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Highlights

- Singapore's gross domestic product (GDP) fell a record 13.2% year-on-year in the second quarter, revised government data showed on Tuesday, versus the 12.6% drop seen in advance estimates.
- The current account surplus of Japan was 167.5 billion yen (\$1.58 billion) in June, the smallest monthly surplus since January 2015, a finance ministry official said.
- China's auto sales in July climbed 16.4% from a year earlier, the fourth consecutive month of gains as the world's biggest vehicle market comes off lows hit during the country's coronavirus lockdown.
- The Bank of England will step up on quantitative easing (QE) if the British economy slows and struggles again, Deputy Governor Dave Ramsden said in an interview published on Tuesday.

Forex

The dollar held overnight gains on Tuesday following seven weeks of an almost relentless fall as investors clung to hopes of a bi-partisan stimulus deal in Washington and U.S. bond yields rebounded from multi-month lows. The yuan rose as liquidity tightened ahead of the central bank selling bills in Hong Kong this week. The People's bank of China will auction 20 billion yuan of three-month bills and 10 billion yuan one-year bills on Thursday.

Gold

Gold prices fell on Tuesday, weighed down by a stronger dollar as investors focused on the fiscal stimulus plan in the United States and escalating U.S.-China tensions ahead of key trade talks later this week. Spot gold XAU= was down 0.3% at \$2,021.32 per ounce by 0031 GMT. U.S. gold futures GCv1 eased 0.3% to \$2,033.60. The dollar index .DXY rose 0.1% to hold near a one-week high against its rivals, making gold more expensive for holders of other currencies.

Copper

Copper prices advanced on Tuesday as investors eyed a potential U.S. stimulus bill after lawmakers and officials said they were willing to restart negotiations on a COVID-19 rescue package. Three-month copper on the London Metal Exchange CMCU3 rose 0.1% to \$6,402 a tonne by 0145 GMT, while the most-traded September copper contract on the Shanghai Futures Exchange SCFcv1 advanced 0.9% to 50,750 yuan (\$7,300.79) a tonne.

State-run metal producers China Minmetals Corp CHMIN.UL and Jinchuan Group JGRP.UL are planning to build a copper concentrate blending facility in southern China's Guangxi region, two people with knowledge of the matter said.

Crude Oil

Oil prices climbed on Monday, supported by Saudi optimism on Asian demand and an Iraqi pledge to deepen

Currency	Rate	24H Chg		
EUR/USD	1.1735	-0.03%		
USD/CNY	6.9542	0.07%		
USD/RUB	73.4523	0.00%		
USD/JPY	106.06	0.09%		
USD/KRW	1185.05	-0.05%		
USD/CHF	0.9159	-0.37%		
AUD/USD	0.7161	-0.04%		
GBP/USD	1.3082	0.00%		
Index	Unit	24H Chg		
Dow Jones	27791.4	1.30%		
S&P 500	3360.5	0.27%		
NASDAQ	10968.4	-0.39%		
FTSE 100	6050.6	0.31%		
Nikkei 225	22615.2	1.28%		
DAX	12687.5	0.10%		
Hang Seng	24662.0	1.17%		
SHCOMP	3379.3	0.75%		
Commodity	Price	24H Chg		
Gold	2022.3	-0.25%		
Silver	28.9167	-0.73%		
Coal (Qinhuangdao Port)	566	0.00%		
Thermal Coal	33.3	0.09%		
Copper 3M Future	6396.5	1.40%		
Iron Ore	838	2.82%		
Crude Oil	42.15	0.50%		
Government Bonds	Yield	24H Chg		
US 1M LIBOR	0.16%	5.15%		
US 3M LIBOR	0.25%	3.80%		
US 6M LIBOR	0.31%	6.92%		
US 12M LIBOR	0.45%	0.59%		
US Treasury 10Y	0.58%	0.87%		
UK Treasury 10Y	0.13%	-5.76%		
GE Treasury 10Y	-0.53%	-3.34%		
JP Treasury 10Y	0.02%	75.00%		
Bond issued by Mongolia	Coupon	Mature Date	Yield	24H Chg
Gerege	5.63%	5/1/2023	4.59%	0.00%
Mazaalai	10.8%	4/6/2021	3.55%	0.00%
Khuraldai	8.75%	3/9/2024	5.23%	0.01%
Chinggig	5.13%	12/05/2022	4.38%	-0.01%
Samurai	5.75%	12/25/2023	1.30%	-0.04%
DBM 2023	7.25%	10/23/2023	6.09%	0.00%
MIK 2022	9.75%	1/29/2022	12.73%	-0.21%
MMC	9.25%	4/15/2024	20.46%	-0.73%

Stock	Price	24H Chg
Turquoise Hill Resources	0.8745	0.02%
Mongolian Mining Corp	0.455	-3.19%
Mongolian Energy Corp	0.58	-1.69%
Centerra Gold	17.44	-3.27%

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 (VI)	11.0%
Interest rate on deposit (for.currency)	2020 (VI)	4.3%
Interest rate on lending (dom.currency)	2020 (VI)	17.0%
Interest rate on lending (for.currency)	2020 (VI)	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
CN PPI YY	-2.4%	-2.5%	-3.0%
CN CPI YY	2.7%	2.6%	2.5%
Expected today	Time	Survey	Prior
JP Current Account NSA JPY	7:50	110B	1177B
UK ILO Unemployment Rate	16:30	4.2%	3.9%
GE ZEW Economic Sentiment	17:00	58.0	59.3
GE ZEW Current Conditions	17:00	-68.8	-80.9
Expected tomorrow	Time	Survey	Prior
UK GDP Est 3M/3M	14:00	-21.2%	-19.1%
UK GDP Estimate YY	14:00	8.0%	1.8%
UK GDP Prelim QQ	14:00	-20.5%	-2.2%
UK GDP Prelim YY	14:00	-22.4%	-1.7%
UK Manufacturing Output MM	14:00	10.0%	8.4%
US CPI MM, SA	20:30	0.3%	0.6%

supply cuts, although uncertainty over a deal to shore up the U.S. economic recovery capped gains. U.S. West Texas Intermediate (WTI) crude CLC1 futures rose 50 cents, or 1.2%, to \$41.72 a barrel at 0301 GMT, while Brent crude LCOc1 futures were up 40 cents, or 0.9%, at \$44.80 a barrel.

Energy companies have begun taking back millions of barrels of oil from the U.S. government's emergency stockpile after renting storage in the facility to help manage a glut of crude this spring after energy demand collapsed during COVID-19 lockdowns, a Department of Energy website showed on Monday.

Fixed Income

European government bond yields reversed direction and drifted lower on Monday as concerns about the passage of a U.S. fiscal stimulus bill kept investors from aggressively buying riskier assets. Benchmark German ten-year bond yields DE10YT=RR eased 2.2 bps to minus 0.53%. French and Belgian yields were down by a similar amount.

Stock Market

The Dow jumped 1%, the S&P 500 inched up and the Nasdaq closed lower on Monday as investors extended a rotation into value stocks from heavyweight tech-related names while awaiting news on progress in a U.S. fiscal support bill. The Nasdaq, which has been hitting record highs, was dragged lower by Microsoft Corp MSFT.O, Amazon.com Inc AMZN.O and Facebook Inc FB.O. The Dow Jones Industrial Average .DJI rose 357.96 points, or 1.3%, to 27,791.44, the S&P 500 .SPX gained 9.19 points, or 0.27%, to 3,360.47 and the Nasdaq Composite .IXIC dropped 42.63 points, or 0.39%, to 10,968.36.

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