

Daily FX Focus

20/12/2024

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 ended higher against the USD yesterday, after hitting a fresh two-year low earlier in the day. The Aussie dollar was aided by a sharp drop in yen as markets scaled back wagers on a future rate hike from BoJ. AUDUSD rose 0.34% yesterday while AUDHKD ended at 4.84 level.

Currency	Current Trend	Support / Resistance		Market commentary
AUD	↘	vs USD	0.6113 / 0.6441	AUD ended higher against the USD yesterday, after hitting a fresh two-year low earlier in the day. The Aussie dollar was aided by a sharp drop in yen as markets scaled back wagers on a future rate hike from BoJ. AUDUSD rose 0.34% yesterday while AUDHKD ended at 4.84 level.
EUR	↘	vs USD	1.0260 / 1.0546	EUR ended slightly higher against the dollar yesterday. The ECB Governor Patsalides said he prefers small, gradual rate cuts as he doesn't see inflation undershooting persisting for a very long time. EURUSD rose 0.10% yesterday while EURHKD ended at 8.05 level.
GBP	↘	vs USD	1.2384 / 1.2713	GBP ended weaker against the dollar yesterday and short dated British bond yields pulled back from peaks after the Bank of England held interest rates unchanged. GBPUSD fell 0.57% yesterday while GBPHKD ended at 9.71 level.
NZD	↘	vs USD	0.5514 / 0.5837	NZD ended higher against the US dollar yesterday despite data showed New Zealand's economy sank into recession in the third quarter as activity dropped far more sharply than expected. NZDUSD rose 0.12% yesterday while NZDHKD ended at 4.37 level.
RMB	↗	vs USD	7.2567 / 7.3178	CNH ended stronger against the dollar yesterday. Yuan has been falling recently, but found support from the PBOC which set a firmer daily reference rate to slow down yuan depreciation. USDCNH fell 0.22% yesterday while CNH HKD ended at 1.06 level.
CAD	↘	vs USD	1.4098 / 1.4581	CAD ended higher against the US dollar yesterday after economists' forecast that Canadian retail sales rose 0.7% in Oct. Meanwhile, new Finance Minister LeBlanc said PM Trudeau has full support of the cabinet to continue in his role. USDCAD fell 0.34% yesterday while CADHKD ended at 5.39 level.
JPY	↗	vs USD	151.40 / 160.69	JPY weakened against the US dollar yesterday after the BoJ kept interest rates unchanged. Speculation of a policy change is reignited under the call for a policy review. USDJPY rose 1.71% yesterday while JPYHKD ended at 4.93 level.
CHF	↘	vs USD	0.8806 / 0.9093	CHF ended stronger against the dollar yesterday. The Swiss Franc appears to have benefited from safe-haven flows amid geopolitical tensions and political uncertainty. USDCHF fell 0.27% yesterday while CHFHKD ended at 8.64 level.
SGD	↘	vs USD	1.3427 / 1.3710	SGD ended stronger against the US dollar yesterday despite the USD ending slightly stronger against major peers while long dated US treasury yields ended higher. USDSGD fell 0.13% yesterday while SGD HKD ended at 5.70 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



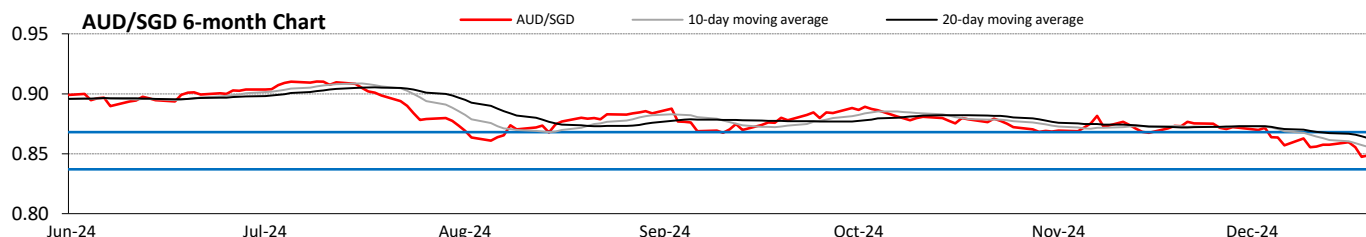
Reserve Bank of Australia kept benchmark interest rate unchanged in December. AUD ended higher against the USD yesterday, after hitting a fresh two-year low earlier in the day. The Aussie dollar was aided by a sharp drop in yen as markets scaled back wagers on a future rate hike from BoJ. AUDUSD rose 0.34% yesterday while AUDHKD ended at 4.84 level.

Technical Analysis	vs SGD	vs USD
20-Dec	0.8490	0.6240
Daily change:	0.13%	0.31%
High*	0.8750	0.6524
Low*	0.8438	0.6196
Support1*	0.8370	0.6113
Support2*	0.8250	0.5991
Resistance1*	0.8680	0.6441
Resistance2*	0.8870	0.6647

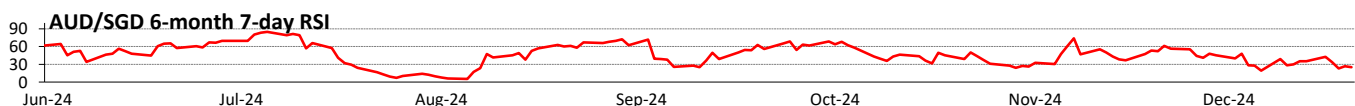
Market's Focus

- (-) Australia Q3 GDP rose 0.8% YoY, lower than an increase of 1% in previous quarter
- (+) Australia November unemployment rate arrived at 3.9% , lower than 4.1% in previous month
- (-) Australia Q3 CPI rose 0.2% YoY, lower than an increase of 1% in previous quarter

AUD/SGD 6-month Chart



AUD/SGD 6-month 7-day RSI



EUR



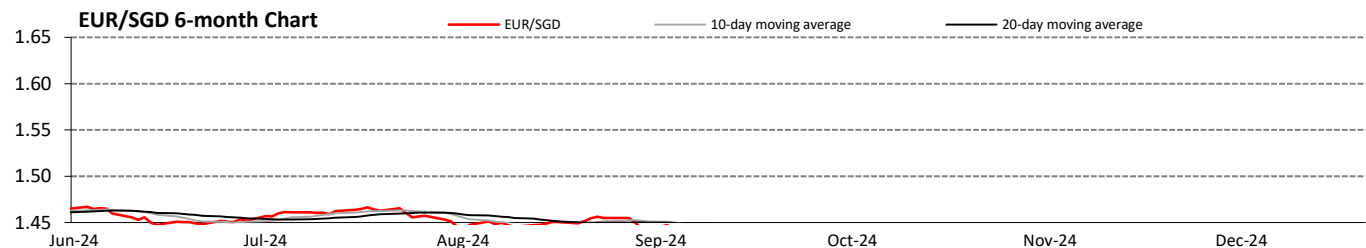
European Central Bank reduced benchmark interest rate in December. EUR ended slightly higher against the dollar yesterday. The ECB Governor Patsalides said he prefers small, gradual rate cuts as he doesn't see inflation undershooting persisting for a very long time. EURUSD rose 0.10% yesterday while EURHKD ended at 8.05 level.

Technical Analysis	vs SGD	vs USD
20-Dec	1.4100	1.0360
Daily change:	-0.08%	0.10%
High*	1.4208	1.0629
Low*	1.4080	1.0343
Support1*	1.4050	1.0260
Support2*	1.4000	1.0159
Resistance1*	1.4180	1.0546
Resistance2*	1.4260	1.0731

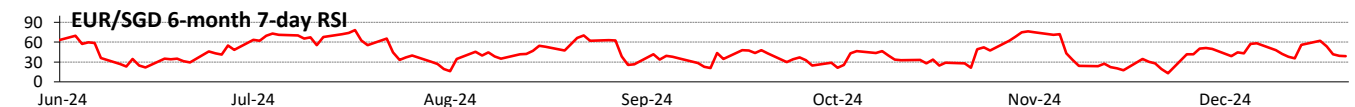
Market's Focus

- (-) Eurozone November CPI rose 2.2% YoY, lower than an increase of 2.3% in previous month
- (-) Germany December manufacturing PMI arrived at 42.5 , lower than 43 in previous month
- (-) Germany December Business Climate arrived at 84.7 , lower than 85.7 in previous month

EUR/SGD 6-month Chart



EUR/SGD 6-month 7-day RSI



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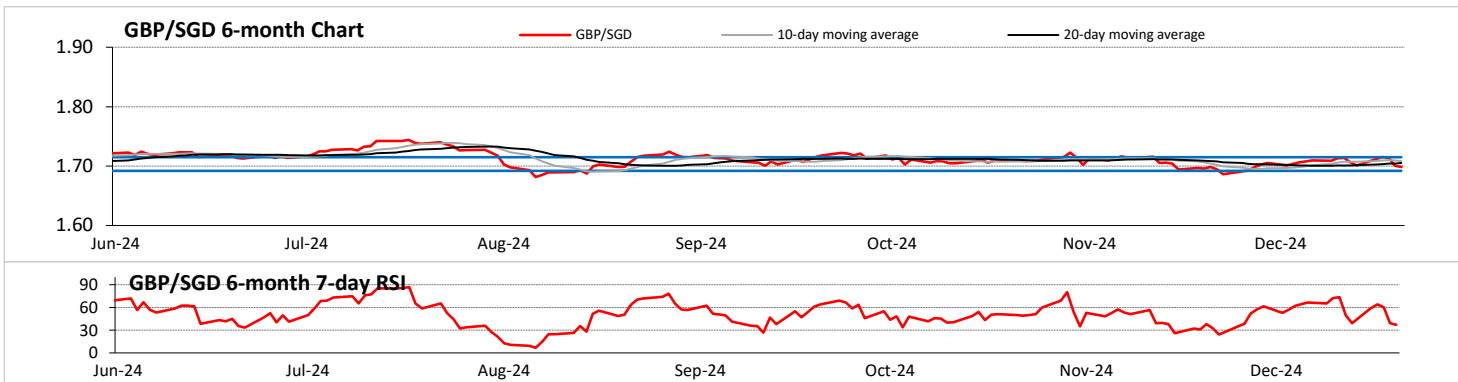
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GBP



Bank of England kept benchmark interest rate unchanged in December. GBP ended weaker against the dollar yesterday and short dated British bond yields pulled back from peaks after the Bank of England held interest rates unchanged. GBPUSD fell 0.57% yesterday while GBP HKD ended at 9.71 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	1.7010	1.2500	
Daily change:	-0.76%	-0.59%	
High*	1.7213	1.2811	(-) UK November CPI rose 0.1% YoY, lower than an increase of 0.6% in previous month
Low*	1.6982	1.2482	(~) UK ILO October 's 3Mths unemployment rate was at 4.3% , same as previous month
Support1*	1.6920	1.2384	(~) UK Nationwide House Prices All Houses recorded at 3.7% YoY in November
Support2*	1.6840	1.2268	
Resistance1*	1.7150	1.2713	
Resistance2*	1.7300	1.2926	

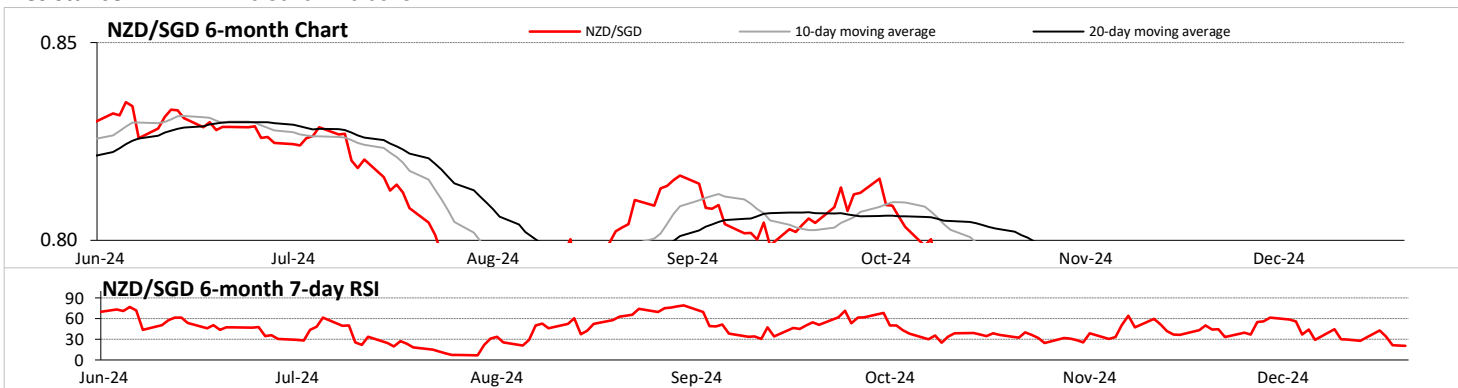


NZD



Reserve Bank of New Zealand reduced benchmark interest rate in November. NZD ended higher against the US dollar yesterday despite data showed New Zealand's economy sank into recession in the third quarter as activity dropped far more sharply than expected. NZDUSD rose 0.12% yesterday while NZD HKD ended at 4.37 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	0.7660	0.5630	
Daily change:	-0.05%	0.12%	(+) New Zealand Q3 GDP rose -1.5% YoY, higher than an increase of -0.5% in previous quarter
High*	0.7950	0.5929	(-) New Zealand Q3 CPI rose 2.2% YoY, lower than an increase of 3.3% in previous quarter
Low*	0.7633	0.5606	(-) New Zealand Q3 unemployment rate arrived at 4.8% , higher than 4.6% in previous quarter
Support1*	0.7550	0.5514	
Support2*	0.7430	0.5399	
Resistance1*	0.7860	0.5837	
Resistance2*	0.8070	0.6045	

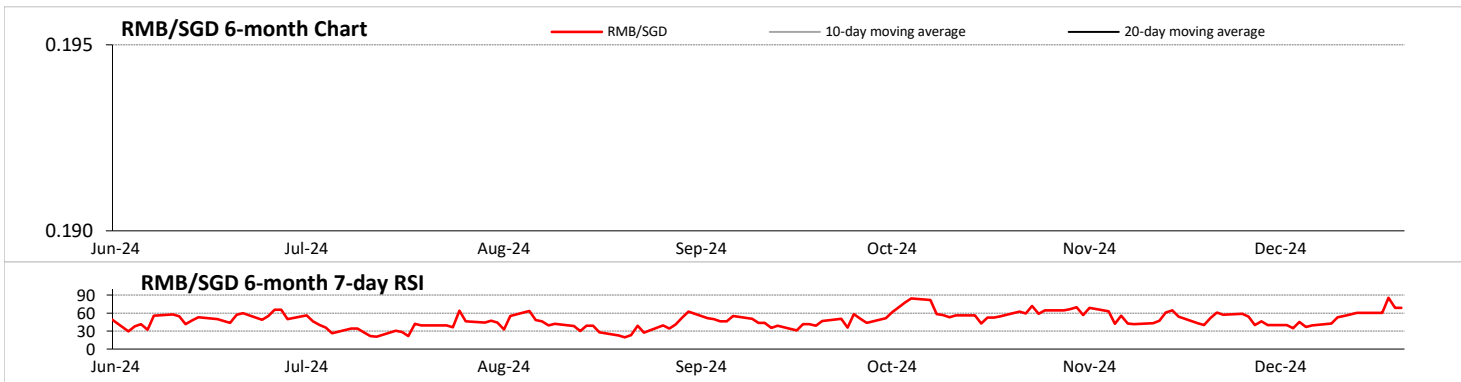


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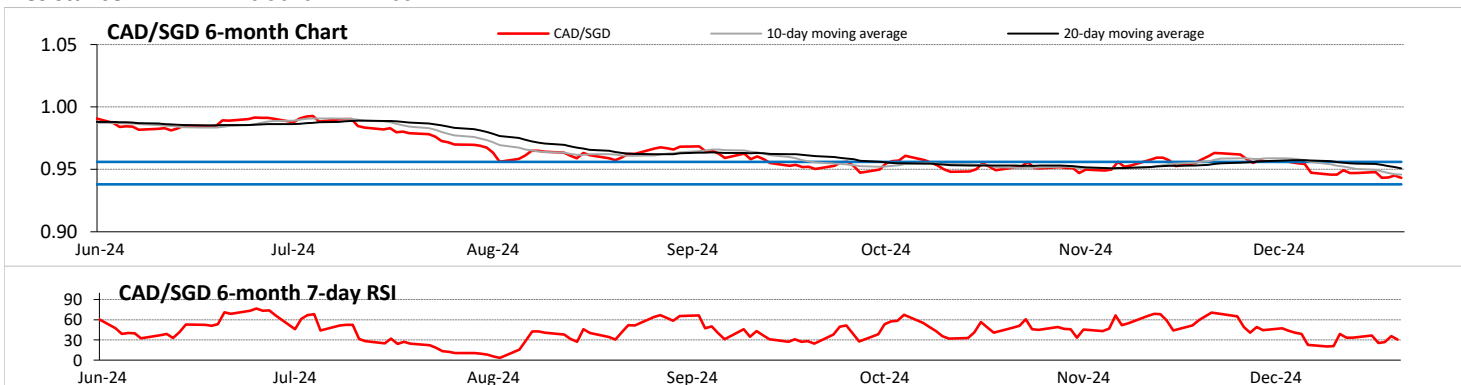
RMB	↗	<p>CNH ended stronger against the dollar yesterday. Yuan has been falling recently, but found support from the PBOC which set a firmer daily reference rate to slow down yuan depreciation. USDCNH fell 0.22% yesterday while CNH HKD ended at 1.06 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	0.1870	7.2970	
Daily change:	-0.32%	0.14%	(-) China Q3 GDP rose 4.6% YoY, lower than an increase of 4.7% in previous quarter
High*	0.1871	7.2993	(-) China November CPI rose 0.2% YoY, lower than an increase of 0.3% in previous month
Low*	0.1839	7.2382	(~) China November Caixin manufacturing PMI arrived at 50.3
Support1*	0.1850	7.2567	(+) China November industrial production rose 5.4% YoY, higher than an increase of 5.3% in previous month
Support2*	0.1830	7.2169	
Resistance1*	0.1880	1.2713	
Resistance2*	0.1890	1.2926	



CAD	↘	<p>Bank of Canada reduced benchmark interest rate in December. CAD ended higher against the US dollar yesterday after economists' forecast that Canadian retail sales rose 0.7% in Oct. Meanwhile, new Finance Minister LeBlanc said PM Trudeau has full support of the cabinet to continue in his role. USDCAD fell 0.34% yesterday while CAD HKD ended at 5.39 level.</p>
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Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	0.9450	1.4400	
Daily change:	0.16%	-0.35%	(+) Canada Q3 GDP rose 1.49% YoY, higher than an increase of 0.91% in previous month
High*	0.9597	1.4467	(-) Canada November CPI rose 1.9% YoY, lower than an increase of 2% in previous month
Low*	0.9413	1.3984	(-) Canada November unemployment rate arrived at 6.8%, higher than 6.5% in previous month
Support1*	0.9380	1.4098	(~) Canada November Manufacturing PMI arrived at 52
Support2*	0.9300	1.3800	
Resistance1*	0.9560	1.4581	
Resistance2*	0.9670	1.4766	



Daily FX Focus

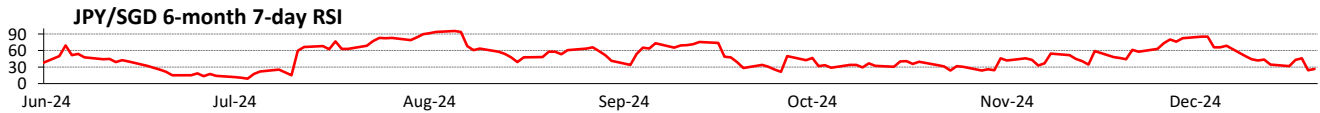
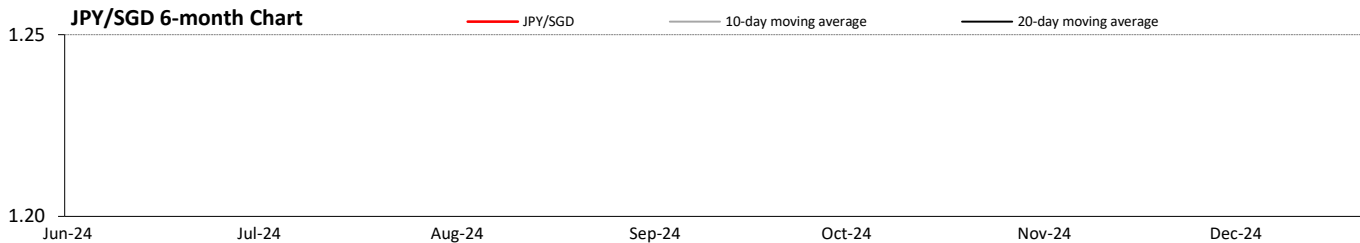
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JPY



Bank of Japan kept benchmark interest rate unchanged in December. JPY weakened against the US dollar yesterday after the BoJ kept interest rates unchanged. Speculation of a policy change is reignited under the call for a policy review. USDJPY rose 1.71% yesterday while JPYHKD ended at 4.93 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	0.8640	157.40	
Daily change:	-1.85%	1.70%	(-) Japan Q3 GDP rose 0.9% YoY, lower than an increase of 2.9% in previous quarter
High*	0.9050	157.92	(+) Japan November CPI nationwide ex fresh food rose 2.7% YoY, higher than an increase of 2.3% in previous month
Low*	0.8618	148.63	(+) Japan December manufacturing PMI arrived at 49.5, higher than 49 in previous month
Support1*	0.8490	151.40	(-) Japan October Industrial Production rose 2.8% MoM, lower than an increase of 3% in previous month
Support2*	0.8340	145.37	
Resistance1*	0.8920	160.69	
Resistance2*	0.9200	163.95	

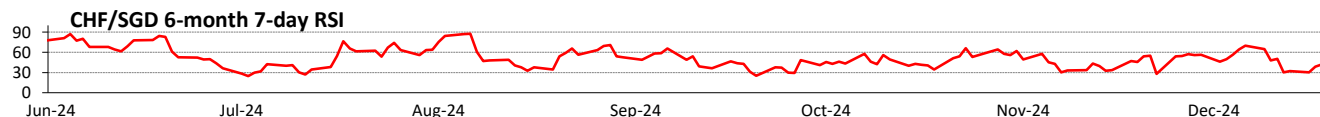
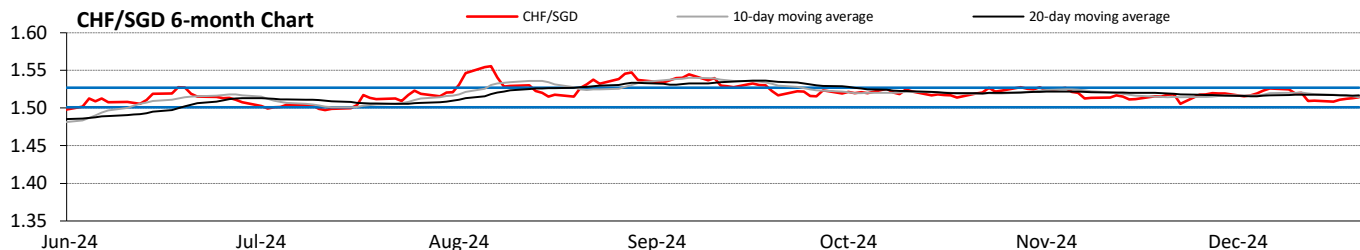


CHF



Swiss National Bank reduced benchmark interest rate in December. CHF ended stronger against the dollar yesterday. The Swiss Franc appears to have benefited from safe-haven flows amid geopolitical tensions and political uncertainty. USDCHF fell 0.27% yesterday while CHFHKD ended at 8.64 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
20-Dec	1.5130	0.8990	
Daily change:	0.07%	-0.23%	(+) Switzerland Q3 GDP rose 2% YoY, higher than an increase of 1.8% in previous quarter
High*	1.5297	0.9021	(~) Switzerland CPI recorded at 0.7% YoY in November
Low*	1.5036	0.8734	(~) Switzerland November unemployment rate arrived at 2.6%
Support1*	1.5010	0.8806	(~) Switzerland November Foreign Currency Reserves arrived at 724555M
Support2*	1.4890	0.8627	
Resistance1*	1.5270	0.9093	
Resistance2*	1.5420	0.9201	

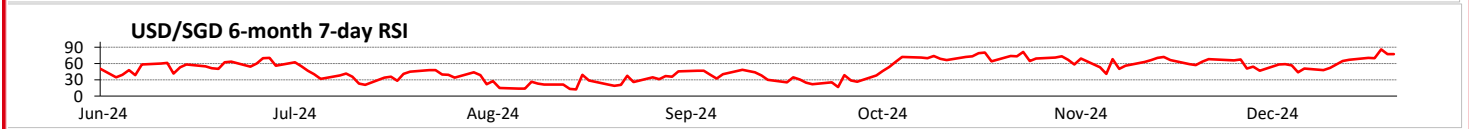
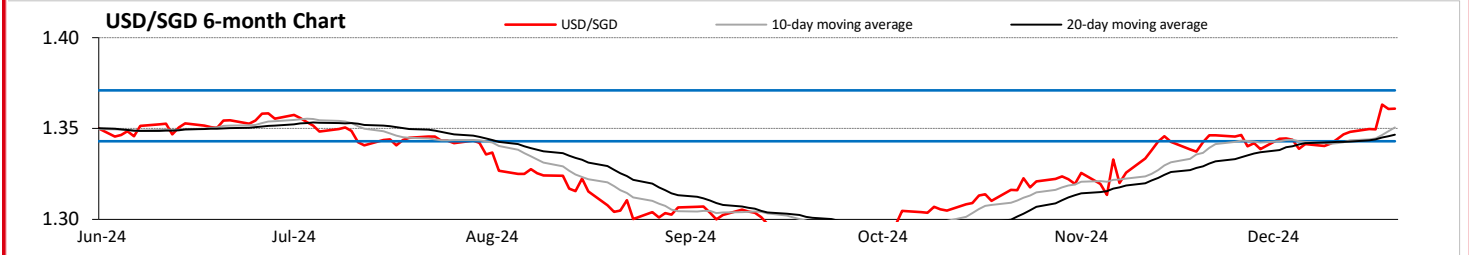


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SGD	↘	SGD ended stronger against the US dollar yesterday despite the USD ending slightly stronger against major peers while long dated US treasury yields ended higher. USDSGD fell 0.13% yesterday while SGDHKD ended at 5.70 level.	
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Technical Analysis	vs USD	Market's Focus
20-Dec	1.36	
Daily change:	-0.18%	(~) Singapore CPI recorded at 1.4% YoY in October
High*	1.36	(-) Singapore Q3 unemployment rate arrived at 1.9% , higher than 1.8% in previous quarter
Low*	1.34	
Support1*	1.3427	(-) Singapore November Non Oil Domestic Exports rose 3.4% YoY, lower than an increase of -4.6% in previous
Support2*	1.3248	month
Resistance1*	1.3710	
Resistance2*	1.3814	



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Central Bank Rate

	Current	Prior	Date		Current	Prior	Date
FED Fund	4.63	4.88	18-Dec-24	Canada (BOC)	3.25	3.75	29-Jan-25
Europe (ECB)	3.15	3.40	30-Jan-25	Japan (BOJ)	0.25	0.25	19-Dec-24
UK (BOE)	4.75	5.00	19-Dec-24	Switzerland (SNB)	0.50	1.00	20-Mar-25
Australia (RBA)	4.35	4.35	18-Feb-25	China (PBOC)	3.10	3.35	20-Dec-24
New Zealand (RBNZ)	4.25	4.75	19-Feb-25		0	0.00	0-Jan-00

Please take note that the primary sources of all the charts are from Reuters dated 20 Dec 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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