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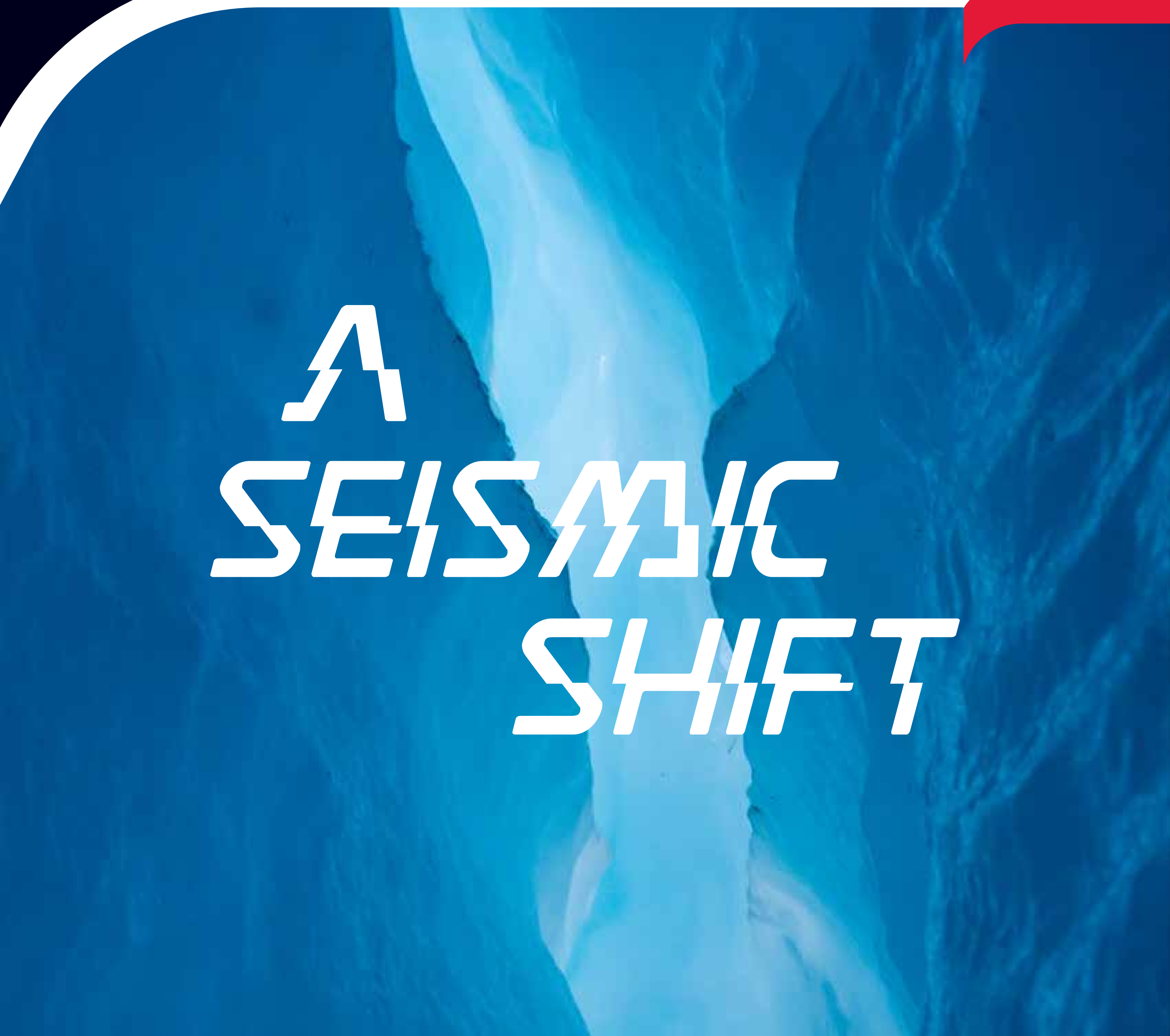
FOREIGN EXCHANGE

OUTLOOK FOR THIRD QUARTER 2021



A SEISMIC SHIFT

FOREIGN**EXCHANGE**

All statistical data sourced from Bloomberg, July 2021 unless otherwise noted.

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Major Market Global Overview

This year has so far seen the narrative shift every quarter. Q1 brought the unexpected Blue Wave and accelerated vaccinations in the U.S., which fueled the reflation trade and boosted the dollar. Q2 saw other countries catch up with the U.S. in terms of vaccinations and reopening, particularly in Europe. This backdrop saw the dollar give up most of its gains for the year. Q3 so far has seen another shift in the narrative. The spread of the delta variant worldwide has exposed those countries whose vaccination efforts have lagged, forcing many to reimpose movement restrictions of varying degrees.
The U.S. economy, helped by the vaccination roll-out, has reasserted its strength after some months of soft and uneven data, which has led the Federal Reserve (Fed) to tiptoe down the path towards tapering and eventual rate hikes.

It should come as no surprise that the best performing currencies year-to-date are those that have the most hawkish central banks. The best performers CAD and GBP are up against the dollar year-to-date (YTD), followed by NZD and NOK. These economies also entered the pandemic in good shape, putting them in a good position for the recovery. On the other hand, the worst performers YTD are JPY, SEK, EUR, and CHF. These countries were all fighting deflationary pressures before the pandemic and face a tougher road to recovery. AUD had been one of the top performers but is now underperforming after the RBA's dovish pivot (see below).

In this quarterly, we update our central bank roadmap to give investors some insights into what we see happening in the global economy in H2. The situation is quite fluid, of course, as evidenced by some dovish pivots by the Bank of England (BOE) and the Reserve Bank of Australia (RBA). Others may follow their lead if the delta variant impacts the economic outlook significantly. In that regard, however, we believe the U.S. is well-positioned to ride this out.

The central bank divergence story will remain in play for H2 and that continues to favor the dollar. The European Central Bank (ECB) and the Bank of Japan (BOJ) both delivered dovish holds this month, with updated forecasts that imply no hikes until 2024 at the earliest. Contrast this with the Fed. By mentioning tapering in the official statement for the July FOMC meeting, the Fed moved even closer towards an explicit tapering statement at the late August Jackson Hole Symposium.

Another divergence story that is likely to remain in play is Developed Markets (DM) vs. Emerging Markets (EM). This will be driven in large part by the pandemic response, which is clearly lagging in EM. This will manifest itself in diverging growth and equity market performances. The divergence between MSCI DM and MSCI EM is also noteworthy. The former is trading at the year's highs, while the latter is trading at the year's lows. Most of that is tied to China (see EM section below), of course, but it's more than just that. China and Hong Kong markets are down YTD, but so are Malaysia and the Philippines. Others are barely in the green, including Indonesia.

AMERICAS

U.S. 10-year real yields fell to a record low of -1.13% before recovering to -1.10%, the previous record low from September 2020. With 10-year breakeven inflation rates largely steady around 2.34%, the drop in real yields has come largely from the drop in nominal yields to 1.24% currently, up from a low of 1.22% earlier today. Bond markets are getting increasingly concerned about the potential impact of the delta variant, it seems, and are looking through the current inflation picture.

The Fed delivered a hawkish hold at the July 27-28 FOMC meeting, as we expected. All policy settings were unchanged but tapering was mentioned in the official statement for the first time, with the Fed noting that there has been progress made towards the goals laid out to justify tapering. This was a very hawkish surprise and we believe it moves the timeline for actual tapering up a bit. We now think it's likely that an explicit tapering statement is made at the August 26-28 Jackson Hole Symposium followed by actual tapering seen by year-end. Of course, it will depend in large part on the data but we remain confident the US economy will remain strong.

On the other hand, Chair Powell stressed that the Fed is clearly "a ways away" from hiking rates. He noted that most inflation being seen is related to reopening the economy and that it will likely fall over the medium-term. The Fed continues to portray the current spike in inflation as transitory but stressed that it will use the tools at its disposal to limit price pressures if it is wrong. Powell was also upbeat about the labor market, predicting that it shouldn't take long to see maximum employment. He noted that the U.S. is "clearly on a path to a very strong labor market."[1] Taking this a step further than Powell, we note that this would imply higher wages are on the way and this in turn would turn inflation from transitory to something stickier.

Much will depend on the data but if we had to weight the risks, it would be that tapering and rate hikes both happen sooner rather than what the market expects. This is because we remain very optimistic about the U.S. economic outlook and see heightened inflation risks ahead. Current consensus sees tapering in early 2022 and rate hikes in early 2023, but we believe that the timing for both have been moved up into late 2021 and late 2022, respectively. Contrast this to the BOJ and ECB, which over the past two weeks have signaled that rate hikes are unlikely until 2024 at the earliest. This ongoing central bank divergence is central to our strong dollar call for H2.

Market expectations for Fed tightening continue to take shape. The latest Bloomberg poll of 51 economists from July shows most respondents expect tapering in early 2022 and will be weighted more towards mortgage-backed securities (MBS). Three quarters expect an early tapering signal either at the August 26-28 Jackson Hole Symposium or the September 21-22 FOMC meeting. Half see a formal announcement at the December FOMC meeting, while nearly three quarters see actual tapering starting in Q1 2022. Most expect tapering to last 10-12 months, which would see QE end in early 2023. After that, most respondents see two 25 bp hikes in 2023, followed by three more in 2024 that would take the ceiling for the Fed Funds rate up to 1.5% from 0.25% currently.

The Bank of Canada (BOC) continues to normalize policy. The BOC delivered another round of tapering July 14 and reaffirmed that the first rate hike is likely to be in H2 2022. It also revised up its growth and inflation forecasts. Inflation is now seen at 3.0% (2.3% previously) in 2021, 2.4% (1.9%) in 2022, and 2.2% (2.3%) in 2023. These forecasts show that the rise in inflation is seen as temporary. The next policy meeting is September 8 and no change is expected then. The next round of tapering is likely to come at the October 27 meeting, when the bank releases new macro forecasts. The most recent forward guidance suggests slack will be gone by H2 2022, around which time the bank would likely start hiking rates.

EUROPE/MIDDLE EAST/AFRICA

The ECB delivered a dovish hold on July 22. All rates and QE programs were kept unchanged. However, the forward guidance was modified to reflect the recently completed strategy review. The ECB said it is committed to running persistently accommodative policy. It stressed that it won't increase interest rates until it sees inflation near its 2% target and it appears likely to remain there. The ECB added that this "may also imply a transitory period in which inflation is moderately above target."[2] Of note, the June macro forecasts sees

[1] Source: Q&A following Powell's speech, https://www.federalreserve.gov/monetarypolicy/fomcpresconf20210728.html
[2] Source: https://www.ecb.europa.eu/press/pressconf/2021/html/ecb.is210722~13e7f5e795.en.html

inflation at 1.5% in 2022 and 1.4% in 2023, which is the end of its current forecast horizon. That means given the new criteria, a hike is very unlikely before 2024 and perhaps even 2025. New forecasts will be unveiled at the September 9 meeting. 2024 will be added to the forecast horizon with forecasts at the December 16 meeting and will be another element of the new forward guidance. The ECB also said that its pandemic emergency purchase program (PEPP) can be recalibrated if required. All in all, the ECB delivered what was largely expected but we think the market is a bit disappointed that stronger measures weren't announced. That may come at the September 9 meeting, when new macro forecasts will be released. We know the bank is also contemplating changes to its QE that will likely allow it to persist beyond the planned March 2022 end for PEPP, which could come as early as August but will likely be later in the year.

Bank of England delivered a dovish hold June 24. While no one was expecting any policy changes after it announced the start of tapering at the previous meeting May 6, the dovish tone took many by surprise. The bank warned against "premature tightening" due to its view that the spike in inflation is temporary, noting that "Financial market measures of inflation expectations suggest that the near-term strength in inflation is expected to be transitory."[3] The bank reiterated that it does not intend to hike rates until inflation has risen above the 2% target for a sustained period. In May, the bank forecast inflation at 2.5% (2.0% previously) in 2021, 2.0% (2.25%) in 2022, and 2.0% (2.0%) in 2023. This fits with the BOE narrative that the current spike in inflation is transitory. New forecasts will be released at the next meeting August 5 and are likely to tell a similar story. Despite the dovish hold, the short sterling futures strip still suggests some odds of the first hike in Q4 2021, rising significantly in Q1 and fully priced in by Q2 2022.

Swiss National Bank kept rates steady at -0.75% at its quarterly policy meeting June 17. It maintained its softer guidance from its last meeting on March 25, still characterizing the franc as "highly valued" and pledging to continue FX interventions "as necessary." Inflation forecasts were tweaked modestly higher, but the policy rate is likely to remain at -0.75% for the foreseeable future as SNB President Jordan noted that "Short-term inflation expectations have risen globally. … However, these effects should have abated in a few quarters' time."[4] The next policy meeting is September 23 and no change is expected then. However, if EUR/CHF continues to fall, we would expect more pushback against the strong franc.

Norge Bank delivered a hawkish hold June 17. The bank kept rates steady at 0%, as expected, but said that it would "most likely" hike rates in September.[5] The previous rate path suggested hikes would start in Q4. Governor Olsen later suggested that the bank could hike rates 25 bp per quarter, which is much more hawkish than its previous guidance. Next policy meetings are August 19 and September 23. No change is expected at the former, but a hike is very possible at the latter.

Sweden's Riksbank delivered a dovish hold July 1. The bank noted progress but warned that "the pandemic is not over, and there are new variants of the virus that are creating uncertainty with the risk of setbacks."[6] It kept rates steady at 0.0% and maintained its QE program at SEK700 bln, adding that its QE program will be fully utilized by the end of 2021 and that its size will be maintained at least until end- 2022. The flat rate path was extended another quarter to Q3 2024. Of note, the bank addressed the ongoing political uncertainty by noting that "Although the conditions for forming a government are currently uncertain, this is not expected to have a significant impact on economic developments in the short term."[7] Next policy meeting is September 21 and no change is expected then.

U.K.

Concerns about the U.K. vaccination program are growing. Officials have admitted that the pace of vaccinations will slow in April due to supply, even as questions about the AstraZeneca vaccine mount. The U.K. vaccination program has been heavily reliant on the AstraZeneca vaccine, which has been dogged by questions about possible side effects. An extended slowdown in vaccinations may derail the government's plan to reopen the economy fully by late June and to have all adults vaccinated by the end of July. In a possible offset, the U.K. has begun using the Moderna vaccine after ordering 17 million doses (enough for 8.5 million people). Sterling had been outperforming as the vaccine rollout was amongst the best worldwide, but the AstraZeneca news has led to some underperformance. That has also been made worse by rising political risks.

ASIA

The BOJ delivered a dovish hold July 16. The BOJ released updated forecasts and the bank sees targeted core inflation at 0.6% (0.1% previously) for FY2021, 0.9% (0.8% previously) for FY2022, and steady at 1.0% for FY23. The bottom line is that even with these forecast tweaks, inflation is likely to remain below the 2% target through FY23. As such, the BOJ continues to signal that it intends to keep policy accommodative until FY24 at least. GDP growth is forecast at 3.8% (4.0% previously) for FY2021, 2.7% (2.4% previously) for FY2022, and steady at 1.3% for FY23. With another fiscal package expected over the summer, the BOJ is likely to remain on hold for the foreseeable future.

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[3] Source: https://www.ecb.europa.eu/press/pressconf/2021/html/ecb.is210722~13e7f5e795.en.html
[4] Source: https://www.snb.ch/en/mmr/speeches/id/ref_20210617_tjn/source/ref_20210617_tjn.en.pdf
[5] Source: https://www.norges-bank.no/en/topics/Monetary-policy/Monetary-policy-meetings/2021/june-2021/
[6] Source: https://www.riksbank.se/globalassets/media/nyheter--pressmeddelanden/pressmeddelanden/2021/press-release-1-july-2021-zero-interest-rate-and-asset-purchases-for-inflation-to-be-more-permanently-close-to-2-per-cent.pdf
[7] Source: https://www.riksbank.se/globalassets/media/rapporter/ppr/engelska/2021/210701/monetary-policy-report-july-2021.pdf

Reserve Bank of Australia (RBA) delivered a hawkish hold July 6. Contrary to our expectations, the bank did not extend its three-year yield curve control (YCC) policy beyond April 2024 and instead announced it would taper its weekly AUD5 bln purchases to AUD4 bln in September followed by a mid-November review of its policies. Governor Lowe stressed that the bank will continue buying bonds until "there is further material progress" toward its goals for full employment and inflation. He repeated existing forward guidance that inflation is unlikely to return sustainably to the central bank's 2-3% target for some time, and that "we do not expect the cash rate to be increased until 2024 at the earliest."[8]

RBA minutes were somewhat dovish, however. Minutes show that "Given the high degree of uncertainty about the economic outlook, members agreed that there should be flexibility to increase or reduce weekly bond purchases in the future." Any decisions will be made "as warranted by the state of the economy at the time, rather than a commitment to a specific rate of purchases over an extended period."[9]

Australian banks are getting much more negative on Q3, enough to warrant call for a dovish shift in the RBA. With lockdowns and lockdown protests roiling the economy, two major banks now look for a contraction in Q3. As a result, both look for a reversal in its tapering, with one looking for a return to weekly purchases of AUD5 bln and the other looking for an increase to AUD6 billion. Many fear that the weekend protests will turn into a super-spreader event, necessitating longer and deeper lockdowns. Next policy meeting is August 3 but that is likely too soon for such a dovish pivot.

Reserve Bank of New Zealand (RBNZ) announced July 14 that QE would end that month. Rates were kept steady at 0.25% then, with the bank saying it sees the need for ongoing monetary support. At the same time, the RBNZ said that more persistent inflation pressures are expected to build and that the recent rise in house prices is unsustainable. Given the balance of risks, the RBNZ said its "least regrets" policy is to withdraw stimulus sooner rather than later.[10] Market pricing for the first hike has shifted from being 80% priced in at the Nov 24 meeting to now being 80% priced in for the Oct 6 meeting. There's also a material chance the first hike comes August 18. At the last meeting May 26, the bank resumed its practice of publishing its cash rate forecasts after a pause of more than a year. The expected rate path saw the average official cash rate (OCR) rising to 0.67% by end-2022, implying 1-2 hikes, and then to 1.78% by mid-2024, the end of the forecast period. New forecasts and projections will be released at the next meeting August 18 and the expected rate path will clearly be moved forward significantly.

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[8] Source: https://www.rba.gov.au/speeches/2021/pdf/sp-gov-2021-07-06.pdf
[9] Source: https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-07-06.html
[10] Source: https://www.rbnz.govt.nz/news/2021/07/monetary-stimulus-reduced

Emerging Markets

Emerging Markets will face a challenging H2. As the delta variant rages across the global, most EM countries find themselves lagging in terms of vaccination programs. While we remain hopeful that they will play catch-up in the coming months, Q3 is starting off with many countries reinstating mobility restrictions of varying degrees that will impact growth. EM is also struggling to the end of peak liquidity, peak stimulus, and peak growth for the world. Some countries will be better positioned than others in dealing with this new landscape and so we continue to see intra-EM divergences continuing in Q3.

Latin America has once again managed to snatch defeat from the jaws of victory, thanks to local politics. Q2 brought a favorable mix of external and domestic market factors. Externally, we saw higher commodity prices, global equities trending higher, G10 yields trending lower, and an improving virus outlook. Domestically, many of the central banks in the region were entering (or about to enter) their monetary tightening cycle, with few other central banks globally doing so. But reflation and carry combined weren't enough to offset the primary driving variable for the region: politics. Except for Mexico, every other major country in the region is facing major political headwinds.

That said, Mexico is facing other types of risks. Viral outbreaks in Cancun and Los Cabos are driving a third wave of infections that will likely have significant impact on H2 growth. Indeed, Mexico City recently announced that due to rising numbers, it will drop back down to "orange status" that reduces the permitted activities for its populace. With fiscal policy remaining tight, the burden will fall on monetary policy to provide stimulus. This suggests Banco de Mexico may keep rates on hold for now after it started a tightening cycle June 24 with a surprise 25 basis point (bp) hike to 4.25%.

Peru's elected leftist president, Pedro Castillo, had his victory finally confirmed after weeks of dispute. Castillo, and his main economic advisor Pedro Francke, have softened the anti-market rhetoric, but only time will tell. The new government will face a bitterly divided country, low support in the congress, and a radical wing of the party pushing for reforms. There have been abundant anecdotal reports of locals taking money out of the country, confirmed by the depreciating sol, and diminishing central bank reserves. The currency is holding up comparatively well in recent weeks, largely due to the poor performance of its regional peers. Still, it's difficult to envision a very constructive narrative in the near term, so we prefer to stay underweight.

Brazil had its moment in the sun, but the positive sentiment is rapidly evaporating. Optimism that drove the real from R$5.80 to sub-R$5.0 was rooted in the improved growth outlook, hawkish central bank, and what seemed to be a calmer period in domestic politics. This was in large part due to the presence of Artur Lira as leader of the lower house, who proved effective in pushing through legislation — and in raising investors' hopes for more extensive reforms. But alas, it didn't last. Though Lira is still a positive variable, the narrative has turned decidedly negative against President Bolsonaro amid increasing evidence of mismanagement of funds during the pandemic. On top of this, former leftist president Lula now looks very likely to run for a second go at the Presidency. Further rate hikes are expected in H2 but it remains to be seen whether it will be enough to support the real.

Chile and Colombia are caught in their complex political imbroglios. The results of the Chilean primary presidential elections brought some tentative good news for markets. On the left, the Communist Party candidate Daniel Jadue lost to the more moderate Gabriel Boric. Boric came to the scene during the mass student protests in 2011 and then won an election to the lower house. On the right, former minister Sebastian Sichel scored a surprise victory. Yet we doubt investors will gain enough conviction to re-establish any sizable positions until the political fog of the constitutional reform has cleared up further. Colombia saw another rating downgrade (Fitch) from IG to HY, as expected. The mass protest earlier in the year mean little room for budget improvement, despite the government's best efforts. The latest step was proposing a tax reform bill worth about $4 billion, a far less ambitious goal than the original proposal in April. Yet it was enough to reinvigorate protests which restarted with the announcement. Of note, Chile has started the tightening cycle, while Colombia remains on hold with the view that the current inflation spike is temporary.

Away from Latin America, another important political thread to watch is the confrontation between Hungary and the E.U. Prime minister Orban proposed a referendum on the recently enacted anti-LGBTQ law, against which the E.U. has vigorously pushed back. This is on top of the ongoing concerns over misuse of transfer funds and judicial independence. All of which brings the E.U. one step closer to cutting off funds. It's a game of chicken, where Orban is trying to shore up his popularity ahead of next year's parliamentary elections, which looks to be very competitive. Markets are fading these developments and rightfully so, in our view. While concerning and potentially damaging, this is a slow-moving story and well understood by investors. Hungary's spread to Polish debt has been range-bound, suggesting little idiosyncratic risk being priced in.

Monetary policy in the EMEA region is shifting. In June, Czech Republic and Hungary became the first to tighten policy in Europe. While the tightening cycles are likely to be gradual, the shift towards tighter policy is noteworthy. Poland is the outlier in the region, as the central bank continues to see the inflation spike as temporary. Policymakers there want to maintain a weaker zloty and introduced FX interventions as a tool to achieve that. Elsewhere, Russia continues to tighten policy aggressively and has flagged further hikes in H2. The South African Reserve Bank has tipped a likely rate hike in Q4, followed by quarterly hikes in 2022 that would take the policy rate to 4.75% from 3.5% currently. Turkey is an unusual case, as President Erdogan continues to clamor for rate cuts even though inflation continues to rise.

In Asia, our primary focus is on the latest virus wave as the headlines continue to worsen, and low vaccine levels mean a high risk that asset prices will underperform. At the time of writing, several countries face record infection rates, and many are extending or toughening lockdown measures. The outlook for the reason is very different from that for developed Western nations. With vaccination levels very high, the market impact for countries such as the U.S. and the U.K. of this coming wave is probably more due to policy reaction differences rather than extremely divergent medical outlooks — this assumes that vaccines continue to provide adequate protection against hospitalizations.

China, as always, is a special case. Geopolitical tensions have gone up another notch after several Western countries formally accused Beijing of being behind the Microsoft Exchange hack. This is an impressive act of international coordination, even if toothless for the time being, since it involved the U.K., E.U., Australia, Canada, New Zealand, Japan, and NATO. Of course, China denied any involvement. There is nothing we can add to this debate aside from reaffirming the ever-widening rift between China and Western countries, which we see no chance of narrowing for the foreseeable future. On the economic front, recent data have been mixed but still well supportive of the recovery. This should ease concerns that China's latest easing move (the 50 bp RRR cut) was meant to preempt a much-deeper-than-expected economic slowdown. Indeed, a People's Bank of China (PBOC) official said overnight that the cut should be seen as a "standard liquidity operation," and at this point, we take it at face value.

China has been caught in a whirlwind of headlines that have added to negative sentiment in local equity markets. The crackdown on mainland tech companies continues, but the net has widened. Recently, policymakers announced penalties for ride-hailing giant Didi. Now, the government is planning an overhaul of the private education system, which officials said has been "hijacked by capital." They will likely shift to a not-for-profit system. We see these two sources of concern continuing, which are validations of a more interventionist state and an extension of the tech sector crackdown.

We knew policymakers were going to rebalance and regulate but we think the capricious and far-reaching nature of the regulatory changes so far is more than any of us expected. For Chinese firms and foreign investors in Chinese firms, recent developments are chilling. There have simply been too many rule changes coming out of the blue, with no clear end in sight. Some are being made for political reasons (Ant crackdown) and others for ideological reasons (for-profit education services). Either way, we think the bloom is off for investing in China and this has negative implications for CNY, CNH, and HKD.

Virtually every central bank in emerging Asia remains in the dovish camp. While the PBOC move stands out, the rest of the region's banks are on hold for the time being as the current wave of infections adds to the headwinds. Bank of Korea is the notable exception, as Governor Lee has signaled that the bank will likely remove accommodation in the coming months. The worsening virus numbers and the partial lockdown of Seoul probably won't discourage officials from their intention to hike this year, but it could push back the timeline. The board will reportedly discuss a hike starting in the next meeting August 26, but we think it's too soon for a move. Even with the supportive fiscal backdrop, we doubt officials would risk a policy mistake by hiking rates until the infection curve improves.

Currency Forecasts*

Major Markets

In US Dollar Terms	Current	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Euro	1.19	1.17	1.15	1.14	1.16
Yen	109	112	114	113	112
Sterling	1.40	1.38	1.37	1.37	1.38
Canadian $	1.24	1.27	1.29	1.27	1.26
Australian $	0.74	0.72	0.70	0.72	0.73
New Zealand $	0.70	0.68	0.66	0.68	0.69
Swedish Krona	8.50	8.72	8.96	9.04	8.79
Norwegian Krone	8.73	8.97	9.22	9.30	8.97
Swiss	0.91	0.91	0.93	0.95	0.95

In Euro Terms	Current	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Yen	130	131	131	129	130
Sterling	0.85	0.85	0.84	0.83	0.84
Swiss Franc	1.08	1.07	1.07	1.08	1.09
Swedish Krona	10.10	10.20	10.30	10.30	10.20
Norwegian Krone	10.38	10.50	10.60	10.60	10.40

Emerging Markets

In US Dollar Terms	Current	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Chinese Yuan	6.46	6.60	6.65	6.70	6.65
Hong Kong $	7.77	7.77	7.78	7.78	7.77
Indian Rupee	74.28	76.00	78.00	78.00	76.00
Korean Won	1146	1165	1185	1185	1160
Indonesian Rupiah	14483	14750	15000	15000	14750
Malaysian Ringgit	1.35	1.37	1.40	1.40	1.38
Philippine Peso	27.91	28.50	29.00	29.00	28.50
Singapore Dollar	32.86	33.00	35.00	35.00	34.00
New Taiwan $	5.06	5.00	5.10	5.25	5.35
Thai Baht	19.87	19.50	20.00	20.25	20.50
Brazilian Real	21.44	22.22	23.04	23.25	22.41
Mexican Peso	301	308	317	316	310
Czech Koruna	3.84	3.97	4.09	4.12	4.01
Hungarian Forint	73.08	74.00	76.00	76.00	75.00
Polish Zloty	14.54	15.00	15.50	15.50	15.00
Russian Ruble	8.46	8.55	8.65	8.75	8.80
South African Rand	14.41	14.50	14.25	14.20	14.00
Turkish Lira	8.09	8.25	8.40	8.55	8.70
Israeli Shekel	3.28	3.30	3.30	3.25	3.20

In Euro Terms	Current	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Czech Koruna	25.48	26.00	26.50	26.50	26.00
Hungarian Forint	358	360	365	360	360
Polish Zloty	4.57	4.65	4.70	4.70	4.65

*There is no assurance that future forecasts will be attained.

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