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Highlights

- China's December new home prices declined at a slower pace compared with a month earlier, a private-sector survey showed on Saturday. New home prices in 100 cities fell 0.02% in December from a month earlier, narrowing from the 0.04% drop in November, according to data from China Index Academy, one of the country's largest independent real estate research firms.
- Singapore's economy expanded at its fastest annual pace in over a decade in 2021. The city-state's economy grew 7.2% in 2021, preliminary data showed on Monday, broadly in line with the government's official projection and rebounding from the record 5.4% contraction in 2020.

Forex

The dollar index dipped on Friday in quiet holiday trading, but was set to end 2021 with a gain of nearly 7% as investors bet the U.S. Federal Reserve will raise rates earlier than most other major economies amid surging inflation driven by COVID-19 stimulus initiatives. The dollar index, which measures the greenback against six major rivals, was down 0.289% at 95.729. On Friday, the euro was up 0.33% at \$1.1362. Sterling was up 0.21% at \$1.3527. The yen was down 0.03% at 115.075 per dollar.

Starting on Jan. 1, the China Foreign Exchange Trade System (CFETS) will increase the U.S. dollar's weighting in the CFETS currency basket to 19.88% from 18.79% and raise the euro's weighting to 18.45% from 18.15%, according to an online statement. Raising the dollar and euro's weightings is unlikely to create much volatility in yuan trade although it may affect the setting of the yuan's official daily midpoint fixing, from which the spot price is allowed to move 2% higher or lower.

Gold

Gold prices held steady on Monday as higher U.S. Treasury yields offset safe-haven buying sentiment due to an Omicron-driven surge in COVID-19 infections globally. Spot gold XAU= remained mostly unchanged at \$1,830.09 per ounce by 0058 GMT, after hitting a more than one-month high of \$1,831.49 during the session. U.S. gold futures GCv1 were up 0.1% to \$1,830.30. Gold discounts in India widened to the highest level in five months in the last week of 2021 as consumers in major Asian countries held back purchases into the year-end holidays amid new virus-related restrictions.

Copper

The London Metal Exchange closed today for the New Year's holiday. Copper production in Chile, the world's largest producer of the metal, fell 1.6% year-on-year in November, while manufacturing output rose and unemployment dropped, government figures released on Friday said. The National Institute of Statistics (INE) reported that in November the

Currency	Rate	24H Chg		
EUR/USD	1.1349	-0.18%		
USD/CNY	6.3629	-0.16%		
USD/RUB	74.6788	0.03%		
USD/JPY	115.25	0.15%		
USD/KRW	1190.7	0.15%		
AUD/USD	0.7252	0.07%		
GBP/USD	1.3511	0.00%		
Index	Unit	24H Chg		
Dow Jones	36338.3	-0.16%		
S&P 500	4766.2	-0.26%		
NASDAQ	15645.0	-0.61%		
FTSE 100	7384.5	-0.25%		
Nikkei 225	28791.7	-0.40%		
DAX	15884.9	0.21%		
Hang Seng	23322.0	-0.32%		
Commodity	Price	24H Chg		
Gold	1827.41	-0.10%		
Silver	23.17	-0.60%		
Coal (Qinhuangdao Port)	148.05	0.00%		
Copper 3M Future	9720.5	0.30%		
Iron Ore	674.00	0.00%		
Crude Oil	75.51	0.40%		
LIBOR	Yield	24H Chg		
US 1M LIBOR	0.10%	-0.62%		
US 3M LIBOR	0.21%	-2.45%		
US 6M LIBOR	0.34%	-1.85%		
US 12M LIBOR	0.58%	-0.95%		
Government Bonds	Yield	24H Chg		
US Treasury 10Y	1.51%	0.12%		
UK Treasury 10Y	0.97%	-0.61%		
GE Treasury 10Y	-0.18%	0.00%		
JP Treasury 10Y	0.07%	0.00%		
Mongolian Bonds	Coupon	Mature Date	Yield	24H Chg
МИК 2022	9.75%	1/29/2022	10.39%	-0.02%
Chinggis	5.13%	12/5/2022	2.55%	0.01%
Gerege	5.63%	5/1/2023	3.23%	0.09%
DBM 2023	7.25%	10/23/2023	3.93%	-0.04%
Khuraldai	8.75%	3/9/2024	3.68%	0.11%
MMC	9.25%	4/15/2024	19.08%	-0.43%
МИК 2024	8.85%	8/2/2024	10.39%	-0.02%
Nomad	5.13%	4/7/2026	4.47%	0.07%
Mongol 27	3.50%	7/7/2027	4.63%	0.14%
Mongol 31	4.45%	7/7/2031	5.14%	0.09%
Samurai JPY	1.52%	12/25/2023	0.03%	-0.01%

Stock	Price	24H Chg
Turquoise Hill Resources	16.45	0.80%
Mongolian Mining Corp	1.8	5.26%
Erdene Resource Dev	0.425	-2.30%
Centerra Gold	9.75	0.00%

Macro economic indicator	Date	Actual
Inflation rate	2021 (XI)	10.5%
Policy rate	2021 (XII)	6.0%
Interbank rate	2021 (XI)	6.08%
Interest rate on deposit (dom.currency)	2021 (XI)	7.1%
Interest rate on deposit (for.currency)	2021 (XI)	2.1%
Interest rate on lending (dom.currency)	2021 (XI)	15.6%
Interest rate on lending (for.currency)	2021 (XI)	9.3%

Forecasts

Currency	Q1 22	Q2 22	Q3 22	Q4 22	2023
EUR/USD	1.12	1.13	1.15	1.15	1.17
GBP/USD	1.34	1.35	1.36	1.37	1.40
USD/CNH	6.39	6.35	6.40	6.44	6.40
USD/JPY	114	115	115	115	115
USD/RUB	73.0	72.0	73.07	73.0	73.5

Commodity

Gold	1775	1750	1700	1680	1650
Copper	9500	9350	9400	9500	9550
Coal	138.13	109.38	93.13	79.38	62.50

Economic Calendar

Source: Bloomberg

Last working day	Actual	Survey	Prior
CN NBS Manufacturing PMI	50.3	-	50.1

Expected today	Time	Survey	Prior
IT Markit/HIS Mfg PMI	16:45	61.5	62.8
FR Markit Mfg PMI	16:50	54.9	54.9
GE Markit/BME Mfg PMI	16:55	57.9	57.9
KR HIS Markit Mfg PMI	8:30	-	50.9
US Markit Mfg PMI Final	22:45	-	57.8

Expected tomorrow	Time	Survey	Prior
GE Unemployment Rate SA	16:55	5.30%	5.30%
GE Unemployment Chg SA	16:55	-15k	-34k
CN Caixin Mfg PMI Final	9:45	50	49.9
JP Jibun Bank Mfg PMI	8:30	-	54.2
US ISM Manufacturing PMI	23:00	60.2	61.1

country produced 485,716 tonnes of copper. In 2021 through November, Chile's copper production fell 2% to 5.18 million tonnes.

Crude Oil

Oil prices rose on Monday as the market kicked off 2022 on a positive note. Brent crude LCOc1 added 67 cents, or 0.86%, to \$78.45 a barrel. A survey of 35 economists and analysts forecast Brent crude would average \$73.57 a barrel in 2022, about 2% lower than \$75.33 consensus in November. It is the first reduction in the 2022 price forecast since the August poll.

Fixed Income

Treasury futures edge lower from the Asian open amid an expected quiet Monday with Australia, New Zealand and Japan markets closed for holidays. No Treasury supply is scheduled for this week. Treasury 10-year futures fall 5/32 to 130 11/32. Benchmark 10-year yield ended last week at 1.51%, having risen 60bps last year.

Stock Market

U.S. equity futures rose, while Asian stocks were mixed in thin trading as investors mulled the impact of the omicron variant on the global economic recovery. Shares of China Evergrande Group were suspended in Hong Kong. S&P 500 and Nasdaq 100 contracts advanced at the start of the new year, with major markets including Australia, Japan and China all shut for holidays.

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