13 May 2024 - 17 May 2024



**Dollar Index** 



Source: Thomson Reuters

### **Dollar Outlook**

- After a subdued performance earlier this month, the U.S. dollar (DXY index) advanced this past week, climbing roughly 0.23% to 105.31. This resurgence was buoyed by a slight uptick in U.S. Treasury yields and a prevailing sense of caution among traders as they await on the Powell's speech on Tuesday (14/5) and the release of April's U.S. consumer price index (CPI) figures, scheduled for this Wednesday (15/5).
- Consensus forecasts indicate that both headline and core CPI registered a 0.3% uptick on a seasonally adjusted basis last month, resulting in the annual readings shifting from 3.5% to 3.4% for the former and from 3.8% to 3.7% for the latter—a modest yet encouraging step in the right direction.

Lower Bound	104.00	<b>Upper Bound</b>	106.50	
Forecast	Appreciation			

### **Dollar News**

- The Dollar falls in the aftermath of the United States labor market and the ISM Services Purchasing Managers Index (PMI) data for April released on Friday (3/5). The US Nonfarm Payrolls (NFP) report showed that fresh labor additions were lower than the consensus and wage growth softened on a monthly and an annual basis.
- However, hawkish comments from Fed officials helped the currency erase its losses. Fed Board of Governors member Michelle W. Bowman noted that she would be willing to raise rates further if data shows inflation progress has stalled or reversed.
- While, Minneapolis Fed President Neel Kashkari said on Tuesday (7/5) it is too soon to declared that inflation has definitely stalled out.
- The dollar felt against the baskets after the Prelim UoM consumer sentiment was below the expectation, 67.4 versus consensus at 76.3.

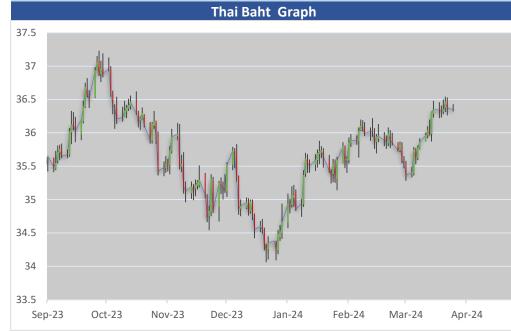
Dollar Index Performance						
<b>Last Week Close</b>	#N/A	Monthly High	104.73			
Week Open	#N/A	<b>Monthly Low</b>	102.36			
Week Close	#N/A	30 Days Average	103.76			
Weekly High	0.00	90 Days Average	103.34			
Weekly Low	0.00	YTD Change	#VALUE!			

Next Week's Dollar Index Economic Events					
Events	Period	Date	Forecast	Previous	
PPI Machine Manuf'ing	Apr	14-May		182.8	
Core CPI MM, SA	Apr	15-May	0.3%	0.4%	
Core CPI YY, NSA	Apr	15-May	3.6%	3.8%	
CPI MM, SA	Apr	15-May	0.4%	0.4%	
CPI YY, NSA	Apr	15-May	3.4%	3.5%	
CPI Wage Earner	Apr	15-May		306.502	
Retail Sales MM	Apr	15-May	0.4%	0.7%	
Initial Jobless Clm	11 May, v	v, 16-May	219k	1.321M	
Philly Fed Business Indx	May	16-May	8.0	0.4%	
Industrial Production MM	Apr	16-May	0.1%	231k	

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Thai Baht



Source: Thomson Reuters

#### **Thai Baht Outlook**

- On data front, market keep an eyes on Thailand's consumer confidence which will be released on Monday (13/5) which expect to be at 62.0.
- Moreover, the most important data for the baht during the week, Thailand's GDP growth rate on the first quarter will be released on Wednesday (15/5) which expected to grow by 0.8% QoQ.

### Thai Baht News

- Thailand's market was closed due to a substitution for Coronation Day (4/5).
- In the early of Tuesday (7/5), the baht depreciated against the dollar along with region currencies after the Fed still hit that they will hold the policy rate for longer.
- The Joint Standing Committee on Commerce said on Wednesday (8/5) that Thailand's economy is expected to grow 2.2% to 2.7% this year, down from a previous forecast of 2.8% to 3.3% due to a slow export recovery while exports are now projected to increase 0.5% to 1.5% this year compared with a rise of 2% to 3% seen earlier. The tourism sector, also an important driver of growth, is expected to see 35 million foreign arrivals this year, unchanged from a previous forecast.

Thai Baht Performance					
<b>Last Week Close</b>	#N/A	THB/USD	Monthly High	#N/A Not THB/USD	
Week Open	#N/A	THB/USD	<b>Monthly Low</b>	#N/A Not THB/USD	
Week Close	#N/A	THB/USD	30 Days Average	<b>35.95</b> THB/USD	
Weekly High	0.00	THB/USD	90 Days Average	<b>35.45</b> THB/USD	
Weekly Low	0.00	THB/USD	YTD Change	#VALUE!	

Next Week's Thai Baht Economic Events				
Events Period Date Forecast Previous				
Consumer Confidence Idx	Apr	15-May		63.0
Forex Reserves	6 May, w	/€ 17-May		223.5B
Currency Swaps	6 May, w	/€ 17-May		28.0B

<b>Lower Bound</b>	35.50	Upper Bound	36.20
Forecast	Depreciation		

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• The major risk event for next week in undoubtedly US CPI. US core CPI has exceeded the 0.2% monthly rise in each of the last three prints, coming in at 0.4% after rounding up. If inflation continues in this vain, EUR/USD may ease into the backend of next week. A softer print however may add to the euro's upward drift

**Euro Outlook** 

• In Europe, Final German inflation and ZEW sentiment will be due alongside the ZEW figure for the broader EU. Sentiment has been rising since Q4 of last year as analysts correctly projected a departure from dismal economic conditions.

as more dovish sentiment gets priced into the greenback.

**Depreciation** 

**Forecast** 

<b>Lower Bound</b>	1.0650	Upper Bound	1.0850

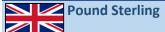
# Euro News

- The euro moved toward 1.0800 level as the US Dollar comes under pressure due to firm speculation that the Federal reserve (Fed) will start reducing interest rates from the September meeting.
- Moreover, the EUR/USD was supported as the euro area's economic recovery progressed further at the start of the second quarter, according to the latest HCOB PMI survey on Monday (14/5).
- The EU Services PMI was confirmed at 53.3 in April, up from a preliminary estimate of 52.9. The Composite PMI hit 51.7 in the same month, the highest in eleven months. Meanwhile, the Eurozone published the March Producer Price Index, which contracted 0.4% MoM and 7.8% YoY and May Sentix Investor Confidence, which improved to -3.6 from -5.9 in April.

Euro Index Performance						
<b>Last Week Close</b>	#N/A	USD/EUR	<b>Monthly High</b>	#N/A Not USD/EUR		
Week Open	#N/A	USD/EUR	<b>Monthly Low</b>	#N/A Not USD/EUR		
Week Close	#N/A	USD/EUR	30 Days Average	<b>1.0862</b> USD/EUR		
Weekly High	0.0000	USD/EUR	90 Days Average	<b>1.0874</b> USD/EUR		
Weekly Low	0.0000	USD/EUR	YTD Change	#VALUE!		

Next Week's Euro Economic Events					
Events	Period	Date	Forecast	Previous	
HICP Final YY	Apr	14-May	2.4%	2.4%	
ZEW Economic Sentiment	May	14-May	46.3	42.9	
ZEW Current Conditions	May	14-May	-75.0	-79.2	
GDP Flash Estimate QQ	Q1	15-May	0.3%	0.3%	
GDP Flash Estimate YY	Q1	15-May	0.4%	0.4%	
Reserve Assets Total	Apr	15-May		1,214.96B	
HICP Final MM	Apr	17-May	0.6%	0.8%	
HICP Final YY	Apr	17-May	2.4%	2.4%	
THE THICH T	Api	17 IVIU	2.470	2.470	

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## Pound Sterling Outlook

- As of writing, traders are still near evenly split on whether the BOE will cut interest rates in June (58% likely, per Bloomberg's OIS model) or August (42%), leaving plenty to play for over the next five weeks until the June BOE meeting.
- In addition to the high-impact US data on tap this week, highlighted by Fed Chairman Powell's speech and inflation.
- On data front, UK's employment report will be released on Tuesday (14/5). While the speech from BoE member Greene will be on Thursday (16/5) and Man will be on Friday (17/5).

### Pound Sterling News

- The GBP/USD hovered around 1.2500 against the dollar after many Fed officer expressed their hawkish comment to the market that they will hold for longer.
- The Bank of England (BoE) was hold the cash rate unchanged at 5.25%, along with the expectation.
- At the end of the week, Sterling edged higher to near 1.2540 during Asian hours on Friday, buoyed by the release of higher-than-expected UK Gross Domestic Product (GDP) data for the first quarter. GDP (QoQ) rose by 0.6%, reversing the previous quarter's decline of 0.3%, surpassing expectations of a 0.4% increase. Additionally, GDP (YoY) increased by 0.2%, rebounding from the previous decline of 0.2%.

Pound Sterling Performance						
<b>Last Week Close</b>	#N/A	USD/GBP	<b>Monthly High</b>	#N/A Not USD/GBP		
Week Open	#N/A	USD/GBP	<b>Monthly Low</b>	#N/A Not USD/GBP		
Week Close	#N/A	USD/GBP	30 Days Average	<b>1.2692</b> USD/GBP		
Weekly High	0.0000	USD/GBP	90 Days Average	<b>1.2674</b> USD/GBP		
Weekly Low	0.0000	USD/GBP	YTD Change	#VALUE!		

Next Week's Pound Sterling Economic Events					
Events	Period	Date	Forecast	Previous	
Claimant Count Unem Chng	Apr	14-May		10.9k	
ILO Unemployment Rate	Mar	14-May	4.3%	4.2%	
HMRC Payrolls Change	Apr	14-May		-67k	

Lower Bound	1.2450	Upper Bound	1.2700
Forecast	Depreciation		

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#### Source: Thomson Reuters

### **Australian Dollar Outlook**

- Major reports from the US next week will include inflation and retail sales. At the same time, investors will focus on Australia's employment figures.
- The Australia's unemployment rate and the employment change will be realeased on Thursday (16/5).

### **Australian Dollar News**

- The Australian Dollar (AUD) halted its winning streak on Tuesday after the Reserve Bank of Australia (RBA) decided to keep its interest rate unchanged at 4.35%.
- However, markets were speculating that the RBA might adopt a more hawkish stance, fueled by last week's inflation data, which exceeded expectations.
- Reserve Bank of Australia (RBA) Governor Michele Bullock addressed a press conference after the May monetary policy announcement. Bullock emphasized the importance of remaining vigilant regarding inflation risks. The RBA believes that current interest rates are appropriately set to steer inflation back towards its target range of 2-3% in the second half of 2025, and to the midpoint in 2026.

Australian Dollar Performance					
<b>Last Week Close</b>	#N/A	USD/AUD	<b>Monthly High</b>	#N/A Not USD/AUD	
Week Open	#N/A	USD/AUD	<b>Monthly Low</b>	#N/A Not USD/AUD	
Week Close	#N/A	USD/AUD	30 Days Average	<b>0.66410</b> USD/AUD	
Weekly High	0.0000	USD/AUD	90 Days Average	<b>0.65517</b> USD/AUD	
Weekly Low	0.0000	USD/AUD	YTD Change	#VALUE!	

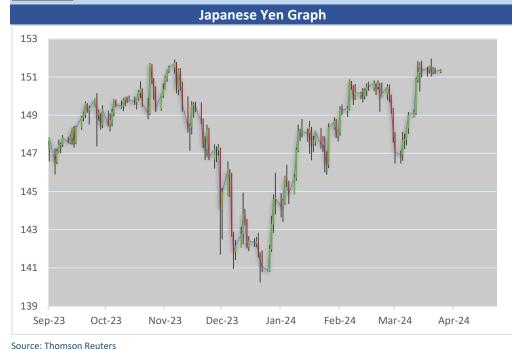
Next Week's Australian Dollar Economic Events					
Period	Date	Forecast	Previous		
Q1	15-May	0.9%	0.9%		
Q1	15-May	4.2%	4.2%		
Apr	16-May	20.0k	-6.6k		
Apr	16-May	3.9%	3.8%		
	Period Q1 Q1 Apr	Period Date Q1 15-May Q1 15-May Apr 16-May	Period         Date         Forecast           Q1         15-May         0.9%           Q1         15-May         4.2%           Apr         16-May         20.0k		

<b>Lower Bound</b>	0.6450	Upper Bound	0.6650	
Forecast	Depreciation			

WEEKLY FOREIGN EXCHANGE OUTLOOK 13 May 2024 - 17 May 2024



Japanesese Yen



# Japanese Yen Outlook

- The USD/JPY advanced steadily during the North American session, following a worse-than-expected University of Michigan (UoM) poll that showed that American consumers are becoming pessimistic about the economy. Despite that, the major trades at 155.83, up 0.24%.
- As there's no major economic data of Japan, market will wait for the release of US's infaltion data and Fed chairman's speech at the end of the week.

- On Monday (6/5), the Japan's market was closed to observation of Greenery day and Children's day.
- At the early of the week, The USD/JPY pair traded sideways around 154.00 amid firm expectations that Fed will start reducing interest rates from the September meeting after poor US Nonfarm Payrolls and weak Services PMI have weighed on the US Dollar.
- The yen depreciated against the dollar from hawkish Feds members, even as government officials kept up their warnings of more potential intervention in currency markets. Bank of Japan Governor Kazuo Ueda said on Wednesday (8/5) that the central bank may take monetary action if yen declines affect prices significantly, while the country's Finance Minister Shunichi Suzuki repeated a warning that authorities were ready to respond to excessively volatile moves in the currency market.

Japanese Yen Performance					
<b>Last Week Close</b>	#N/A	JPY/USD	Monthly High	#N/A Not JPY/USD	
Week Open	#N/A	JPY/USD	<b>Monthly Low</b>	#N/A Not JPY/USD	
Week Close	#N/A	JPY/USD	30 Days Average	<b>148.00</b> JPY/USD	
Weekly High	0.00	JPY/USD	90 Days Average	<b>148.02</b> JPY/USD	
Weekly Low	0.00	JPY/USD	YTD Change	#VALUE!	

Next Week's Japanese Yen Economic Events					
Events	Period	Date	Forecast	Previous	
Corp Goods Price MM	Apr	14-May	0.3%	0.2%	
Corp Goods Price YY	Apr	14-May	0.8%	0.8%	
GDP QQ	Q1	16-May	-0.4%	0.1%	
GDP QQ Annualised	Q1	16-May	-1.5%	0.4%	
GDP QQ Pvt Consmp Prelim	Q1	16-May	-0.2%	-0.3%	
GDP QQ Capital Expend.	Q1	16-May	-0.7%	2.0%	
GDP QQ External Demand	Q1	16-May	-0.3%	0.2%	
Machinery Orders YY	Mar	15-May		-1.8%	
Chain Store Sales YY	Apr	15-May		9.3%	

Lower Bound	150.50	Upper Bound	160.00
Forecast	Depreciation		



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