

FX & RATES STRATEGY OVERVIEW

FOREIGN EXCHANGE AND POLICY FORECASTS (end of period)

		CURRENT (AS OF 30 APRIL)	SEP-10	DEC-10	MAR-11	JUN-11	IMPLIED 12M % CHANGE	
							ANZ	FORWARDS
AXJ	ANZ's USD-AXJ Index	109.3	112.8	116.3	120.9	117.4	7.4%	4.7%
China	USD-CNY	6.781	6.73	6.62	6.52	6.42	-5.3%	-1.6%
	PBoC base lending rate	5.31	5.58	6.12	6.12	6.39	108	n/a
Hong Kong	USD-HKD	7.786	7.775	7.750	7.750	7.750	-0.5%	-0.3%
	HKMA discount rate	0.50	0.50	0.50	0.50	0.50	0	n/a
India	USD-INR	46.44	48.0	49.0	50.4	48.0	3.4%	3.8%
	RBI repo rate	5.25	5.75	6.25	6.50	6.50	125	n/a
Indonesia	USD-IDR	9,061	9,300	9,500	9,900	9,700	7.1%	5.6%
	BI overnight rate	6.50	6.50	6.75	7.00	7.25	75	n/a
Malaysia	USD-MYR	3.226	3.32	3.40	3.45	3.35	3.8%	2.3%
	BNM overnight rate	2.50	2.50	2.75	3.00	3.00	50	n/a
Philippines	USD-PHP	46.30	47.3	48.8	49.5	48.0	3.7%	3.7%
	BSP reverse repo rate	4.00	4.25	4.50	4.75	5.00	100	n/a
Singapore	USD-SGD	1.395	1.43	1.47	1.50	1.45	4.1%	0.3%
	3M SGD SIBOR	0.55	0.55	0.55	0.55	0.55	0	n/a
S Korea	USD-KRW	1,211	1,270	1,345	1,390	1,320	9.0%	2.4%
	BoK overnight call rate	2.00	2.50	2.75	3.00	3.50	150	n/a
Taiwan	USD-TWD	32.11	32.5	33.3	33.7	32.7	1.8%	-2.2%
	CBC discount rate	1.38	1.50	1.63	1.88	2.00	63	n/a
Thailand	USD-THB	32.40	32.9	33.9	34.3	33.5	3.4%	0.5%
	BoT repo rate	1.25	1.25	1.50	1.75	2.00	75	n/a
Vietnam	USD-VND	19,065	19,000	19,000	19,000	20,000	4.9%	11.5%
	SBV base lending rate	8.00	8.00	8.00	8.00	8.00	0	n/a

FOREIGN EXCHANGE CROSS RATE FORECASTS (end of period)

	CURRENT SPOT (AS OF 30 JUN)	SEP-10	DEC-10	MAR-11	JUN-11	12M FWD OR NDF	IMPLIED 12M % CHANGE	
							ANZ FORECAST	FORWARD PRICING
CNY – HKD	1.148	1.155	1.171	1.189	1.207	1.164	5%	1%
CNY – TWD	4.735	4.829	5.030	5.169	5.093	4.707	8%	-1%
HKD – KRW	155.6	163.3	173.5	179.4	170.3	159.7	9%	3%
HKD – TWD	4.124	4.180	4.297	4.348	4.219	4.045	2%	-2%
INR – IDR	195.1	193.8	193.9	196.4	202.1	198.6	4%	2%
PHP – IDR	195.7	196.6	194.7	200.0	202.1	199.4	3%	2%
SGD – MYR	2.313	2.320	2.309	2.305	2.305	2.360	0%	2%
SGD – TWD	23.02	22.70	22.58	22.51	22.52	22.46	-2%	-2%
JPY – KRW	13.65	13.37	14.01	14.33	13.47	14.18	-1%	4%
TWD – KRW	37.73	39.08	40.39	41.25	40.37	39.49	7%	5%

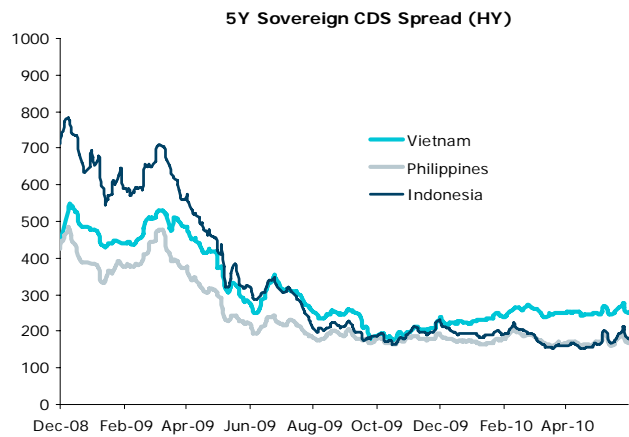
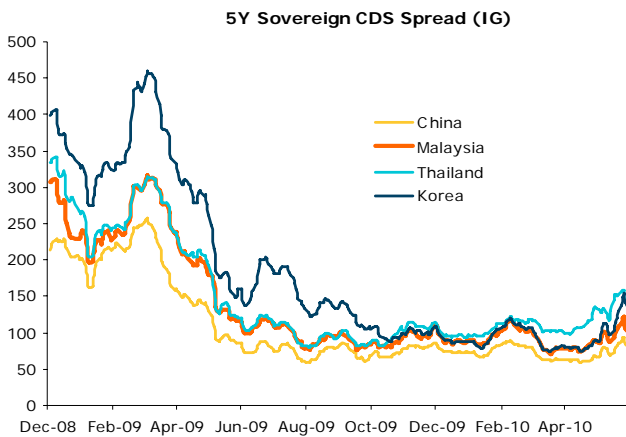
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LONG-TERM FOREIGN CURRENCY GOVERNMENT BOND RATINGS

	MOODY'S	S&P	FITCH
INVESTMENT GRADE (IG)			
China	A1	A+	A+
Hong Kong	Aa2	AA+	AA
India	Baa3	BBB-	BBB-
Korea	A1	A	A+
Malaysia	A3	A-	A-
Singapore	Aaa	AAA	AAA
Taiwan	Aa3	AA-	A+
Thailand	Baa1	BBB+	BBB
SUB-INVESTMENT GRADE/HIGH YIELD (HY)			
Cambodia	B1	B+	NR
Indonesia	Ba1	BB	BB+
Philippines	Ba3	BB-	BB
Vietnam	Ba3	BB	BB-

* denotes an upgrade ** denotes a downgrade over previous month

SOVEREIGN CDS SPREADS



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