

Daily FX Focus

12/7/2024

Important Risk Warning

- The investment decision is yours but you should not invest in this product unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation and investment experience.
- Investment involves risk. Loss may be incurred as well as profits made as a result of buying and selling investment products.
- Currency conversion risk - the value of your foreign currency and RMB deposit will be subject to the risk of exchange rate fluctuation. If you choose to convert your foreign currency and RMB deposit to other currencies at an exchange rate that is less favourable than the exchange rate in which you made your original conversion to that foreign currency and RMB, you may suffer loss in principal.
- RMB is currently not freely convertible and subject to regulatory restrictions (which might be changed from time to time).

FX Focus:AUD/USD

AUD rose against the dollar yesterday as the USD fell after the US inflation cools further in June fueling dovish bets on the Fed. High inflation within Australia is prompting the RBA to postpone rate cuts underpinning AUD. AUDUSD rose 0.18% yesterday while AUDHKD ended at 5.27 level.

Currency	Current Trend	Support / Resistance	Market commentary
AUD	↘	vs USD 0.6651 / 0.6832	AUD rose against the dollar yesterday as the USD fell after the US inflation cools further in June fueling dovish bets on the Fed. High inflation within Australia is prompting the RBA to postpone rate cuts underpinning AUD. AUDUSD rose 0.18% yesterday while AUDHKD ended at 5.27 level.
EUR	↘	vs USD 1.0720 / 1.0955	EUR strengthened against the dollar yesterday, rising to one month high as the USD fell after data showed consumer price index dipped 0.1% in Jun against expectations. Attention now turns to US Jun PPI and retail sales data. EURUSD rose 0.32% yesterday while EURHKD ended at 8.48 level.
GBP	↘	vs USD 1.2697 / 1.3034	GBP rose against the dollar yesterday on soft US Inflation and after the UK economy expanded at a faster pace of 0.4% in May, beating estimate of 0.2%. Also the maintenance of a hawkish stance by BoE policymakers supported GBP. GBPUSD rose 0.50% yesterday while GBPHKD ended at 10.08 level.
NZD	↘	vs USD 0.6036 / 0.6158	NZD rose against the dollar yesterday as USD fell broadly after the softer-than-expected June US CPI inflation report. However the NZD may limit its upside due to dovish sentiment surrounding the RBNZ. NZDUSD rose 0.20% yesterday while NZDHKD ended at 4.75 level.
RMB	↗	vs USD 7.2458 / 7.2728	CNH rose against the dollar yesterday as the USD struggled for direction after soft inflation data and after US Fed indicated it is getting closer to rate cut. While China's exports data due later today may help provide further cues. USDCNH fell 0.33% yesterday while CNH HKD ended at 1.07 level.
CAD	↘	vs USD 1.3560 / 1.3729	CAD fell against the dollar yesterday despite the USD easing after softer-than-expected core inflation data for Jun. Canadian government 10-yr bond yields fell 5.4 bps tracking UST yields. CAD losses were limited by a rise in oil prices. USDCAD rose 0.10% yesterday while CADHKD ended at 5.72 level.
JPY	↗	vs USD 156.81 / 161.39	JPY rose against the dollar yesterday, at one point gaining by nearly 3%, its biggest daily rise since late 2022 amid speculations of intervention. While the USD fell after data showed headline consumer prices fell unexpectedly in Jun. USDJPY fell 1.78% yesterday while JPYHKD ended at 4.91 level.
CHF	↘	vs USD 0.8899 / 0.9038	CHF strengthened against the dollar yesterday as the USD eased against a basket of currencies after data showed US CPI unexpectedly fell in Jun while posting an annual gain of 3%, the smallest in a year. USDCHF fell 0.34% yesterday while CHFHKD ended at 8.70 level.
SGD	↘	vs USD 1.3356 / 1.3544	SGD strengthened against the US dollar yesterday as the USD and US Treasury yields fell after a softer-than-expected US inflation data. Meanwhile, preliminary data showed Singapore's Q2 GDP grew by 2.9% y-o-y. USDSGD fell 0.46% yesterday while SGD HKD ended at 5.81 level.

* Current Trend observations pertain to historical trend technical analysis only and do not reflect any forward looking fundamental views. The signal is generated with the the 20-days moving average as the main determining factor. A secondary reference, the 50-day moving average, can be used if needed.

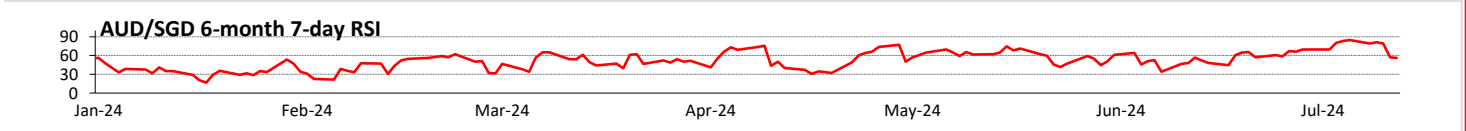
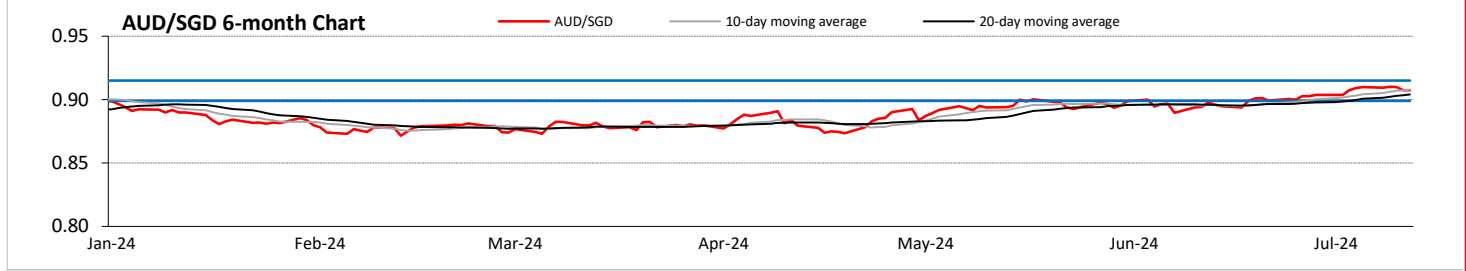
→	Consolidation, indicates that the currency's movement against USD has remained sideways
↗	Up Trend, indicates that the currency has been moving higher against the USD
↘	Down Trend, indicates that the currency has been moving lower against the USD

Daily FX Focus

12/7/2024

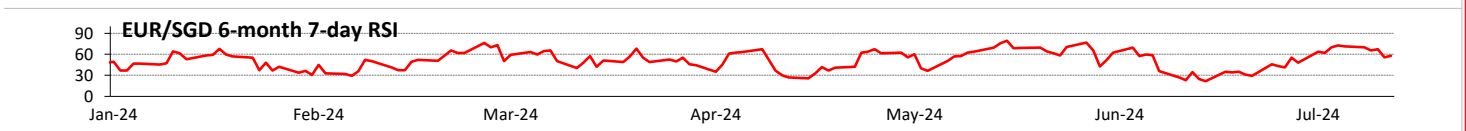
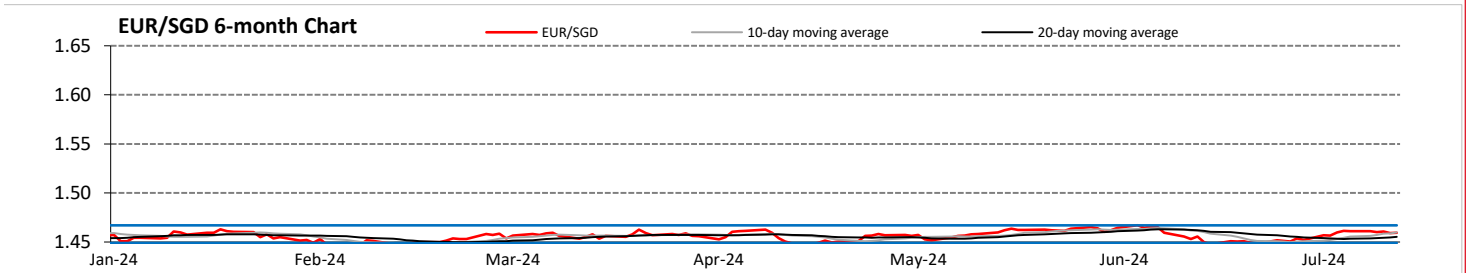
AUD	↘	<p>Reserve Bank of Australia kept benchmark interest rate unchanged in June. AUD rose against the dollar yesterday as the USD fell after the US inflation cools further in June fueling dovish bets on the Fed. High inflation within Australia is prompting the RBA to postpone rate cuts underpinning AUD. AUDUSD rose 0.18% yesterday while AUDHKD ended at 5.27 level.</p>	
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	0.9070	0.6760	
Daily change:	-0.29%	0.18%	(-) Australia Q1 GDP rose 1.1% YoY, lower than an increase of 1.5% in previous quarter
High*	0.9134	0.6798	(~) Australia May unemployment rate arrived at 4%
Low*	0.8976	0.6617	(~) Australia CPI recorded at 1% YoY in Q1
Support1*	0.8990	0.6651	
Support2*	0.8900	0.6544	
Resistance1*	0.9150	0.6832	
Resistance2*	0.9220	0.6906	



EUR	↘	<p>European Central Bank reduced benchmark interest rate in June. EUR strengthened against the dollar yesterday, rising to one month high as the USD fell after data showed consumer price index dipped 0.1% in Jun against expectations. Attention now turns to US Jun PPI and retail sales data. EURUSD rose 0.32% yesterday while EURHKD ended at 8.48 level.</p>	
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	1.4590	1.0870	
Daily change:	-0.12%	0.32%	
High*	1.4651	1.0899	(~) Eurozone CPI recorded at 2.5% YoY in June
Low*	1.4468	1.0664	(~) Germany June manufacturing PMI arrived at 43.5
Support1*	1.4490	1.0720	(~) Germany June Business Climate arrived at 88.6
Support2*	1.4390	1.0574	
Resistance1*	1.4670	1.0955	
Resistance2*	1.4750	1.1044	

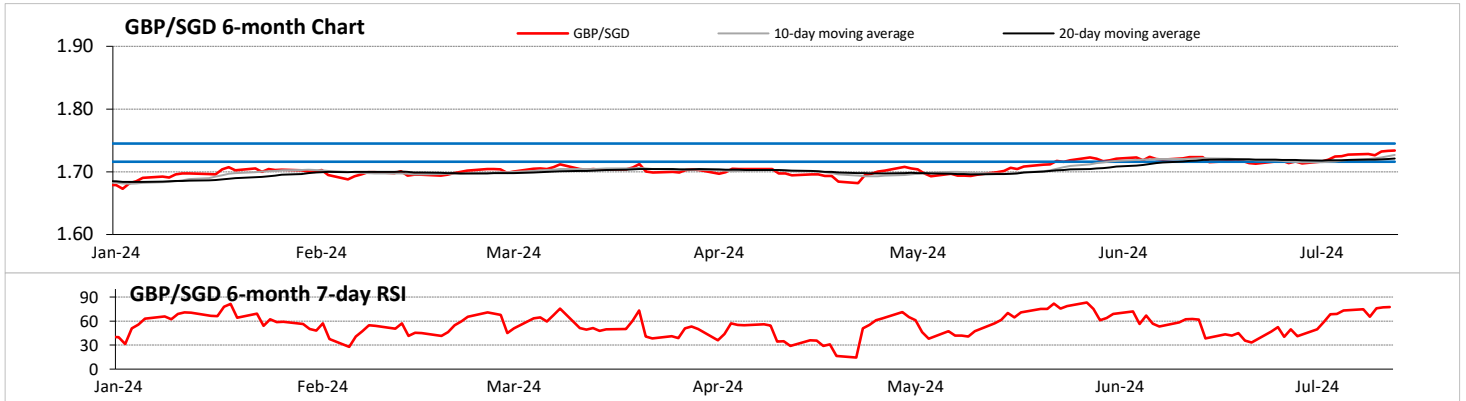


Daily FX Focus

12/7/2024

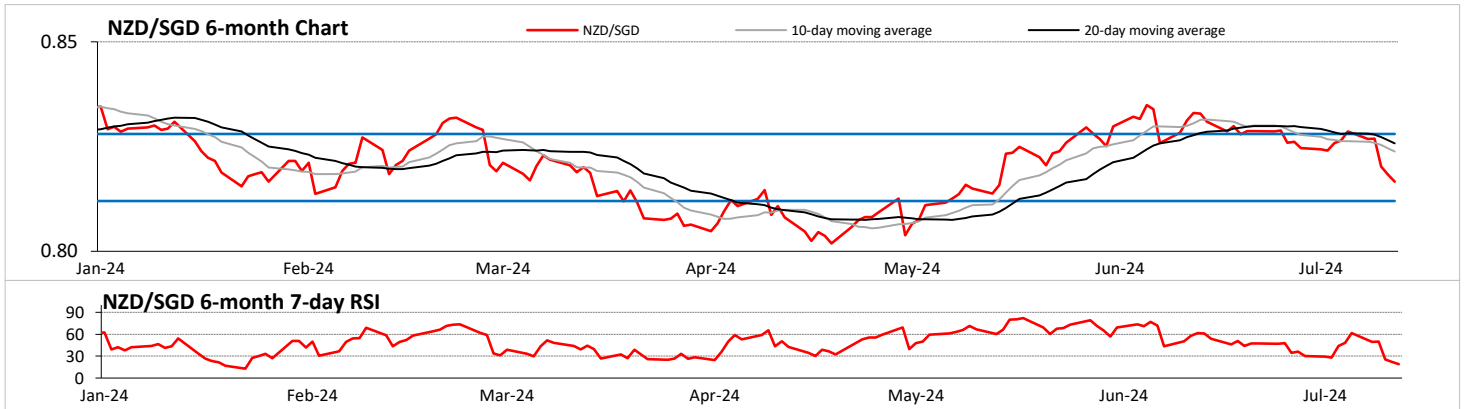
GBP	↘	Bank of England kept benchmark interest rate unchanged in June. GBP rose against the dollar yesterday on soft US Inflation and after the UK economy expanded at a faster pace of 0.4% in May, beating estimate of 0.2%. Also the maintenance of a hawkish stance by BoE policymakers supported GBP. GBPUSD rose 0.50% yesterday while GBPHKD ended at 10.08 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	1.7330	1.2910	
Daily change:	0.05%	0.50%	
High*	1.7393	1.2947	(~) UK CPI recorded at 0.3% YoY in May
Low*	1.7101	1.2610	(~) UK ILO 's 3Mths unemployment rate was at recorded at 4.4% in April
Support1*	1.7160	1.2697	(~) UK Nationwide House Prices All Houses recorded at 1.5% YoY in June
Support2*	1.6980	1.2485	
Resistance1*	1.7450	1.3034	
Resistance2*	1.7570	1.3159	



NZD	↘	Reserve Bank of New Zealand kept benchmark interest rate unchanged in July. NZD rose against the dollar yesterday as USD fell broadly after the softer-than-expected June US CPI inflation report. However the NZD may limit its upside due to dovish sentiment surrounding the RBNZ. NZDUSD rose 0.20% yesterday while NZDHKD ended at 4.75 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	0.8180	0.6090	
Daily change:	-0.23%	0.20%	(-) New Zealand Q1 GDP rose 0.3% YoY, lower than an increase of -0.3% in previous quarter
High*	0.8316	0.6167	(~) New Zealand CPI recorded at 4% YoY in Q1
Low*	0.8159	0.6045	(-) New Zealand Q1 unemployment rate arrived at 4.3% , higher than 4% in previous quarter
Support1*	0.8120	0.6036	
Support2*	0.8060	0.5980	
Resistance1*	0.8280	0.6158	
Resistance2*	0.8380	0.6224	

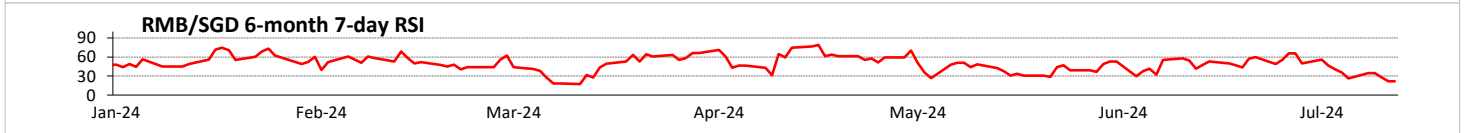
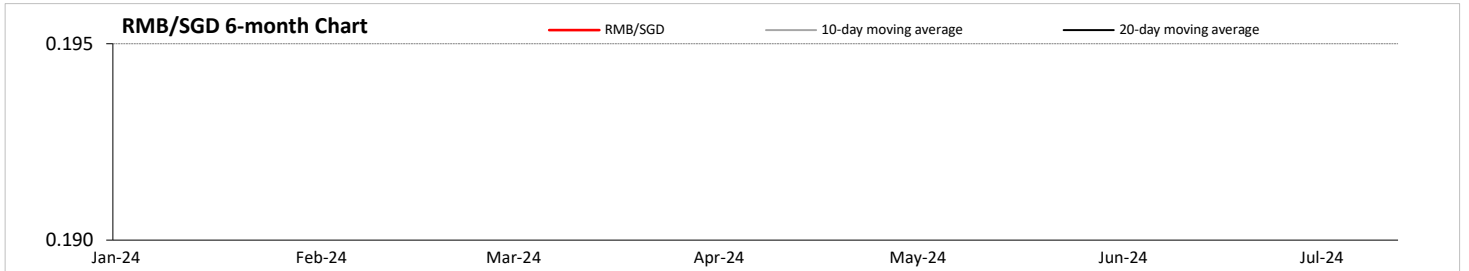


Daily FX Focus

12/7/2024

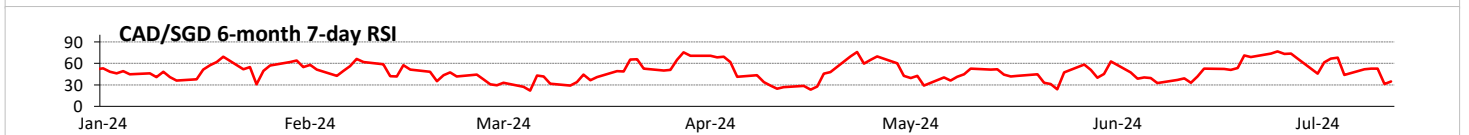
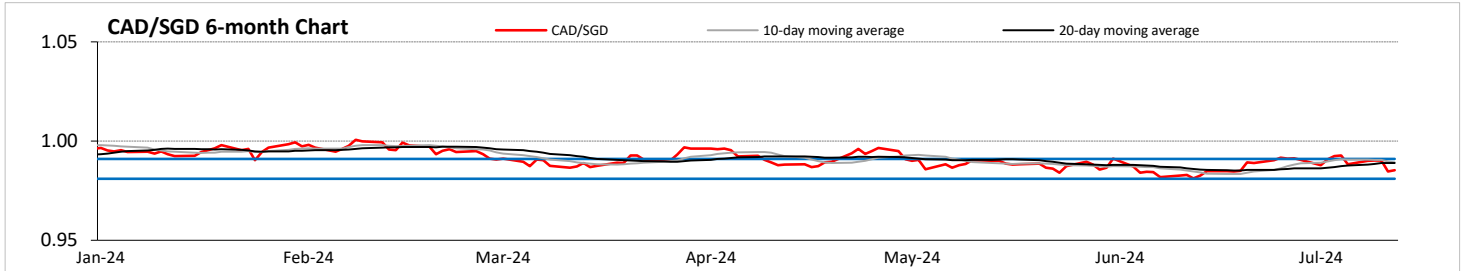
RMB	↗	<p>CNH rose against the dollar yesterday as the USD struggled for direction after soft inflation data and after US Fed indicated it is getting closer to rate cut. While China's exports data due later today may help provide further cues. USDCNH fell 0.33% yesterday while CNHHKD ended at 1.07 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	0.1850	7.2580	
Daily change:	-0.22%	-0.25%	(~) China GDP recorded at 5.3% YoY in Q1
High*	0.1871	7.2761	(-) China June CPI rose 0.2% YoY, lower than an increase of 0.3% in previous month
Low*	0.1848	7.2491	(~) China June Caixin manufacturing PMI arrived at 49.5
Support1*	0.1840	7.2458	(~) China industrial production recorded at 5.6% YoY in May
Support2*	0.1830	7.2339	
Resistance1*	0.1860	1.3034	
Resistance2*	0.1880	1.3159	



CAD	↘	<p>Bank of Canada reduced benchmark interest rate in June. CAD fell against the dollar yesterday despite the USD easing after softer-than-expected core inflation data for Jun. Canadian government 10-yr bond yields fell 5.4 bps tracking UST yields. CAD losses were limited by a rise in oil prices. USDCAD rose 0.10% yesterday while CADHKD ended at 5.72 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	0.9850	1.3630	
Daily change:	-0.56%	0.10%	(-) Canada Q1 GDP rose 0.53% YoY, lower than an increase of 0.93% in previous month
High*	0.9931	1.3755	(~) Canada CPI recorded at 2.9% YoY in May
Low*	0.9837	1.3586	(-) Canada June unemployment rate arrived at 6.4%, higher than 6.2% in previous month
Support1*	0.9810	1.3560	(~) Canada June Manufacturing PMI arrived at 49.3
Support2*	0.9780	1.3489	
Resistance1*	0.9910	1.3729	
Resistance2*	0.9970	1.3827	

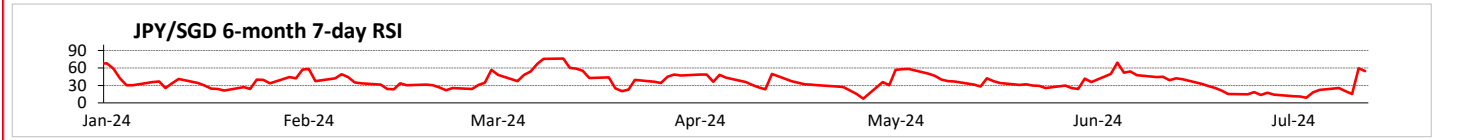
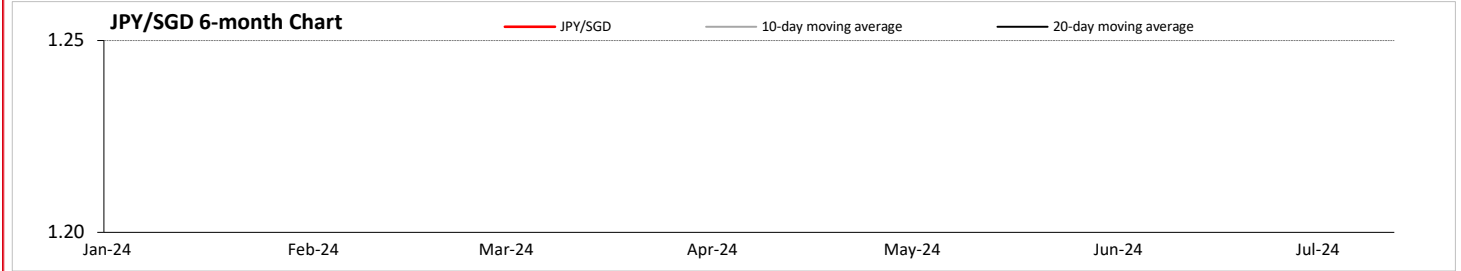


Daily FX Focus

12/7/2024

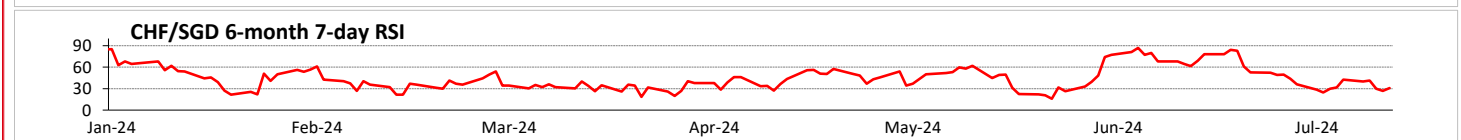
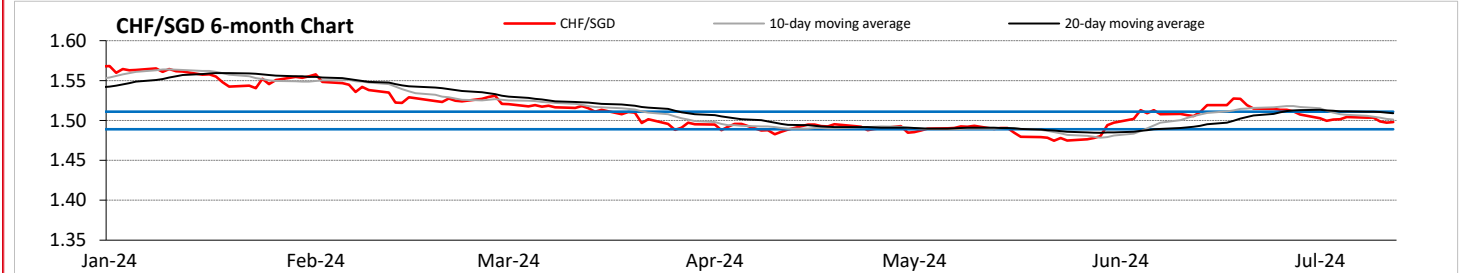
JPY	↗	Bank of Japan kept benchmark interest rate unchanged in January. JPY rose against the dollar yesterday, at one point gaining by nearly 3%, its biggest daily rise since late 2022 amid speculations of intervention. While the USD fell after data showed headline consumer prices fell unexpectedly in Jun. USDJPY fell 1.78% yesterday while JPYHKD ended at 4.91 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	0.8450	158.80	
Daily change:	1.34%	-1.78%	
High*	0.8519	161.99	(+) Japan Q1 GDP rose -2% YoY, higher than an increase of 0.4% in previous quarter
Low*	0.8320	157.41	(~) Japan CPI nationwide ex fresh food recorded at 2.5% YoY in May
Support1*	0.8340	156.81	(~) Japan June manufacturing PMI arrived at 50
Support2*	0.8230	154.82	(~) Japan Industrial Production recorded at 2.8% MoM in May
Resistance1*	0.8540	161.39	
Resistance2*	0.8630	163.98	



CHF	↘	Swiss National Bank reduced benchmark interest rate in June. CHF strengthened against the dollar yesterday as the USD eased against a basket of currencies after data showed US CPI unexpectedly fell in Jun while posting an annual gain of 3%, the smallest in a year. USDCHF fell 0.34% yesterday while CHFHKD ended at 8.70 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
12-Jul	1.4970	0.8960	
Daily change:	-0.12%	-0.34%	
High*	1.5170	0.9050	(~) Switzerland Q1 GDP rose 0.6% YoY, same as previous quarter
Low*	1.4955	0.8911	(-) Switzerland June CPI rose 1.3% YoY, lower than an increase of 1.4% in previous month
Support1*	1.4890	0.8899	(~) Switzerland June unemployment rate arrived at 2.4% , same as previous month
Support2*	1.4820	0.8836	
Resistance1*	1.5110	0.9038	
Resistance2*	1.5250	0.9114	

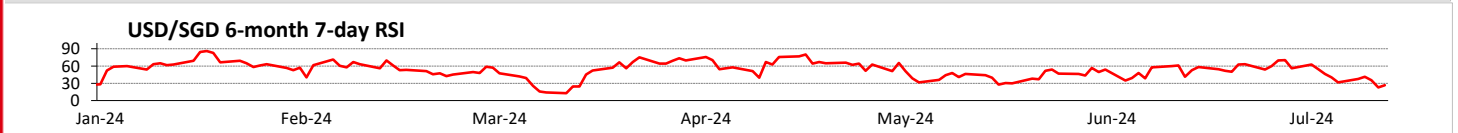
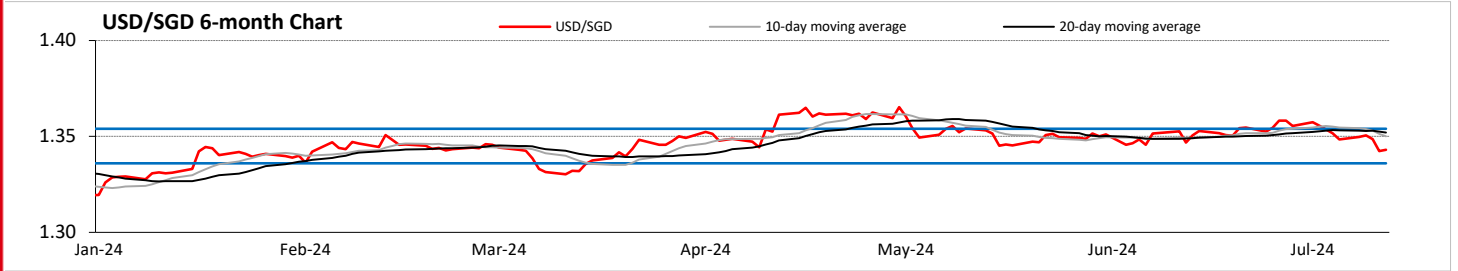


Daily FX Focus

12/7/2024

SGD	↘	<p>SGD strengthened against the US dollar yesterday as the USD and US Treasury yields fell after a softer-than-expected US inflation data. Meanwhile, preliminary data showed Singapore's Q2 GDP grew by 2.9% y-o-y. USDSGD fell 0.46% yesterday while SGDHKD ended at 5.81 level.</p>
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Technical Analysis	vs USD	Market's Focus
12-Jul	1.34	
Daily change:	-0.46%	
High*	1.36	(~) Singapore CPI recorded at 3.1% YoY in May
Low*	1.34	(~) Singapore Q1 unemployment rate arrived at 2.1% , same as previous quarter
Support1*	1.3356	(~) Singapore Non Oil Domestic Exports recorded at -0.1% YoY in May
Support2*	1.3288	
Resistance1*	1.3544	
Resistance2*	1.3664	



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12/7/2024

Central Bank Rate

	Current	Prior	Date		Current	Prior	Date
FED Fund	5.38	5.38	31-Jul-24	Canada (BOC)	4.75	5.00	24-Jul-24
Europe (ECB)	4.25	4.50	18-Jul-24	Japan (BOJ)	-0.10	-0.10	0-Jan-00
UK (BOE)	5.25	5.25	1-Aug-24	Switzerland (SNB)	1.00	2.00	26-Sep-24
Australia (RBA)	4.35	4.35	6-Aug-24	China (PBOC)	3.45	3.45	22-Jul-24
New Zealand (RBNZ)	5.50	5.50	14-Aug-24		0	0.00	0-Jan-00

Please take note that the primary sources of all the charts are from Reuters dated 12 Jul 2024 before 9:00 am

Terminology:

Support level: Is the currency level where it tends to find support as it is going down i.e. market participants tend to see value at these levels and price is more likely to bounce up than go lower.

Resistance level: Is the currency level where it tends to find resistance as it is going up i.e. market participants tend to consider this as a ceiling and prevent prices from going up further.

*Pivot points are used to determine the support and resistance levels, which may take into account the high, low and closing prices of the past 15 days. Please note that the indicative support and resistance level are given for general reference only. Customers should not rely on this information to buy or sell currency.

Relative Strength Index (RSI): Is a technical momentum indicator that compares the magnitude of recent gains to recent losses in an attempt to determine overbought and oversold conditions of an asset. The scale is 0 - 100 and typically overbought conditions are indicated by readings >70 and oversold conditions when <30.

Moving average: Is an indicator frequently used in technical analysis showing the average value of a currency's price over a set period. Moving averages are generally used to measure momentum and define areas of possible support and resistance. Moving averages are used to emphasize the direction of a trend and to smooth out price and volume fluctuations, or 'noise', that can confuse interpretation.

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