

FX Rates Outlook

Currency Pair	Current Price		Last Week Close	% Change	Last Month Close	% Change	Last Year Close	% Change	Year High	Year Low
EUR/USD	1.0950	→	1.0946	0.04	1.1093	-1.31	1.1213	-2.40	1.1225	1.0943
USD/CHF	0.9777	↓	0.9777	0.00	0.9634	1.46	0.9666	1.14	0.9783	0.9614
EUR/CHF	1.0706	→	1.0701	0.04	1.0689	0.16	1.0856	-1.40	1.0878	1.0664
GBP/USD	1.2903	↑	1.2892	0.09	1.3206	-2.35	1.3257	-2.74	1.3266	1.2873
EUR/GBP	0.8486	↓	0.8492	-0.06	0.8400	1.02	0.8459	0.32	0.8595	0.8388
USD/JPY	109.77	→	109.75	0.02	108.35	1.29	108.61	1.06	110.28	107.66
EUR/JPY	120.21	↑	120.14	0.06	120.17	0.03	121.77	-1.30	122.86	119.79
USD/TRY	5.9918	↓	6.0146	-0.38	5.9829	0.15	5.9511	0.68	6.0466	5.8382
EUR/TRY	6.5675	→	6.5875	-0.30	6.6344	-1.02	6.6704	-1.57	6.6967	6.5050
USD/ZAR	15.0455	↑	15.0636	-0.12	15.0282	0.11	14.0000	6.95	15.1184	13.9354
EUR/SEK	10.5800	↓	10.5750	0.05	10.6739	-0.89	10.5008	0.75	10.6911	10.4520
EUR/NOK	10.1278	→	10.1784	-0.50	10.2066	-0.78	9.8426	2.82	10.2746	9.8167
EUR/DKK	7.4722	↑	7.4718	0.01	7.4728	-0.01	7.4709	0.02	7.4751	7.4702
GOLD	1'573.74	↓	1'570.44	0.21	1'589.16	-0.98	1'517.27	3.59	1611.42	1517.25
SILVER	17.79	→	17.70	0.50	18.04	-1.42	17.85	-0.35	18.86	17.35

Comments

EURUSD

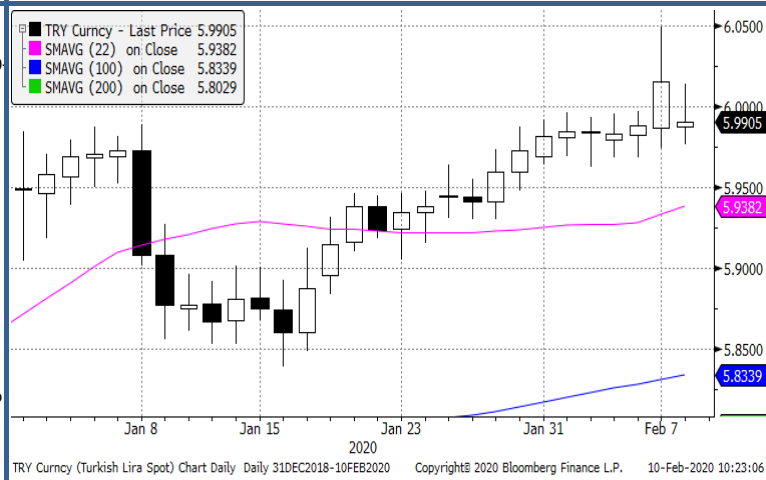
The spreading of the coronavirus will continue to be a key focus this week and if the number of cases outside Hubei continues to slow and the death rate remains low, we think the markets will increasingly focus on other things. It is difficult to come up with any convincing reasons to be buying the Euro right now, so the base case is for a continued grind lower.

Later this week, US retail sales on Friday will be one of the week's most important releases. In this environment we will be looking to sell EUR on spikes within range, targeting fresh lows on the pair for the year. Initial targets of 1.0915 and then 1.0875





USDTRY

Turkish Lira traded in a very narrow range (between 5.9630-5.9850) last week till Friday afternoon session then we have witnessed that invisible hand pulled back and pair jumped to 6.0492 level before easing back to 6.0180's on the Friday's close. According to Bloomberg's news based on currency traders, state banks sold more than 4 billion USD only on last week. Yesterday, Turkey banking regulator (BDDK) announced that they cut the amount of FX swaps and derivatives deals that banks can carry out with foreign investors, a measure designed to stabilize the lira now at an eight-month low against the dollar. Turkish banks' swaps shouldn't exceed 10% of their equity, according to a new rule Sunday by the banking regulator. The limit has been 25% since August 2018. Implied yields on FX swaps are on the rise today, after BDDK's move, and currently O/N rates trading at around 75% that stabilized USDTRY rate below 6.00 handle. Major levels to watch for the pair are 5.9560, 5.9380 and 5.8955 on the downside and we may see carry hunters at around 6.0130, 6.0492 and 6.10 level on the topside.



Key Events & Data Releases

Date	Country	Event	Period	Survey	Prior
02/10/2020 10:00	SZ	 Total Sight Deposits CHF	Feb 7	--	588.7b
02/10/2020 10:00	IT	 Industrial Production MoM	Dec	--	0.10%
02/11/2020 10:30	SA	 South Africa Unemployment	4Q	29.10%	29.10%
02/11/2020 10:30	UK	 GDP QoQ	4Q	-0.10%	0.40%
02/11/2020 10:30	UK	 GDP YoY	4Q	0.80%	1.10%
02/11/2020 10:30	UK	 Industrial Production MoM	Dec	0.20%	-1.20%
02/11/2020 10:30	UK	 Manufacturing Production MoM	Dec	0.20%	-1.70%
02/11/2020 12:00	SA	 Manufacturing Prod SA MoM	Dec	-1.00%	-1.50%
02/12/2020 11:00	EC	 Industrial Production SA MoM	Dec	-0.30%	0.20%
02/12/2020 11:00	EC	 Industrial Production WDA YoY	Dec	-0.70%	-1.50%
02/13/2020 07:30	FR	 ILO Mainland Unemployment Rate	4Q	--	8.30%
02/13/2020 08:00	TU	 Industrial Production MoM	Dec	--	0.70%
02/13/2020 08:00	GE	 CPI MoM	Jan	-0.60%	-0.60%
02/13/2020 08:00	GE	 CPI YoY	Jan	1.70%	1.70%
02/13/2020 14:30	US	 CPI MoM	Jan	0.20%	0.20%
02/13/2020 14:30	US	 CPI YoY	Jan	2.40%	2.30%
02/13/2020 14:30	US	 Real Avg Weekly Earnings YoY	Jan	--	0.00%
02/13/2020 14:30	US	 Real Avg Hourly Earning YoY	Jan	--	0.60%
02/14/2020 08:00	GE	 GDP SA QoQ	4Q	0.10%	0.10%
02/14/2020 08:00	GE	 GDP WDA YoY	4Q	0.40%	0.50%
02/14/2020 09:00	SP	 CPI MoM	Jan	--	-1.00%
02/14/2020 09:00	SP	 CPI YoY	Jan	--	1.10%
02/14/2020 11:00	EC	 GDP SA QoQ	4Q	0.10%	0.10%
02/14/2020 11:00	EC	 GDP SA YoY	4Q	1.00%	1.00%
02/14/2020 12:30	TU	 Expected Inflation Next 12 Mth	Feb	--	9.54%
02/14/2020 14:30	US	 Retail Sales Advance MoM	Jan	0.30%	0.30%
02/14/2020 14:30	US	 Retail Sales Ex Auto MoM	Jan	0.40%	0.70%
02/14/2020 15:15	US	 Industrial Production MoM	Jan	-0.30%	-0.30%
02/14/2020 15:15	US	 Capacity Utilization	Jan	76.80%	77.00%
02/14/2020 15:15	US	 Manufacturing (SIC) Production	Jan	0.00%	0.20%
02/14/2020 16:00	US	 U. of Mich. Sentiment	Feb	99	99.8

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