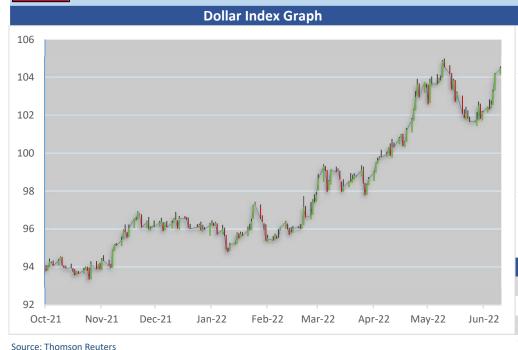
TMU03 0-2021-1333

WEEKLY FOREIGN EXCHANGE OUTLOOK

13 Jun 2022 - 17 Jun 2022

Dollar Index



Dollar News

-The dollar strengthened on higher US yields after a report of positive employment, the employment showed a gain in payrolls of 390K, above the 325K of market consensus while the unemployment rate steady at 3.6%.

-At the end of the week, Labor Department data showed the consumer price index increased 8.6% from a year earlier. The core CPI, which strips out the more volatile food and energy components, rose 0.6% from the prior month and 6% from a year ago, also above forecasts. So, Two-year Treasury yields jumped, stock futures fell and the dollar rose after the report. Traders fully priced in three 50-basis-point rate hikes over the Fed's next three policy meetings in June, July and September.

Dollar Index Performance					
Last Week Close	102.14	Monthly High	105.01		
Week Open	102.17	Monthly Low	101.30		
Week Close	103.05	30 Days Average	102.98		
Weekly High	104.58	90 Days Average	100.12		
Weekly Low	101.85	YTD Change	+8.85%		

Dollar Outlook

-Looking ahead to next week, when the Fed monetary policy gathering is the highlight of the economic calendar, USD is likely to remain biased to the upside as markets position for the possibility of a much more aggressive tightening policies in response to unrelenting and broadening price pressures in the U.S. economy.

-During the press conference, Fed Chair Jerome Powell is set to confirm that a third consecutive 50bp hike in July is the most likely path ahead. The Fed is also expected to continue to allow \$30bn of Treasury securities and \$17.5bn of agency mortgage-backed securities to mature and roll off the balance sheet, increasing to \$60bn of Treasuries and \$35bn of MBS by September.

Lower Bound	104.00	Upper Bound	105.50
Forecast	Appreciation		

Next Week's Dollar Index Economic Events				
Events	Period	Date	Forecast	Previous
PPI exFood/Energy YY	May	14-Jun	8.6%	8.8%
PPI exFood/Energy MM	May	14-Jun	0.6%	0.4%
Retail Sales MM	May	15-Jun	0.2%	0.9%
Retail Sales Ex-Autos MM	May	15-Jun	0.8%	0.6%
Fed Funds Tgt Rate	15 Jun	16-Jun	1.25-1.5	0.75-1
Fed Int On Excess Reserves	15 Jun	16-Jun		0.90%
Building Permits: Number	May	16-Jun	1.787M	1.823M
Housing Starts Number	May	16-Jun	1.700M	1.724M
Initial Jobless Clm	11 Jun, w/e	16-Jun	215k	229k
Philly Fed Business Indx	Jun	16-Jun	5.3	2.6

WEEKLY FOREIGN EXCHANGE OUTLOOK 13 Jun 2022 - 17 Jun 2022





Source: Thomson Reuters

Thai Baht Outlook

- -The US Dollar also appreciated against the Thai Baht this past week. Interestingly, USD/THB was unable to hold a close under the rising trendline from February. This is maintaining the bullish outlook.
- -Focusing on the U.S. central bank, traders should keep a close eye on the message, but more importantly, on the quarterly summary of economic projection, which includes the famous dot-plot. That said, PCE forecasts are likely to be revised upward for 2022 and 2023, while GDP projections should see negative revisions for both years, but no recession yet.

Thai Baht News

- -The baht depreciated after upbeat US employment data could keep the US Federal Reserve to maintain its aggressive momentary policy.
- -Thailand's Consumer Prices Index (CPI) rose 7.10% YoY in May, the fastest pace in more than 13 years as surging oil prices pushed up production costs.
- -On Wednesday, the BoT's Monetary Policy Committee (MPC) voted 4-3 to keep the benchmark rate at a record low of 0.5%, according to a statement, as it flagged mounting inflation risks, and signaled its next move may be an increase. While, central bank raised its inflation forecast for this year to 6.2% from 4.9% predicted in March and expects the economy to grow 3.3%, only a tad faster than its previous forecast for a 3.2% expansion.

Thai Baht Performance					
Last Week Close	34.30 THB/USD	Monthly High	34.85 THB/USD		
Week Open	34.43 THB/USD	Monthly Low	34.19 THB/USD		
Week Close	34.72 THB/USD	30 Days Average	34.41 THB/USD		
Weekly High	34.82 THB/USD	90 Days Average	33.63 THB/USD		
Weekly Low	34.26 THB/USD	YTD Change	+4.32%		

Next Week's Thai Baht Economic Events					
Period	Date	Forecast	Previous		
6 Jun, w/e	17-Jun		229.6B		
6 Jun, w/e	17-Jun		29.6B		
	Period 6 Jun, w/e		Period Date Forecast 6 Jun, w/e 17-Jun	PeriodDateForecastPrevious6 Jun, w/e17-Jun229.6B	

Lower Bound	34.70	Upper Bound	35.00	
Forecast	Depreciation			

WEEKLY FOREIGN EXCHANGE OUTLOOK

13 Jun 2022 - 17 Jun 2022





Euro Outlook

- -The Euro loss about 1.87% against the US Dollar last week, worst performance since late April, with EUR/USD falling about 1.87%. This was despite a hawkish European Central Bank that announced imminent rate hikes, an end to monthly asset purchases and an upgrade to inflation expectations. The central bank did however downgrade growth estimates.
- -The focus next week will be on the US Federal Reserve, set to announce yet another 50 bps hike. The central bank will also release fresh Economic Projections.
- -In Europe, Germany will release May inflation data and the June ZEW survey on Tuesday, while the EU will publish the same figures on Friday.

Lower Bound	1.0350	Upper Bound	1.0650	
Forecast	Depreciation			

Euro News

- -The euro was pressured by its downbeat economic data released on Friday including Markit PMI and retail sales. The EU's statistics office said the retail sales in the 19 countries fell 1.3% month-on-month in April for a 3.9% year-on-year increase, below the expectation of 0.3 monthly rise and a 5.4 year-on-year gain.
- -On Thursday, The European Central Bank confirmed its intention to hike interest rates at the policy meeting next month and downgraded its growth forecasts. The Governing Council announced it intends to raise key interest rates by 25 basis points at the July meeting. The ECB expects a further hike at the September meeting, but said the scale of that increment would depend on the evolving trajectory of the medium-term inflation outlook.

Outlook

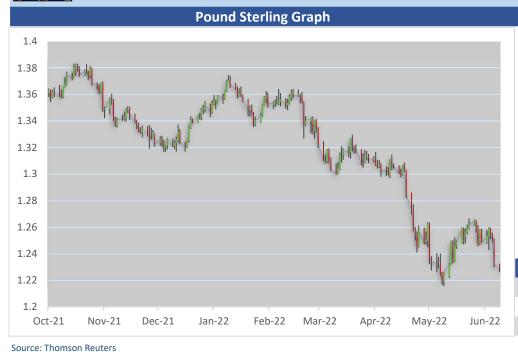
Euro Index Performance					
Last Week Close	1.0718 USD/EUR	Monthly High	1.0773 USD/EUR		
Week Open	1.0720 USD/EUR	Monthly Low	1.0476 USD/EUR		
Week Close	1.0515 USD/EUR	30 Days Average	1.0615 USD/EUR		
Weekly High	1.0773 USD/EUR	90 Days Average	1.0880 USD/EUR		
Weekly Low	1.0504 USD/EUR	YTD Change	-7.72%		

Next Week's Euro Economic Events					
Events	Period	Date	Forecast	Previous	
Sentix Index	May	9-May	-20.8	-18.0	
Industrial Production MM	Mar	13-May	-2.0%	0.7%	
Industrial Production YY	Mar	13-May	-1.0%	2.0%	

WEEKLY FOREIGN EXCHANGE OUTLOOK

13 Jun 2022 - 17 Jun 2022





Pound Sterling Outlook

- -After finishing the week in negative trend, GBP/USD is looking forward to the Fed and BOE monetary policy decisions in the week ahead for the next directional bias.
- -Monday monthly UK GDP figures will be released alongside the country's manufacturing and industrial figures and UK Employment data on Tuesday. The US Retail Sales and the FOMC policy decision will emerge as the big market mover before Thursday's Bank of England (BOE) interest rate announcement.
- -The UK central bank is expected to leave key rates unchanged at 1%, as it looks to balance growth while fighting inflation.

Lower Bound	1.2100	Upper Bound	1.2400
Forecast	Depreciation		

Pound Sterling News

- -The pound sterling eased its gained against the strong dollar on fading risk appetite after it gained as UK PM Boris Johnson won the confidence vote in his leadership of Conservative Party by 211 to 148.
- -Although UK PM Boris Johnson managed to overcome the no-confidence vote, the political drama in Britain doesn't stop. Recently, Brexit Party Leader Nigel Farage poured cold water on the face of the Labour Party's expectations to benefit from Johnson's political struggle by highlighting the fears of re-joining the European Union.
- -The UK services sector activity expanded more than expected in May, the final report from IHS Markit, UK Services Purchasing Managers' Index (PMI) was revised higher to 53.4 in May versus 51.8 expected and a 51.8.

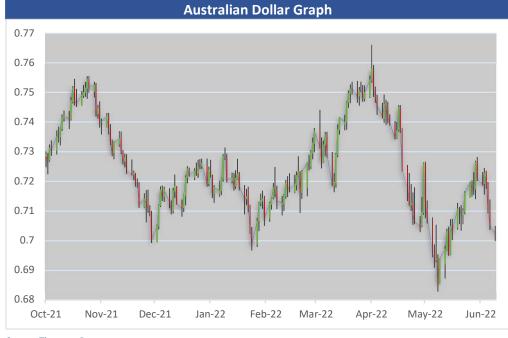
Pound Sterling Performance					
Last Week Close	1.2485 USD/GBP	Monthly High	1.2616 USD/GBP		
Week Open	1.2491 USD/GBP	Monthly Low	1.2263 USD/GBP		
Week Close	1.2314 USD/GBP	30 Days Average	1.2457 USD/GBP		
Weekly High	1.2599 USD/GBP	90 Days Average	1.2933 USD/GBP		
Weekly Low	1.2298 USD/GBP	YTD Change	-9.17%		

	Novt Wook's Dougs	l Ctarlina	Economic	Evente	
Next Week's Pound Sterling Economic Events					
Events		Period	Date	Forecast	Previous
GDP Est 3M/3M		Apr	13-Jun	0.4%	0.8%
GDP Estimate MM		Apr	13-Jun	0.1%	-0.1%
GDP Estimate YY		Apr	13-Jun	3.9%	6.4%
Manufacturing Output MM		Apr	13-Jun	0.2%	-0.2%
Claimant Count Unem Chng		May	14-Jun		-56.9k
ILO Unemployment Rate		Apr	14-Jun	3.6%	3.7%
BOE Bank Rate		Jun	16-Jun	1.25%	1.00%
GB BOE QE Corp		Jun	16-Jun	0B	0B

WEEKLY FOREIGN EXCHANGE OUTLOOK

13 Jun 2022 - 17 Jun 2022





Source: Thomson Reuters

Australian Dollar Outlook

- -The Reserve Bank of Australia (RBA) crossed wide market expectations by lifting the benchmark interest rate by 50 basis points (bps) to 0.85%. The RBA Rate Statement, however, appears less lucrative for the AUD/USD bulls and seemed to have probed the quote after the initial knee-jerk reaction to the RBA's rate hike.
- -The Aussie pair struggles to justify hawkish comments from the former Governor of the Reserve Bank of Australia (RBA). Ex-RBA Governor Macfarlane warned over persistently high inflation and the need to sharply hike rates in early Wednesday. The former policymaker also mentioned, "There is enough scarcity in Australia and in the US to keep the rate of inflation high."

Lower Bound	0.6850	Upper Bound	0.7241
Forecast	Depreciation		

Australian Dollar News

- -The Reserve Bank of Australia (RBA) crossed wide market expectations by lifting the benchmark interest rate by 50 basis points (bps) to 0.85%. The RBA Rate Statement, however, appears less lucrative for the AUD/USD bulls and seemed to have probed the quote after the initial knee-jerk reaction to the RBA's rate hike.
- -The Aussie pair struggles to justify hawkish comments from the former Governor of the Reserve Bank of Australia (RBA). Ex-RBA Governor Macfarlane warned over persistently high inflation and the need to sharply hike rates in early Wednesday. The former policymaker also mentioned, "There is enough scarcity in Australia and in the US to keep the rate of inflation high."

Australian Dollar Performance				
Last Week Close	0.7206 USD/AUD	Monthly High	0.72820 USD/AUD	
Week Open	0.7202 USD/AUD	Monthly Low	0.70020 USD/AUD	
Week Close	0.7051 USD/AUD	30 Days Average	0.74257 USD/AUD	
Weekly High	0.7245 USD/AUD	90 Days Average	0.72697 USD/AUD	
Weekly Low	0.7035 USD/AUD	YTD Change	-3.25%	

. .		
Date	Forecast	Previous
14-Jun		20
14-Jun		10
14-Jun	1.4%	4.7%
15-Jun		-5.6%
16-Jun	25.0k	4.0k
16-Jun		92.4k
16-Jun	66.3%	66.3%
16-Jun	3.8%	3.9%
	14-Jun 14-Jun 14-Jun 15-Jun 16-Jun 16-Jun	14-Jun 14-Jun 14-Jun 15-Jun 16-Jun 25.0k 16-Jun 16-Jun 66.3%

WEEKLY FOREIGN EXCHANGE OUTLOOK 13 Jun 2022 - 17 Jun 2022



Source: Thomson Reuters

Japanesese Yen



Japanese Yen Outlook

- -The risks over the short-term is for JPY to drift further higher. The Fed meeting next week will provide support for US yields, underlining the lack of change to the policy divergence driver, especially given Governor Kuroda's speech this week. While, worries that inflation might last longer than expected despite efforts of global central banks, which tighten monetary policy, kept investors' flows flying toward safe-haven assets.
- -The BOJ finds itself far behind the curve of normalization compared to its major peers, and analysts expect the bank to hold steady at its policy meeting on Friday. No change is expected to the bank's yield curve control program. Despite inflation rising above the 2% target.

Lower Bound	133.50	Upper Bound	136.00
Forecast	Depreciation		

Japanese Yen News

- -The yen extended 20-year low around 132.00 against the dollar as worries about inflation pushed up US treasury yields, weighed down the yen sentiments.
- -The yen weakened around 134 level against the dollar as the Bank of Japan remains one of the few global central banks to maintain a dovish stance while others have adopted tightening policies of hiking interest rates to combat inflation,
- -Nevertheless, Japan's Finance Minister Suzuki repeats that FX stability is important, and rapid moves are undesirable. There has been no comment on fx intervention even as the yen falls to the lowest levels since 2002. "Japan's government will respond appropriately to the exchange rate following the G7 agreement on currencies,".

Japanese Yen Performance				
Last Week Close	130.86 JPY/USD	Monthly High	134.99 JPY/USD	
Week Open	130.85 JPY/USD	Monthly Low	128.82 JPY/USD	
Week Close	134.42 JPY/USD	30 Days Average	114.92 JPY/USD	
Weekly High	134.55 JPY/USD	90 Days Average	114.41 JPY/USD	
Weekly Low	130.41 JPY/USD	YTD Change	+17.24%	

Next Week's Japanese Yen Economic Events				
Period	Date	Forecast	Previous	
Apr	15-Jun	-1.5%	7.1%	
Apr	15-Jun	5.3%	7.6%	
May	16-Jun	16.4%	12.5%	
May	16-Jun	43.6%	28.2%	
May	16-Jun	-2,022.6B	-839.2B	
17 Jun	17-Jun		-0.10%	
	Period Apr Apr May May May	Period Date Apr 15-Jun Apr 15-Jun May 16-Jun May 16-Jun May 16-Jun	Period Date Forecast Apr 15-Jun -1.5% Apr 15-Jun 5.3% May 16-Jun 16.4% May 16-Jun 43.6% May 16-Jun -2,022.6B	



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.