

CURRENCIES

# US dollar in holding pattern as markets await progress on Middle East peace talks

THE US dollar was steady on Monday (Jun 1) after a small weekly loss, as investors awaited developments in Middle East peace talks and US jobs data later this week that could shape the Federal Reserve's monetary policy path.

The dollar index, which measures the currency against six peers, edged lower last week on expectations that a deal between the US and Iran to reopen the Strait of Hormuz was close.

The closure of the key oil artery has lifted oil prices and worsened the inflation outlook, leading some to expect the Fed would raise rates this year.

But with little fresh insight into

the progress of peace talks and a flare-up of hostilities between the US and Iran over the weekend, currency markets are in wait-and-see mode.

"We're waiting to see some progress in one direction or another," said Tommy von Bromsen, FX strategist at Handelsbanken.

Should the Strait of Hormuz reopen to traffic and oil prices come down, the dollar would likely weaken in the near term and risk-sensitive currencies, such as the Swedish krona, would outperform, von Bromsen added.

The dollar had rallied at the onset of the conflict, buoyed by safe-haven demand and the US econo-



**Fed governor Jerome Powell, whose term as chair formally ended on May 15, warned in a speech on May 31 about the politicisation of monetary policy.**  
PHOTO: REUTERS

my's relatively limited exposure to energy-driven inflation. However, it has given back some of those gains due to uncertainty surrounding the conflict's trajectory.

The dollar index was little changed on the day at 99.05 after last week's drop of 0.4 per cent.

The euro was down 0.1 per cent at US\$1.1645, while sterling edged up 0.1 per cent to US\$1.3464.

Markets are betting the Fed's

next move will be to raise its key rate, compared with expectations for a cut before the start of the Iran war, given rising energy prices and the impact they will have on inflation, and a still-resilient jobs market.

The US labour market figures due on Jun 5 could help sway what the Fed will do in the near term. The data is expected to show a steady unemployment rate of 4.3 per cent and an increase of 85,000 jobs, indicated a Reuters poll of economists.

Fed governor Jerome Powell, whose term as chair formally ended on May 15, warned in a speech on Sunday about the politicisation of monetary policy. He has decided to continue as a Fed governor in part because of what he regards as ongoing threats to the Fed's independence.

The Fed's Beth Hammack, Lorie Logan and Mary Daly are among policymakers due to speak later in the week. REUTERS

FOREX RATES

INTERBANK CROSS RATES

	AS	CS	Rmb	Euro	HKS	Ind Rs	Rupiah	Yen	Won	MS	NZS	Pak Rs	Peso	SS	Rand	Sfr	NTS	Baht	Pound	US\$
Australia	-	0.988	4.845	0.615	5.608	68.233	127.913	1.140	10.799	2.840	1.201	199.297	44.094	0.915	11.643	0.561	22.485	23.335	0.533	0.716
Canada	1.012	-	4.903	0.623	5.676	69.053	129.451	1.154	10.929	2.874	1.216	201.691	44.623	0.926	11.783	0.568	22.756	23.615	0.540	0.724
China	0.206	0.204	-	0.127	1.158	14.083	26.402	0.235	2.229	0.586	0.248	41.135	9.101	0.189	2.403	0.116	4.641	4.816	0.110	0.148
Euro	1.626	1.606	7.876	-	9.116	110.914	207.926	1.853	17.554	4.616	1.953	323.961	71.675	1.487	18.926	0.912	36.551	37.932	0.867	1.164
Hong Kong	0.178	0.176	0.864	0.110	-	12.166	22.808	0.203	1.926	0.506	0.214	35.536	7.862	0.163	2.076	0.100	4.009	4.161	0.095	0.128
India	0.015	0.014	0.071	0.009	0.082	-	1.875	0.017	0.158	0.042	0.018	2.921	0.646	0.013	0.171	0.008	0.330	0.342	0.008	0.010
Indonesia	0.008	0.008	0.038	0.005	0.044	0.533	-	0.009	0.084	0.022	0.009	1.558	0.345	0.007	0.091	0.004	0.176	0.182	0.004	0.006
Japan	0.877	0.867	4.250	0.540	4.919	59.850	112.199	-	9.473	2.491	1.054	174.813	38.677	0.802	10.213	0.492	19.723	20.468	0.468	0.628
Korea	0.093	0.091	0.449	0.057	0.519	6.318	11.845	0.106	-	0.263	0.111	18.455	4.083	0.085	1.078	0.052	2.082	2.161	0.049	0.066
Malaysia	0.352	0.348	1.706	0.217	1.975	24.026	45.041	0.401	3.803	-	0.423	70.176	15.526	0.322	4.100	0.198	7.918	8.217	0.188	0.252
New Zealand	0.832	0.823	4.033	0.512	4.669	56.803	106.487	0.949	8.990	2.364	-	165.913	36.708	0.762	9.693	0.467	18.719	19.426	0.444	0.596
Pakistan	0.005	0.005	0.024	0.003	0.028	0.342	0.642	0.006	0.054	0.014	0.006	-	0.221	0.005	0.058	0.003	0.113	0.117	0.003	0.004
Philippines	0.023	0.022	0.110	0.014	0.127	1.547	2.901	0.026	0.245	0.064	0.027	4.520	-	0.021	0.264	0.013	0.510	0.529	0.012	0.016
Singapore	1.093	1.080	5.296	0.672	6.130	74.582	139.817	1.246	11.804	3.104	1.313	217.843	48.197	-	12.727	0.613	24.578	25.507	0.583	0.782
South Africa	0.086	0.085	0.416	0.053	0.482	5.860	10.986	0.098	0.928	0.244	0.103	17.117	3.787	0.079	-	0.048	1.931	2.004	0.046	0.061
Switzerland	1.782	1.761	8.633	1.096	9.994	121.586	227.934	2.032	19.244	5.061	2.140	355.134	78.572	1.630	20.747	-	40.068	41.582	0.950	1.276
Taiwan	0.044	0.044	0.215	0.027	0.249	3.035	5.689	0.051	0.480	0.126	0.053	8.863	1.961	0.041	0.518	0.025	-	1.038	0.024	0.032
Thailand	0.043	0.042	0.208	0.026	0.240	2.924	5.482	0.049	0.463	0.122	0.051	8.541	1.890	0.039	0.499	0.024	0.964	-	0.023	0.031
United Kingdom	1.875	1.853	9.085	1.154	10.517	127.948	239.860	2.138	20.251	5.325	2.252	373.716	82.683	1.716	21.833	1.052	42.164	43.757	-	1.342
United States	1.397	1.380	6.769	0.859	7.835	95.324	178.700	1.593	15.087	3.968	1.678	278.425	61.601	1.278	16.266	0.784	31.413	32.600	0.745	-

The figures are based on mid prices of currencies quoted by OCBC. For Rupiah, Yen and Won, the figures are in 100 units of the foreign currency indicated. Among the three currencies themselves, the exchange rate should read as it is.

US\$/S\$ FORWARD RATES

	1-month	2-months	3-months	6-months
1-month	1.2750	1.2757		
2-months	1.2723	1.2730		
3-months	1.2695	1.2702		
6-months	1.2613	1.2620		

Source: OCBC

EQUITY BONDS WARRANTS FUTURES

SGX DERIVATIVES TRADING

	OPEN	HIGH	LOW	SETT	VOL	OPINT
<b>SGX MSCI Singapore Index Futures</b>						
May26	-	-	-	-	0	0
Jun26	458.75	461.75	457.25	460.80	25487	197127
<b>SGX FTSE China A50 Index Futures</b>						
Jun26	15659.00	15905.00	15596.00	15763.00	537789	913871
Jul26	15548.00	15780.00	15489.00	15632.00	2689	155
<b>SGX FTSE China H50 Index Futures</b>						
May26	-	-	-	-	0	0
Jun26	15797.50	16052.50	15752.50	15937.50	2707	3369
<b>SGX FTSE Taiwan Index Futures</b>						
Jun26	3824.75	3951.00	3821.75	3940.00	50239	97287
Jul26	3799.00	3887.25	3799.00	3920.25	8	5
<b>SGX FTSE Indonesia Index Futures</b>						
Jun26	2264.000	2264.000	2239.000	2248.000	48	1706
Jul26	-	-	-	2256.000	0	290
<b>SGX FTSE Blossom Japan Index Futures</b>						
Jun26	-	-	-	333.8500	0	1143
Sep26	-	-	-	334.2000	0	377
<b>SGX Nikkei 225 Index Futures</b>						
Jun26	64610.00	66545.00	64355.00	66460.00	25058	55806
Sep26	64910.00	66655.00	64910.00	66560.00	156	1253
<b>SEA ADR Futures</b>						
May26	-	-	-	-	0	0
Jun26	-	-	-	-	0	0
<b>GRAB Futures</b>						
May26	-	-	-	-	0	0
Jun26	3.5600	3.5600	3.5600	-	7	0
<b>TSMC ADR Futures</b>						
May26	-	-	-	-	0	0
Jun26	-	-	-	-	0	0
<b>SGX Mini 10-Year Japanese Government Bond Futures</b>						
Jun26	128.730	129.330	128.690	128.920	2327	8881
Sep26	127.600	127.800	127.600	127.660	18	50
<b>SGX USD/CNH (Full-Sized) Futures</b>						
Jun26	6.7727	6.7742	6.7585	6.7603	183738	120148
Jul26	6.7595	6.7612	6.7456	6.7472	88995	13054
<b>SGX INR/USD Futures</b>						
Jun26	103.640	105.060	103.550	-	155514	237171
Jul26	103.200	104.650	103.140	-	12734	2159
<b>SGX KRW/USD (Mini) Futures</b>						
Jun26	.6662	.6700	.6622	-	28330	17041
Jul26	.6667	.6705	.6628	-	9101	3752
<b>SGX THB/USD Futures</b>						
Jun26	30.590	30.775	30.590	30.795	125	332
Jul26	30.770	30.830	30.750	30.825	10	0
<b>SGX USD/SGD (Full-Sized) Futures</b>						
Jun26	1.27530	1.27530	1.27530	-	1	137
Jul26	-	-	-	-	0	17
<b>SGX TSI Iron Ore CFR China (62% Fe Fines) Index Futures</b>						
May26	108.85	108.85	108.75	-	30787	394303
Jun26	105.35	105.85	104.80	-	93252	426689
<b>SGX Mysteel Shanghai Rebar (USD) Futures</b>						
May26	-	-	-	-	0	0
Jun26	-	-	-	-	0	0
<b>SGX SICOM TSR20 Rubber Futures</b>						
Jun26	223.0	229.8	223.0	229.0	121	153
Jul26	227.6	230.2	226.8	229.3	3002	12496
<b>SGX-NZX Global Whole Milk Powder Futures</b>						
Jun26	3750.0	3760.0	3750.0	3755.0	238	5791
Jul26	3650.0	3685.0	3510.0	3675.0	285	5427
<b>SGX-NZX Global Skim Milk Powder Futures</b>						
Jun26	3510.0	3510.0	3500.0	3500.0	305	8784
Jul26	3465.0	3470.0	3445.0	3455.0	604	7099

\* Denotes an Opening Range has been established  
S'pore Exchange Derivatives Clearing Ltd (Co Reg No 200005878M)

PALM OIL

KLCE Palm Futures (RM/MT)

Delivery Month	Opening	Sett Price	High	Low	Vol Done	Open Position
Jun 26	4500	4462.0	4510.0	4466.0	1566	8161
Jul 26	4517	4505.0	4538.0	4486.0	9274	46456
Aug 26	4547	4537.0	4570.0	4518.0	24953	94696
Sep 26	4571	4560.0	4595.0	4545.0	10719	52394

Source: Bursa Malaysia

BONDS, WARRANTS, PREFERENCE SHARES

Most active

Company	Last Sale	+/-	Vol (000)	Conv Ratio	Exer Price	Prem Disc %	May 29 Gearing	May 29 Wtd Avg
MDR W310520	0.8	unch	5224	0.0	5	22	-	60
SGX MB eCW260929	7.9	0.4	2550	-	-	-	-	-
DBS 5xShortSG261217	2.9	-0.2	2402	-	-	-	-	-
OCBC Bk MB eCW260930	6.8	0.4	2106	-	-	-	-	-
CitiDev MBeCW260930	3	0.4	1889	-	-	-	-	-
DBS MB ePW261229	8.4	-0.6	1595	-	-	-	-	-
NIO 5xLongSG271021	7.3	-1.8	1213	-	-	-	-	-
STEng MBeCW260								