

Daily FX Focus

25/7/2024

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 fell against the dollar yesterday despite USD weakness as AUD was undermined due to multiple headwinds. China's weak economic prospects, sliding base metal prices, and weak Judo Bank flash PMI have weighed heavily on the AUD. AUDUSD fell 0.50% yesterday while AUDHKD ended at 5.13 level.

Currency	Current Trend	Support / Resistance		Market commentary
AUD	↘	vs USD	0.6491 / 0.6735	AUD fell against the dollar yesterday despite USD weakness as AUD was undermined due to multiple headwinds. China's weak economic prospects, sliding base metal prices, and weak Judo Bank flash PMI have weighed heavily on the AUD. AUDUSD fell 0.50% yesterday while AUDHKD ended at 5.13 level.
EUR	↘	vs USD	1.0777 / 1.0924	EUR ended lower against the dollar yesterday despite USD eased slightly. Eurozone's composite PMI's declined from 50.9 to 50.1, the services index fell from 52.8 to 51.9, while the manufacturing PMI edged down from 45.8 to 45.6. EURUSD fell 0.11% yesterday while EURHKD ended at 8.46 level.
GBP	↘	vs USD	1.2757 / 1.3050	GBP rose slightly against the dollar yesterday after the upbeat manufacturing PMI in the UK climbed to 51.8 in July. But BoE officials refrain from endorsing rate cuts due to high inflation in the service sector after July services PMI rose to 52.4. GBPUSD rose 0.01% yesterday while GBPHKD ended at 10.07 level.
NZD	↘	vs USD	0.5839 / 0.6094	NZD ended lower against the dollar yesterday despite a slight easing in the USD as the China's dismal economic prospects and increased RBNZ rate-cut bets have weighed on the NZD. NZDUSD fell 0.47% yesterday while NZDHKD ended at 4.62 level.
RMB	↗	vs USD	7.2480 / 7.2772	CNH rose against the dollar yesterday amid lower US yields and gold rally helped weigh on USD but CNH to stay weak due to easing, poor economy and geopolitics. While major Chinese banks cut deposit rates after reduction in lending rates. USDCNH fell 0.31% yesterday while CNHHKD ended at 1.07 level.
CAD	↘	vs USD	1.3656 / 1.3888	CAD weakened against the dollar yesterday, falling to a 3-month low as Bank of Canada lowered interest rates as expected. Preliminary estimate showed Canadian factory sales fell 2.6% in Jun. CAD losses were limited by a rise in oil prices. USDCAD rose 0.19% yesterday while CADHKD ended at 5.65 level.
JPY	↗	vs USD	150.53 / 159.51	JPY rose against the dollar yesterday, rising to its highest in more than two months. The yen also rose to its highest since mid-May against the EUR ahead of next week's BOJ meeting where interest rates and bond purchases will be in focus. USDJPY fell 1.10% yesterday while JPYHKD ended at 5.08 level.
CHF	↘	vs USD	0.8778 / 0.8964	CHF strengthened against the dollar yesterday as the USD eased slightly as markets digest mixed US S&P PMIs for Jul. Investors await key indicators like PCE, Durable Goods Orders and University of Michigan sentiment index this week. USDCHF fell 0.66% yesterday while CHFHKD ended at 8.82 level.
SGD	↘	vs USD	1.3374 / 1.3507	SGD ended stronger against the US dollar yesterday as the USD eased slightly and yield on shorter-dated US treasuries fell. The MAS is likely to maintain monetary policy tight and it expects core inflation to reach around 2% in 2025. USDSGD fell 0.16% yesterday while SGDHKD 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.

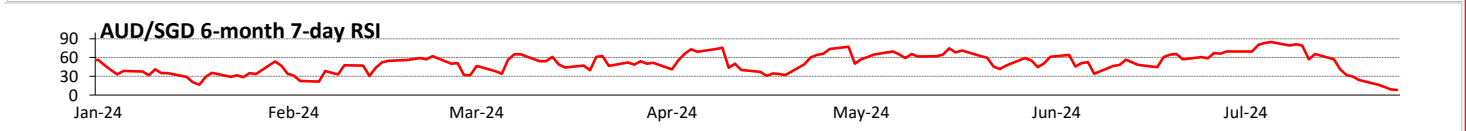
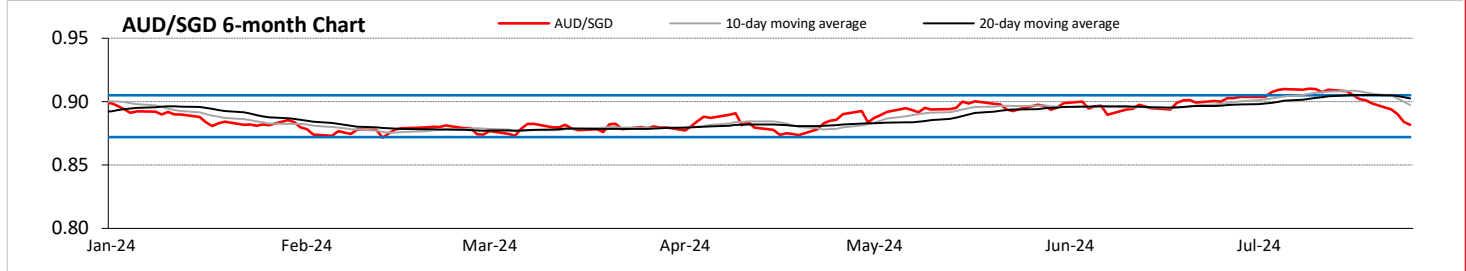
→	Consolidation, indicates that the currency's movement against USD has remained sideways
↗	Up Trend, indicates that the currency has been moving higher against the USD
↘	Down Trend, indicates that the currency has been moving lower against the USD

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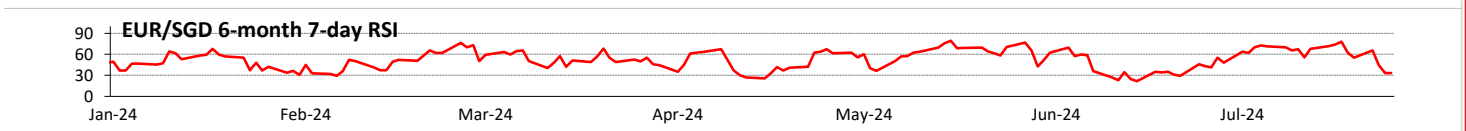
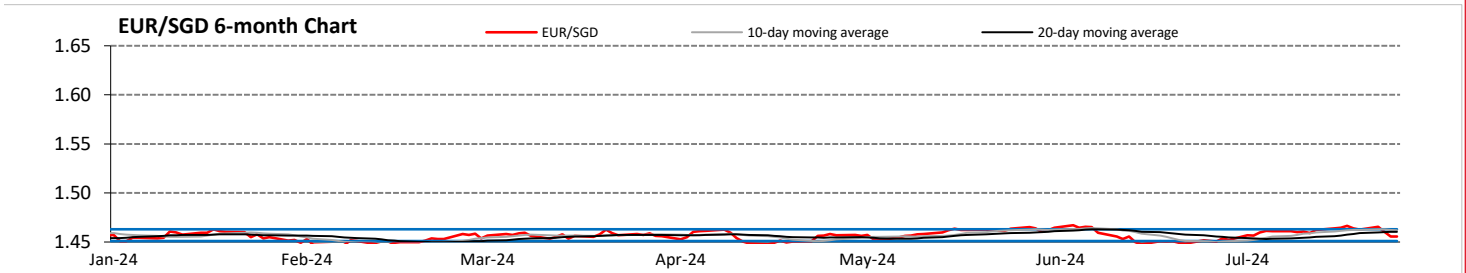
AUD	↘	<p>Reserve Bank of Australia kept benchmark interest rate unchanged in June. AUD fell against the dollar yesterday despite USD weakness as AUD was undermined due to multiple headwinds. China's weak economic prospects, sliding base metal prices, and weak Judo Bank flash PMI have weighed heavily on the AUD. AUDUSD fell 0.50% yesterday while AUDHKD ended at 5.13 level.</p>	
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	0.8840	0.6580	
Daily change:	-0.70%	-0.50%	(-) Australia Q1 GDP rose 1.1% YoY, lower than an increase of 1.5% in previous quarter
High*	0.9134	0.6798	(-) Australia June unemployment rate arrived at 4.1% , higher than 4% in previous month
Low*	0.8803	0.6554	(~) Australia CPI recorded at 1% YoY in Q1
Support1*	0.8720	0.6491	
Support2*	0.8590	0.6400	
Resistance1*	0.9050	0.6735	
Resistance2*	0.9260	0.6888	



EUR	↘	<p>European Central Bank kept benchmark interest rate unchanged in July. EUR ended lower against the dollar yesterday despite USD eased slightly. Eurozone's composite PMI's declined from 50.9 to 50.1, the services index fell from 52.8 to 51.9, while the manufacturing PMI edged down from 45.8 to 45.6. EURUSD fell 0.11% yesterday while EURHKD ended at 8.46 level.</p>	
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	1.4560	1.0840	
Daily change:	-0.32%	-0.11%	
High*	1.4669	1.0947	(~) Eurozone June CPI rose 2.5% YoY, same as previous month
Low*	1.4548	1.0800	(-) Germany July manufacturing PMI arrived at 42.6 , lower than 43.5 in previous month
Support1*	1.4510	1.0777	(~) Germany June Business Climate arrived at 88.6
Support2*	1.4470	1.0715	
Resistance1*	1.4630	1.0924	
Resistance2*	1.4710	1.1009	

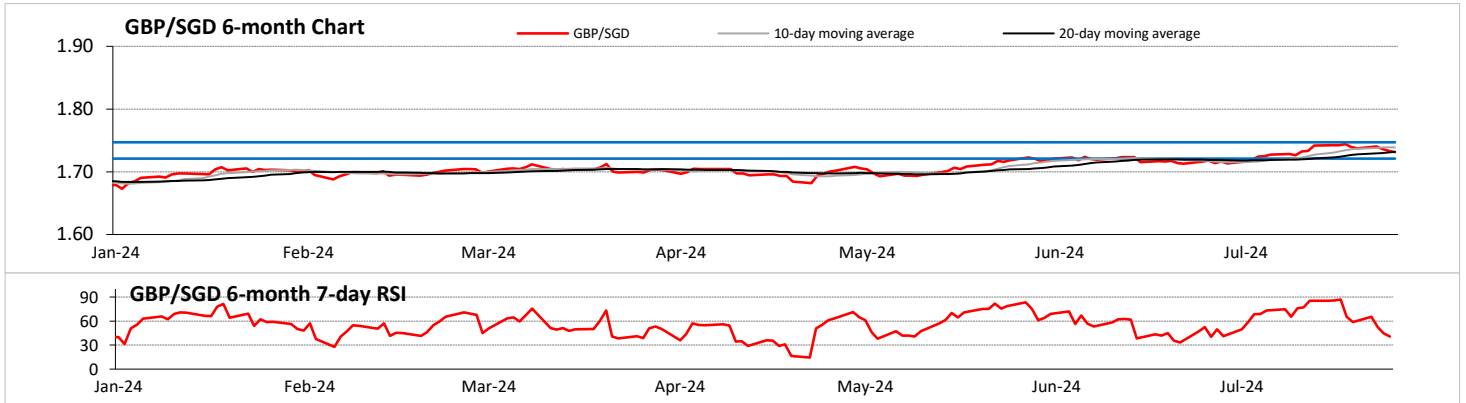


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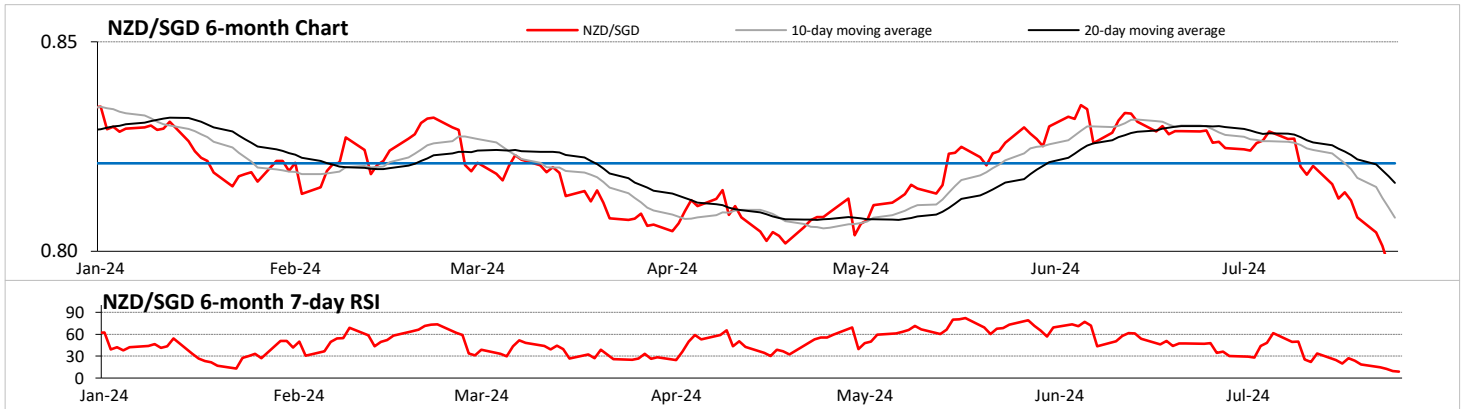
GBP	↘	Bank of England kept benchmark interest rate unchanged in June. GBP rose slightly against the dollar yesterday after the upbeat manufacturing PMI in the UK climbed to 51.8 in July. But BoE officials refrain from endorsing rate cuts due to high inflation in the service sector after July services PMI rose to 52.4. GBPUSD rose 0.01% yesterday while GBPHKD ended at 10.07 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	1.7330	1.2910	
Daily change:	-0.18%	0.01%	
High*	1.7476	1.3044	(~) UK CPI recorded at 0.1% YoY in June
Low*	1.7222	1.2751	(~) UK ILO 's 3Mths unemployment rate was at recorded at 4.4% in May
Support1*	1.7210	1.2757	(~) UK Nationwide House Prices All Houses recorded at 1.5% YoY in June
Support2*	1.7090	1.2607	
Resistance1*	1.7470	1.3050	
Resistance2*	1.7600	1.3193	



NZD	↘	Reserve Bank of New Zealand kept benchmark interest rate unchanged in July. NZD ended lower against the dollar yesterday despite a slight easing in the USD as the China's dismal economic prospects and increased RBNZ rate-cut bets have weighed on the NZD. NZDUSD fell 0.47% yesterday while NZDHKD ended at 4.62 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	0.7970	0.5930	
Daily change:	-0.60%	-0.47%	(-) 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 Q2 CPI rose 3.3% YoY, lower than an increase of 4% in previous quarter
Low*	0.7941	0.5912	(~) New Zealand Q1 unemployment rate arrived at 4.3%
Support1*	0.7830	0.5839	
Support2*	0.7700	0.5748	
Resistance1*	0.8210	0.6094	
Resistance2*	0.8450	0.6258	

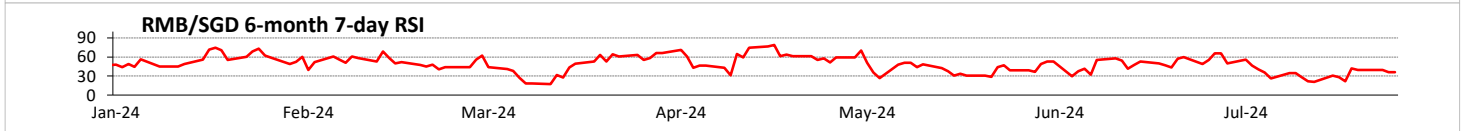
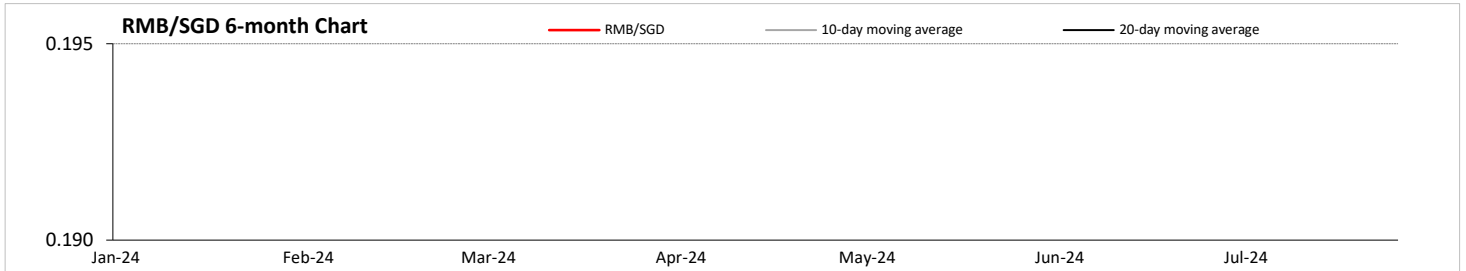


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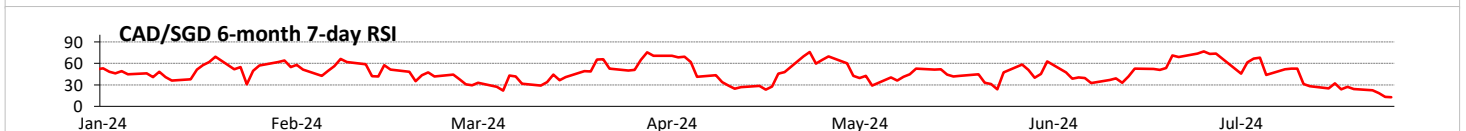
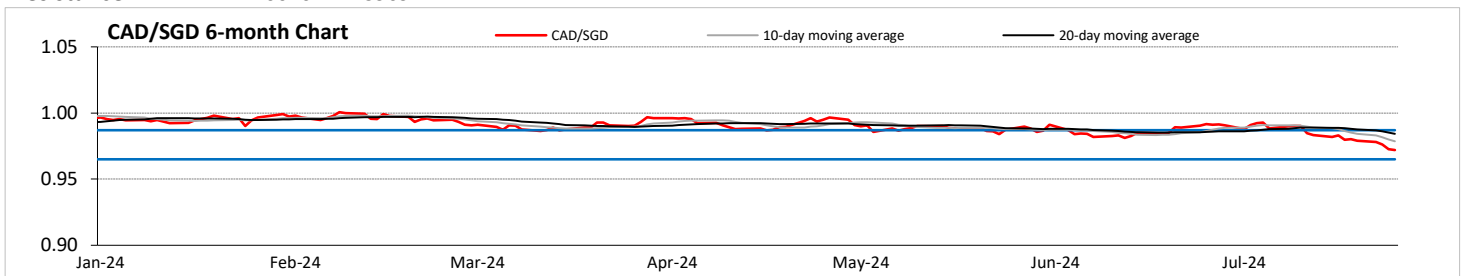
RMB	↗	<p>CNH rose against the dollar yesterday amid lower US yields and gold rally helped weigh on USD but CNH to stay weak due to easing, poor economy and geopolitics. While major Chinese banks cut deposit rates after reduction in lending rates. USDCNH fell 0.31% yesterday while CNH HKD ended at 1.07 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	0.1850	7.2630	
Daily change:	-0.05%	-0.17%	(-) China Q2 GDP rose 4.7% YoY, lower than an increase of 5.3% in previous quarter
High*	0.1860	7.2774	(~) China CPI recorded at 0.2% YoY in June
Low*	0.1843	7.2482	(~) China June Caixin manufacturing PMI arrived at 49.5
Support1*	0.1840	7.2480	(-) China June industrial production rose 5.3% YoY, lower than an increase of 5.6% in previous month
Support2*	0.1830	7.2335	
Resistance1*	0.1860	1.3050	
Resistance2*	0.1870	1.3193	



CAD	↘	<p>Bank of Canada reduced benchmark interest rate in July. CAD weakened against the dollar yesterday, falling to a 3-month low as Bank of Canada lowered interest rates as expected. Preliminary estimate showed Canadian factory sales fell 2.6% in Jun. CAD losses were limited by a rise in oil prices. USDCAD rose 0.19% yesterday while CAD HKD ended at 5.65 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	0.9730	1.3810	
Daily change:	-0.36%	0.19%	(-) Canada Q1 GDP rose 0.53% YoY, lower than an increase of 0.93% in previous month
High*	0.9931	1.3818	(-) Canada June CPI rose 2.7% YoY, lower than an increase of 2.9% in previous month
Low*	0.9715	1.3586	(~) Canada June unemployment rate arrived at 6.4%
Support1*	0.9650	1.3656	(~) Canada June Manufacturing PMI arrived at 49.3
Support2*	0.9570	1.3505	
Resistance1*	0.9870	1.3888	
Resistance2*	1.0010	1.3969	

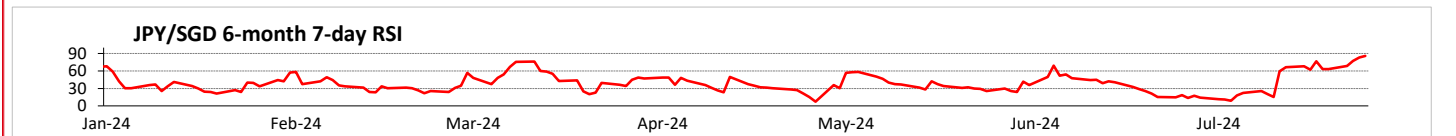
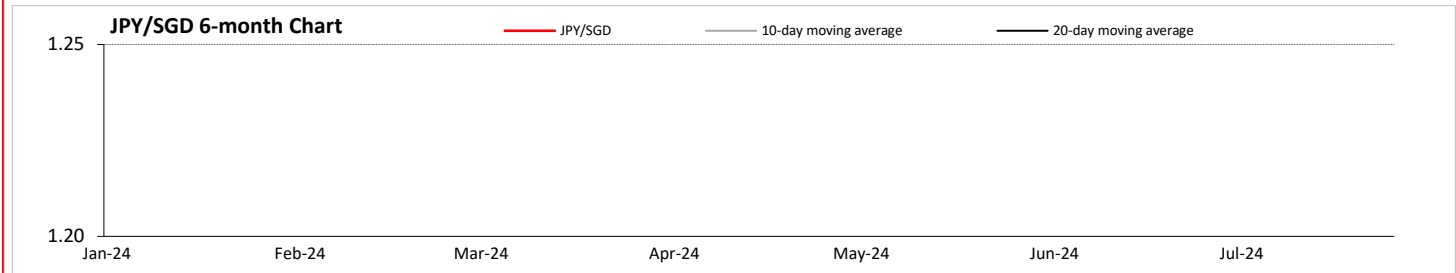


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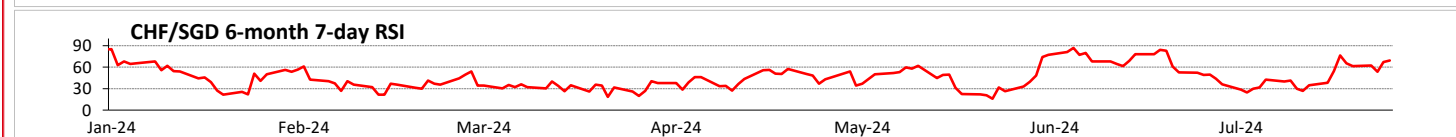
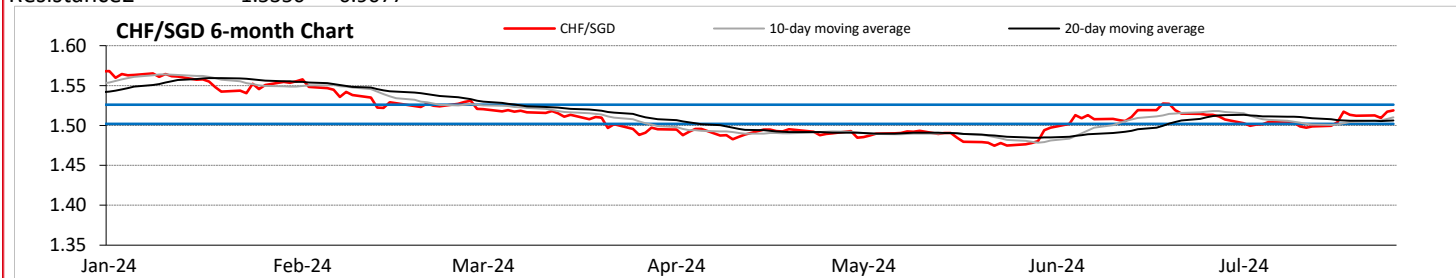
JPY	↗	Bank of Japan kept benchmark interest rate unchanged in January. JPY rose against the dollar yesterday, rising to its highest in more than two months. The yen also rose to its highest since mid-May against the EUR ahead of next week's BOJ meeting where interest rates and bond purchases will be in focus. USDJPY fell 1.10% yesterday while JPYHKD ended at 5.08 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	0.8730	153.90	
Daily change:	0.93%	-1.10%	
High*	0.8789	161.82	(~) Japan GDP recorded at -2.9% YoY in Q1
Low*	0.8320	152.84	(+) Japan June CPI nationwide ex fresh food rose 2.6% YoY, higher than an increase of 2.5% in previous month
Support1*	0.8440	150.53	(-) Japan July manufacturing PMI arrived at 49.2, lower than 50 in previous month
Support2*	0.8140	147.20	(+) Japan May Industrial Production rose 3.6% MoM, higher than an increase of 2.8% in previous month
Resistance1*	0.8900	159.51	
Resistance2*	0.9080	165.16	



CHF	↘	Swiss National Bank reduced benchmark interest rate in June. CHF strengthened against the dollar yesterday as the USD eased slightly as markets digest mixed US S&P PMIs for Jul. Investors await key indicators like PCE, Durable Goods Orders and University of Michigan sentiment index this week. USDCHF fell 0.66% yesterday while CHFHKD ended at 8.82 level.
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Technical Analysis	vs SGD	vs USD	Market's Focus
25-Jul	1.5170	0.8850	
Daily change:	0.51%	-0.66%	
High*	1.5197	0.9004	(~) Switzerland Q1 GDP rose 0.6% YoY, same as previous quarter
Low*	1.4958	0.8818	(~) Switzerland CPI recorded at 1.3% YoY in June
Support1*	1.5020	0.8778	(~) Switzerland June unemployment rate arrived at 2.4%
Support2*	1.4870	0.8705	(~) Switzerland June Foreign Currency Reserves arrived at 711456M
Resistance1*	1.5260	0.8964	
Resistance2*	1.5350	0.9077	

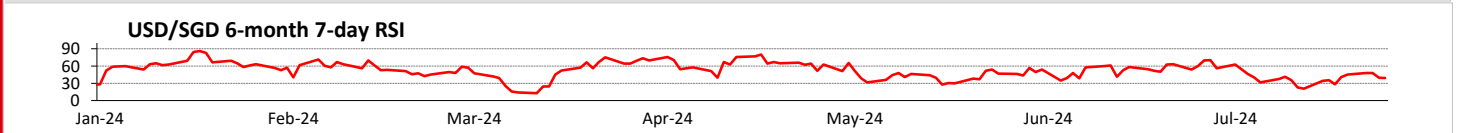
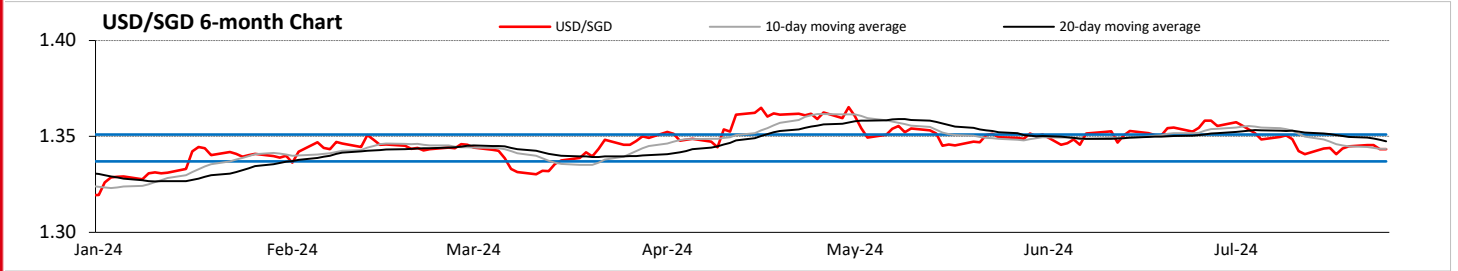


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SGD	↘	<p>SGD ended stronger against the US dollar yesterday as the USD eased slightly and yield on shorter-dated US treasuries fell. The MAS is likely to maintain monetary policy tight and it expects core inflation to reach around 2% in 2025. USDSGD fell 0.16% yesterday while SGDHKD ended at 5.81 level.</p>
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Technical Analysis	vs USD	Market's Focus
25-Jul	1.34	
Daily change:	-0.16%	(-) Singapore June CPI rose 2.4% YoY, lower than an increase of 3.1% in previous month
High*	1.35	(~) Singapore Q1 unemployment rate arrived at 2.1% , same as previous quarter
Low*	1.34	(+) Singapore June Non Oil Domestic Exports rose -8.7% YoY, higher than an increase of -0.1% in previous month
Support1*	1.3374	
Support2*	1.3313	
Resistance1*	1.3507	
Resistance2*	1.3579	



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Central Bank Rate

	Current	Prior	Date		Current	Prior	Date
FED Fund	5.38	5.38	31-Jul-24	Canada (BOC)	4.50	4.75	4-Sep-24
Europe (ECB)	4.25	4.25	12-Sep-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)	3.35	3.45	20-Aug-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 25 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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