

2020.07.23

Please contact with our dealers on **319708, 319709** and **TDB Online** to negotiate currency exchange rate.

Currency	Rate	24H Chg		
EUR/USD	1.1573	0.03%		
USD/CNY	7.0084	-0.02%		
USD/RUB	71.0851	-0.01%		
USD/JPY	107.14	-0.01%		
USD/KRW	1199.2	0.34%		
USD/CHF	0.9292	0.49%		
AUD/USD	0.7138	-0.01%		
GBP/USD	1.2732	0.00%		
Index	Unit	24H Chg		
Dow Jones	27005.8	0.62%		
S&P 500	3276.0	0.57%		
NASDAQ	10706.1	0.24%		
FTSE 100	6207.1	-1.00%		
Nikkei 225	22751.6	-0.58%		
DAX	13104.3	-0.51%		
Hang Seng	25057.9	-2.25%		
SHCOMP	3333.2	0.37%		
Commodity	Price	24H Chg		
Gold	1868.54	-0.15%		
Silver	22.7132	-1.23%		
Coal (Qinhuangdao Port)	579	0.00%		
Thermal Coal	33.3	-0.09%		
Copper 3M Future	6486	-0.74%		
Iron Ore	849.5	0.18%		
Crude Oil	41.93	0.07%		
Government Bonds	Yield	24H Chg		
US 1M LIBOR	0.18%	0.07%		
US 3M LIBOR	0.26%	-0.87%		
US 6M LIBOR	0.34%	-0.84%		
US 12M LIBOR	0.46%	-0.88%		
US Treasury 10Y	0.60%	-0.55%		
UK Treasury 10Y	0.12%	-11.76%		
GE Treasury 10Y	-0.49%	-6.52%		
JP Treasury 10Y	0.02%	-24.00%		
Bond issued by Mongolia	Coupon	Mature Date	Yield	24H Chg
Gerege	5.63%	5/1/2023	5.02%	0.07%
Mazaalai	10.8%	4/6/2021	4.19%	0.04%
Khuraldai	8.75%	3/9/2024	5.70%	-0.09%
Chinggis	5.13%	12/05/2022	4.86%	-0.07%
Samurai	5.75%	12/25/2023	1.29%	-0.03%
DBM 2023	7.25%	10/23/2023	6.46%	0.02%
MIK 2022	9.75%	1/29/2022	17.16%	0.00%
MMC	9.25%	4/15/2024	20.54%	0.73%

Highlights

- Asia's fourth-largest economy shrank by a seasonally adjusted 3.3% in the June quarter from three months earlier, the Bank of Korea said on Thursday. South Korea joins Japan, Thailand and Singapore in technical recession, defined as two straight quarters of decline, as the pandemic slams Asia's trade-reliant economies.
- The European Central Bank is set to grant euro zone banks further relief from its capital requirements and renew a recommendation not to pay dividends amid a severe recession, ECB sources told Reuters.
- Australia reported its biggest budget deficit since World War Two on Thursday as the coronavirus crisis knocks the country into its first recession in three decades.

Forex

China has vowed to respond and the escalation in tension between the world's two largest economies sent the yuan on its sharpest slide in nearly two months on Wednesday and has helped the greenback find support in Asian trade on Thursday. The yuan is a barometer of Sino-U.S. relations and it fell 0.6% to a one-week low of 7.0174 per dollar in offshore trade on Tuesday. The euro sat at \$1.1571, about 0.3% below a 21-month high of \$1.1601, which it hit overnight in the afterglow of Europe's leaders agreeing on a coronavirus rescue package.

The Australian dollar pulled back from a 15-month peak and was steady at \$0.7143, while the kiwi retreated slightly from a six-month top to sit at \$0.6657. The safe-haven Swiss franc found support near a four-month top at 0.9287 per dollar, while the yen was rangebound at 107.15 per dollar. Volumes were lightened by a public holiday in Japan. Investors are also expecting weekly U.S. jobless claims, due at 1230 GMT to hold relatively steady.

Gold

Gold rose to its highest in nearly nine years on Thursday, driven by an escalation in U.S.-China tensions, while expectation of more stimulus measures lifted the metal's appeal as an inflation-hedge. Spot gold XAU= was up 0.1% at \$1,872.75 per ounce by 0048 GMT, after hitting its highest since September 2011 at \$1,876.16 in early Asian trade. U.S. gold futures GCv1 rose 0.2% to \$1,869.30. Indicative of sentiment, SPDR Gold Trust GLD, the world's largest gold-backed exchange-traded fund, said its holdings rose 0.4% to 1,225.01 tonnes on Wednesday from 1,219.75 tonnes on Tuesday.

Copper

Copper prices fell on Thursday as rising tensions between the United States and China stoked concerns of tit-for-tat retaliation between the world's two biggest economies. Three-month copper on the London Metal Exchange CMCU3 was down 0.3% at \$6,468 a tonne by 0105 GMT, while the most-traded September copper contract on the Shanghai

Stock	Price	24H Chg
Turquoise Hill Resources	0.8725	-3.03%
Mongolian Mining Corp	0.52	1.96%
Mongolian Energy Corp	0.51	3.03%
Centerra Gold	16.19	0.31%

Macro economic indicator	Date	Actual
Inflation rate	2020 (VI)	2.8%
Policy rate	2020 (IV)	9.0%
Interbank rate	2020 (V)	8.9%
Interest rate on deposit (dom.currency)	2020 (V)	11.2%
Interest rate on deposit (for.currency)	2020 (V)	4.5%
Interest rate on lending (dom.currency)	2020 (V)	17.1%
Interest rate on lending (for.currency)	2020 (V)	10.4%

Forecasts

Currency	Q3 20	Q4 20	Q1 21	Q2 21	2021
EUR/USD	1.12	1.14	1.14	1.15	1.17
GBP/USD	1.25	1.26	1.28	1.29	1.32
USD/CNY	7.05	7.04	7.02	6.94	6.99
USD/JPY	107	107	107	107	107
USD/RUB	70	70	69.5	68.0	69.1

Commodity

Gold	1789	1806	1821	1824	1824
Copper	6073	6072	6075	6086	6092
Coal	46.0	48.0	49.0	49.0	47.0

Economic Calendar

Source: Bloomberg

Last working day	Actual	Survey	Prior
JP Jibun Bank Mfg PMI Flash	42.6	-	40.1
CA CPI BoC Core YY	1.1%	-	0.7%
CA CPI BoC Core MM	0.4%	-	-0.1%
US Existing Home Sales	4.72M	4.80M	3.91M
Expected today	Time	Survey	Prior
FR Business Climate Mfg	14:45	85	77
US Initial Jobless Clm	20:30	1300k	1300k
EU Consumer Confid. Flash	22:00	-12.0	-14.7
Expected tomorrow	Time	Survey	Prior
UK Retail Sales MM	14:00	8.0%	12.0%
UK Retail Sales YY	14:00	-6.4%	-13.1%
FR Markit Mfg Flash PMI	15:15	53.2	52.3
GE Markit Mfg Flash PMI	15:30	48.0	45.2
EU Markit Mfg Flash PMI	16:00	50.0	47.4
UK Flash Manufacturing PMI	16:30	52.0	50.1
US Markit Mfg PMI Flash	21:45	51.5	49.8

Futures Exchange SCFcv1 fell 1% to 51,900 yuan (\$7,415.56) a tonne. China is considering ordering the closure of the U.S. consulate in the central city of Wuhan, a person with direct knowledge of the matter said on Wednesday, after Washington told Beijing to shut its consulate in Houston, Texas.

Crude Oil

Oil prices ticked higher on Thursday, although gains were limited by a surprise increase in U.S. crude oil reserves as the coronavirus pandemic hit fuel consumption. Brent crude LCOc1 added 2 cents, or 0.1%, to \$44.31 a barrel by 0207 GMT while U.S. West Texas Intermediate (WTI) crude CLc1 gained 6 cents, or 0.1%, to \$41.96 a barrel.

Crude inventories rose by 4.9 million barrels in the week to July 17 to 536.6 million barrels, compared with expectations in a Reuters poll for a 2.1 million-barrel drop. Production rose to 11.1 million barrels per day, up by 100,000 barrels per day. Production rose to 11.1 million barrels per day, up by 100,000 barrels per day.

Fixed Income

Global funds inflow in emerging Asian bond and equity markets were high based on available data compiled by Bloomberg. Foreign funds bought a net \$613 million in South Korean listed bonds on Jul 21 and bought a net \$118.7 million in Thailand bonds on Jul 22, according to finance ministry data.

Stock Market

Asian stocks were likely to come under pressure on Thursday as fresh diplomatic tensions between Washington and Beijing heightened investor jitters and overshadowed the boost to Wall Street from U.S. stimulus hopes. In early Asian trade, Japan's Nikkei 225 futures NKc1 lost 0.02% while Hong Kong's Hang Seng index futures .HSI, HSIc1 fell 0.05%. U.S. equities settled higher on strength in corporate earnings and the stimulus hopes. The Dow Jones Industrial Average .DJI rose 0.62%, the S&P 500 .SPX gained 0.57% and the Nasdaq Composite .IXIC added 0.24%.

Disclaimer

The content on this news, including, quotes, data and other information, is provided by Trade and Development Bank of Mongolia is for your personal information only, and is not intended for trading purposes. This news does not provide investment advice nor recommendations to buy or sell securities. Trade and Development Bank of Mongolia shall not be liable for any errors, inaccuracies or delays in content, or for any actions taken in reliance thereon. If you have on longer interest on receiving this email, please let us know by sending reply with subject of UNSUBSCRIBE.