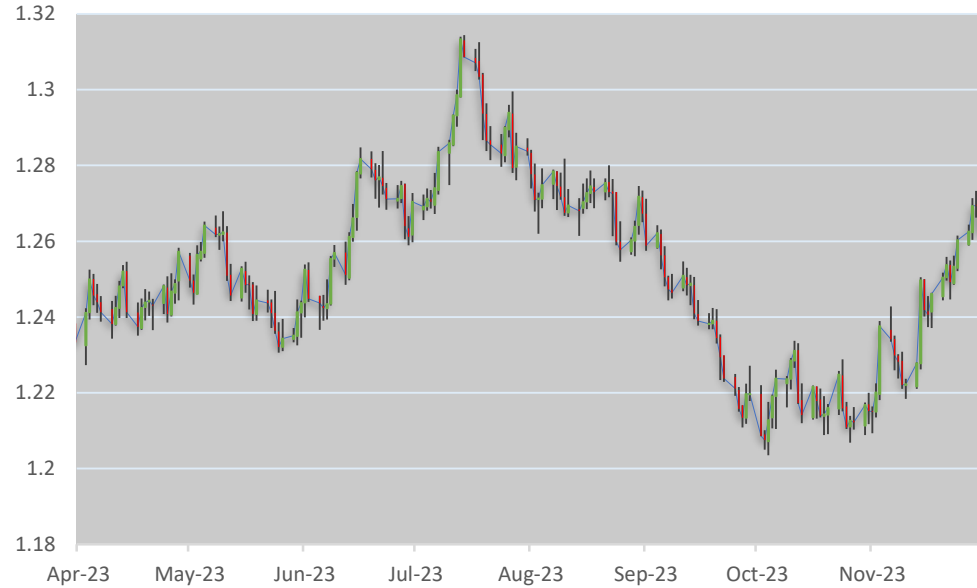
Lower Bound	1.0750	Upper Bound	1.1050
Forecast	Appreciation		

WEEKLY FOREIGN EXCHANGE OUTLOOK

04 ธ.ค. 2023 - 08 ธ.ค. 2023

 **Pound Sterling**

Pound Sterling Graph



Source: Thomson Reuters

Pound Sterling Outlook

- Some industry experts said that the fiscal stimulus offered by Finance Minister Hunt increases the likelihood that the BoE will delay cutting interest rates which support the demand for the pound.
- Once again, the British economic calendar this week is devoid of any high-impact data as BoE Governor Bailey will deliver brief remarks at an event later on Wednesday(29/11) while the final manufacturing PMI data will be released on Friday(1/12)
- All in all, we believe the pound is aiming for the continuation of the uptrend. Technically, the door remains open for a test of the 1.2815 level but it is likely meet an initial hurdle at around 1.2650.

Lower Bound	1.2500	Upper Bound	1.2800
Forecast	Appreciation		

Pound Sterling News

- The sterling advanced against the US Dollar (USD) courtesy of better-than-expected on Friday (25/11) GfK consumer confidence data (-24 VS expectation of -28)
- The Pound Sterling appears unimpressed by the hawkish comments from the BoE Governor. “We are not in a place now where we can discuss cutting interest rates – that is not happening,” Andrew Bailey said in an interview with Daily Focus on Wednesday (29/11).
- GBP/USD climbed more than 90 pips late during Friday (1/12). Speculations that the Federal Reserve has finished its tightening cycle sparked more than 100 basis points of cuts by the Fed next year, a headwind for the Greenback.

Pound Sterling Performance

Last Week Close	1.2603 USD/GBP	Monthly High	1.2724 USD/GBP
Week Open	1.2592 USD/GBP	Monthly Low	1.2615 USD/GBP
Week Close	1.2700 USD/GBP	30 Days Average	1.2380 USD/GBP
Weekly High	1.2733 USD/GBP	90 Days Average	1.2431 USD/GBP
Weekly Low	1.2588 USD/GBP	YTD Change	+4.77%

Next Week's Pound Sterling Economic Events

Events	Period	Date	Forecast	Previous
S&P GBL/CIPS SVC PMI FNL	Nov	5-Dec	50.5	49.5
Composite PMI Final	Nov	5-Dec	50.1	48.7
Reserve Assets Total	Nov	5-Dec		
All-Sector PMI	Nov	6-Dec		
S&P Global/CIPS Cons PMI	Nov	6-Dec		
Halifax House Prices MM	Nov	7-Dec		
Halifax House Prices YY	Nov	7-Dec		

WEEKLY FOREIGN EXCHANGE OUTLOOK

04 ธ.ค. 2023 - 08 ธ.ค. 2023

 **Australian Dollar**

Australian Dollar Graph



Source: Thomson Reuters

Australian Dollar Outlook

- With all that in mind, the RBA is more likely to stand pat on Tuesday (5/12), but it is unlikely to clearly signal that this hiking cycle is over. Officials are likely to maintain the view that interest rates could further rise if needed, which could allow the aussie to extend its recovery against the US dollar.
- Market also eyes on the China's trade data on Thursday (7/12X and CPI on Friday (8/12). Given the close trade ties between Australia and China, more signs that the world's second-largest economy is bottoming out could allow the aussie to continue marching north.

Lower Bound	0.6500	Upper Bound	0.6800
Forecast	Appreciation		

Australian Dollar News

- The Australian Dollar (AUD) extended its earlier losses against the US Dollar (USD) on Wednesday (28/11) after the US economy in the third quarter, grew at a faster pace than expected, suggesting the US Federal Reserve's job is not done. That, along with a softer Australia's inflation reading
- Over in Australia, the Consumer Price Index (CPI) for October dipped to 4.9% from 5.6% in October, sponsored by lower prices in goods, petrol, holiday and travel costs. Traders were expected CPI at 5.2%, which were caught off guard, sending the AUD/USD sliding, as investors expect a less hawkish Reserve Bank of Australia (RBA), which lifted rates 25 bps earlier this month, to 4.35%.
- The upside surprise in the Chinese Manufacturing PMI fuelled a fresh bid under the Aussie Dollar. China's Caixin Manufacturing (PMI) unexpectedly expanded to 50.7 in November when compared to October's contraction of 49.5

Australian Dollar Performance

Last Week Close	0.6582 USD/AUD	Monthly High	0.66900 USD/AUD
Week Open	0.6578 USD/AUD	Monthly Low	0.66000 USD/AUD
Week Close	0.6672 USD/AUD	30 Days Average	0.64099 USD/AUD
Weekly High	0.6676 USD/AUD	90 Days Average	0.65678 USD/AUD
Weekly Low	0.6564 USD/AUD	YTD Change	-2.03%

Next Week's Australian Dollar Economic Events

Events	Period	Date	Forecast	Previous
Owner-Occp'd Hous'g Fin MM	Oct	4-Dec	0.80%	0.10%
Invest Hous'g Fin MM	Oct	4-Dec		
Judo Bank Svs PMI Final	Nov	5-Dec		
Judo Bank Comp PMI Final	Nov	5-Dec		
Current Account Balance SA	Q3	5-Dec	3.0B	1.0B
Net Exports Contribution	Q3	5-Dec	-0.3%	-0.6%
RBA Cash Rate	Dec	5-Dec	4.35%	4.35%
Real GDP QQ SA	Q3	6-Dec	0.3%	0.1%
Real GDP YY SA	Q3	6-Dec	1.7%	1.1%
			7,781M	


Japanese Yen Graph


Source: Thomson Reuters

Japanese Yen Outlook

- It will be an interesting week for yen traders as well, as during the Asian session Tuesday (5/12), Japan's Tokyo CPI figures are due to be released, while on Thursday (7/12), the final estimate of Q3 GDP and the employment report are coming out.
- The final estimate of GDP is forecast to confirm that the economy shrank 0.5% in Q3, but if the Tokyo CPIs, which are closely correlated with the National numbers, point to further acceleration in inflation, and the jobs data reveal another pick up in wages, then speculation that the BoJ could exit ultra-loose monetary policy conditions soon is likely to intensify, thereby adding more fuel to the yen's engines.

Lower Bound	145.00	Upper Bound	14900.00
Forecast	Appreciation		

Japanese Yen News

- The Japanese yen strengthened, remaining close to two and half month high of below 147 level as expectations that the Bank of Japan will soon end its negative rate policy has pulled the yen up from the depths, and in the process, eased pressure on the central bank to support the currency via direct FX market intervention.
- Bank of Japan (BoJ) Board member Toyoaki Nakamura is back on the wires said on Thursday (30/11), expressing his take on the potential exit from the central bank's ultra-loose monetary policy.
- On the Japanese front, the Jibun Bank Manufacturing PMI was 48.3 at contractionary territory, above estimates but below October's 48.7. in the meantime, the Japanese labor market remains tight as the unemployment rate fell to 2.5% in October, data showed on Friday (1/12).

Japanese Yen Performance

Last Week Close	149.44 JPY/USD	Monthly High	148.34 JPY/USD
Week Open	149.43 JPY/USD	Monthly Low	146.24 JPY/USD
Week Close	146.81 JPY/USD	30 Days Average	141.88 JPY/USD
Weekly High	149.67 JPY/USD	90 Days Average	139.78 JPY/USD
Weekly Low	146.65 JPY/USD	YTD Change	+11.80%

Next Week's Japanese Yen Economic Events

Events	Period	Date	Forecast	Previous
CPI Tokyo Ex fresh food YY	Nov	5-Dec	2.4%	2.2%
CPI, Overall Tokyo	Nov	5-Dec		
JibunBK Comp Op Final SA	Nov	5-Dec		
JibunBK SVC PMI Final SA	Nov	5-Dec		
Reuters Tankan N-Man Idx	Dec	6-Dec		
Current Account NSA JPY	Oct	8-Dec	1,901.2B	1,348.4B
Current Account Bal SA	Oct	8-Dec		
Trade Bal Cust Basis SA	Oct	8-Dec		
GDP Rev QQ Annualised	Q3	8-Dec		

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