

Daily FX Focus

13-Sep-2024

Currency	Current Trend*(vs USD)	Support / Resistance		Market Commentary
CNH	↗	vs USD	7.0783 / 7.1490	CNH rose against the dollar yesterday as the dollar eased broadly. For the most recent assessment of China's faltering economic recovery, investors are awaiting home prices and retail sales data release on Saturday. USDCNH fell 0.17% yesterday while CNHHKD ended at 1.09 level.
		vs HKD	1.0914 / 1.1016	
EUR	→	vs USD	1.0983 / 1.1183	EUR ended higher against the dollar yesterday as USD fell and after the ECB delivered a hawkish tone when it cut its deposit facility rate by 25 bps as expected but refrained from committing to further rate cuts. EURUSD rose 0.57% yesterday while EURHKD ended at 8.63 level.
		vs HKD	8.5696 / 8.7224	
GBP	↗	vs USD	1.2993 / 1.3260	GBP rose against the dollar yesterday after the Greenback went limp amid a broad market uptick in risk-on market sentiment. While US PPI inflation data wrapped around market estimates. GBPUSD rose 0.61% yesterday while GBPHKD ended at 10.23 level.
		vs HKD	10.1349 / 10.3477	
AUD	→	vs USD	0.6620 / 0.6823	AUD rose against the dollar yesterday as the dollar eased broadly after the release of US inflation data. Despite the uncertain economic outlook in Australia, the RBA remains cautious due to persistent inflation. AUDUSD rose 0.75% yesterday while AUDHKD ended at 5.24 level.
		vs HKD	5.1651 / 5.3230	
NZD	↗	vs USD	0.6092 / 0.6285	NZD rose against the dollar yesterday due to risk-on mood following August's US CPI data released on Wednesday. The upside of the Kiwi Dollar could be limited as RBNZ may implement additional rate cuts by the end of 2024. NZDUSD rose 0.75% yesterday while NZDHKD ended at 4.82 level.
		vs HKD	4.7527 / 4.9031	
CAD	→	vs USD	1.3471 / 1.3655	CAD fell against the dollar yesterday despite USD weakened amid soft US PPI data. Also, support from recent short-covering faded and investors bet the BoC would continue to cut interest rates in an effort to boost the domestic economy. USDCAD rose 0.07% yesterday while CADHKD ended at 5.74 level.
		vs HKD	5.7108 / 5.7920	
JPY	↗	vs USD	139.26 / 145.76	JPY rose against the dollar yesterday after the US headline and core PPI for August came in softer-than-expected. The JPY strengthened as BoJ policymaker Naoki Tamura delivers a hawkish interest rate guidance. USDJPY fell 0.39% yesterday while JPYHKD ended at 5.50 level.
		vs HKD	5.3513 / 5.5958	
CHF	→	vs USD	0.8406 / 0.8581	CHF rose against the dollar yesterday despite August US inflation data decrease the odds of Fed's aggressive rate cut in September. Also, the yield on the Swiss 10-year government bond dropped below 0.4%, marking fresh three-week lows. USDCHF fell 0.12% yesterday while CHFHKD ended at 9.16 level.
		vs HKD	9.0924 / 9.2714	
SGD	↗	vs USD	1.2941 / 1.3092	SGD rose against the dollar yesterday as risk-on sentiment in Asian market takes over after equities hit a more-than-six-year-high on Thursday, buoyed by rising foreign buying and economists upgrading the state's annual growth estimates. USDSGD fell 0.18% yesterday while SGDHKD ended at 5.99 level.
		vs HKD	5.9594 / 6.0234	

*Current Trend observations pertain to historical trend technical analysis only and do not reflect any forward looking fundamental views. The signal is generated with both the 20-days moving average and the 50-days moving average.

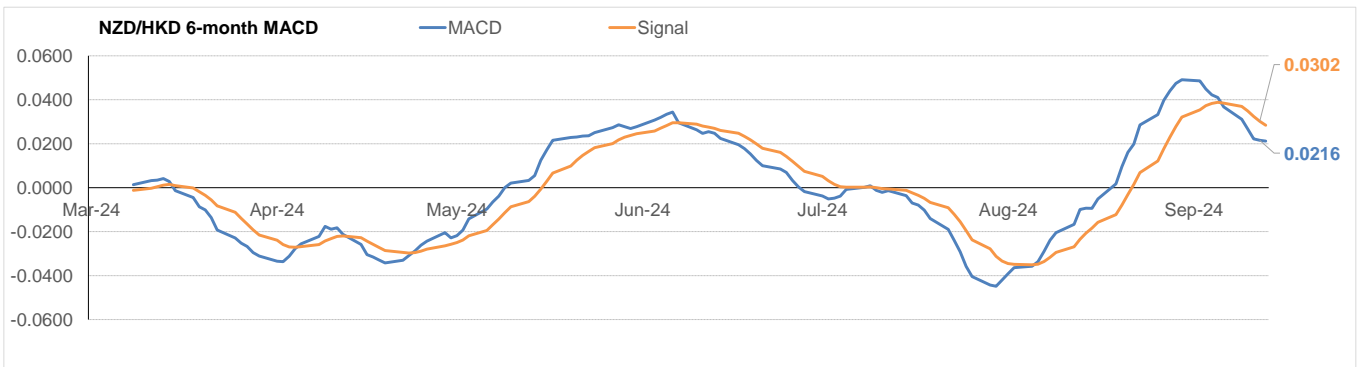
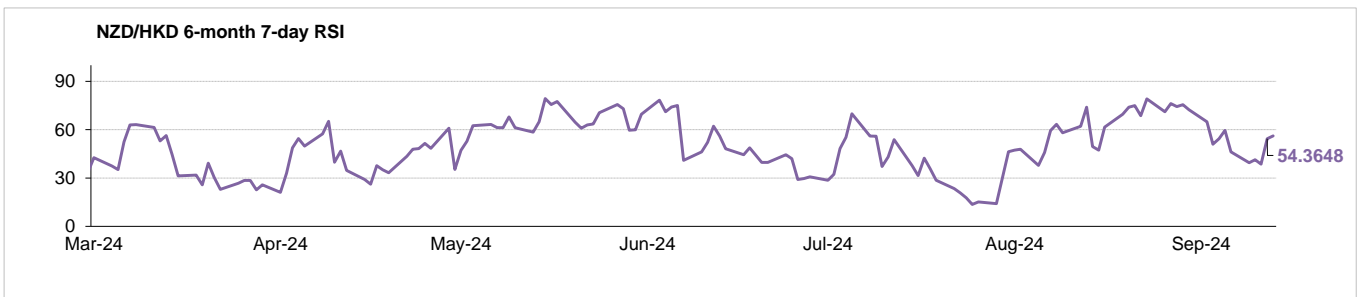
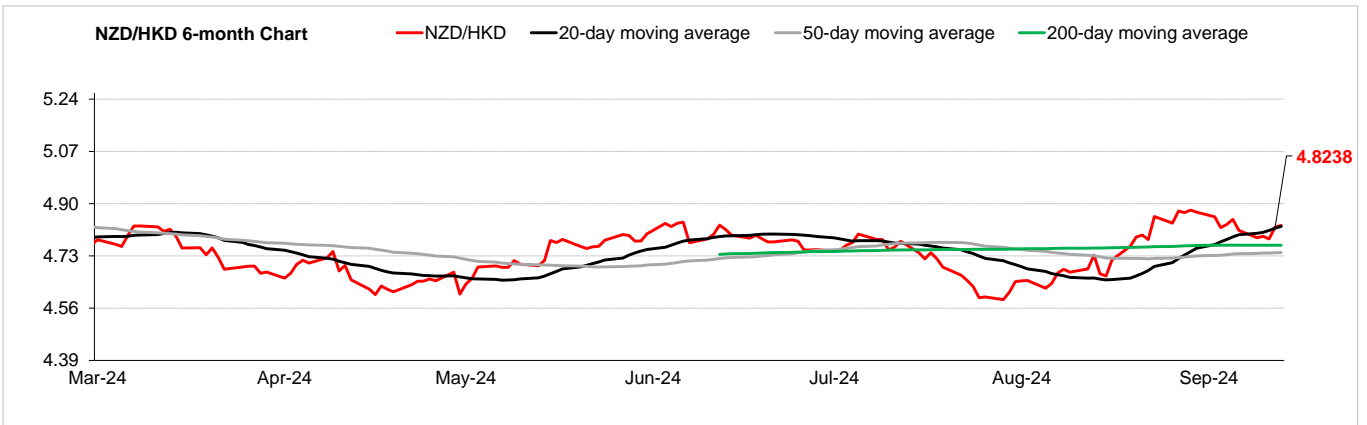
↗	Up Trend, indicates that the currency has been moving higher against the USD
→	Consolidation, indicates that the currency's movement against the USD has remained sideways
↘	Down Trend, indicates that the currency has been moving lower against the USD

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FX Snapshot - NZD

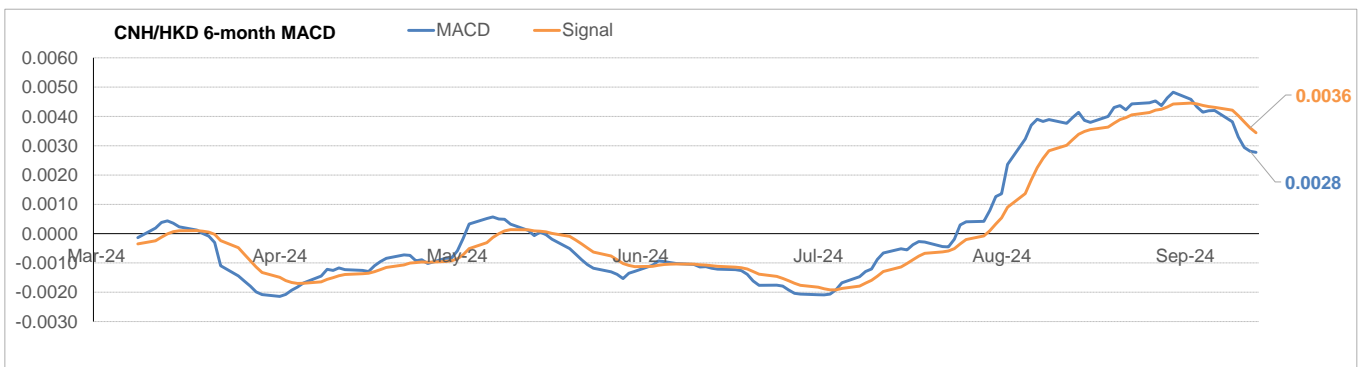
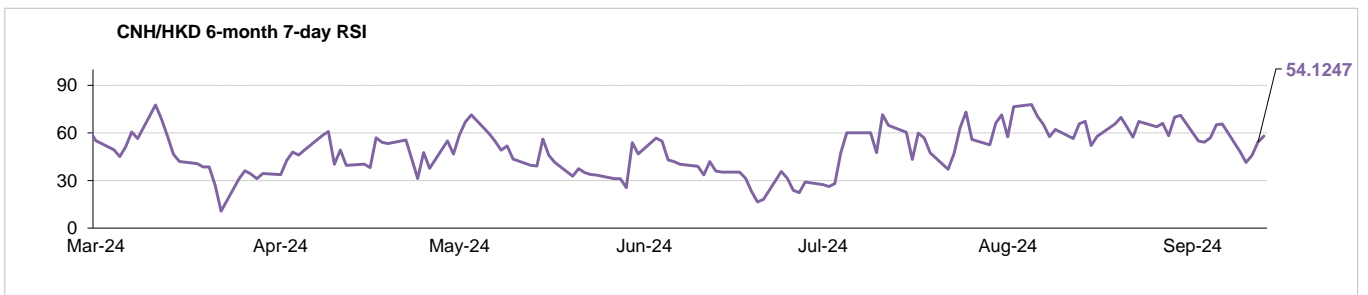
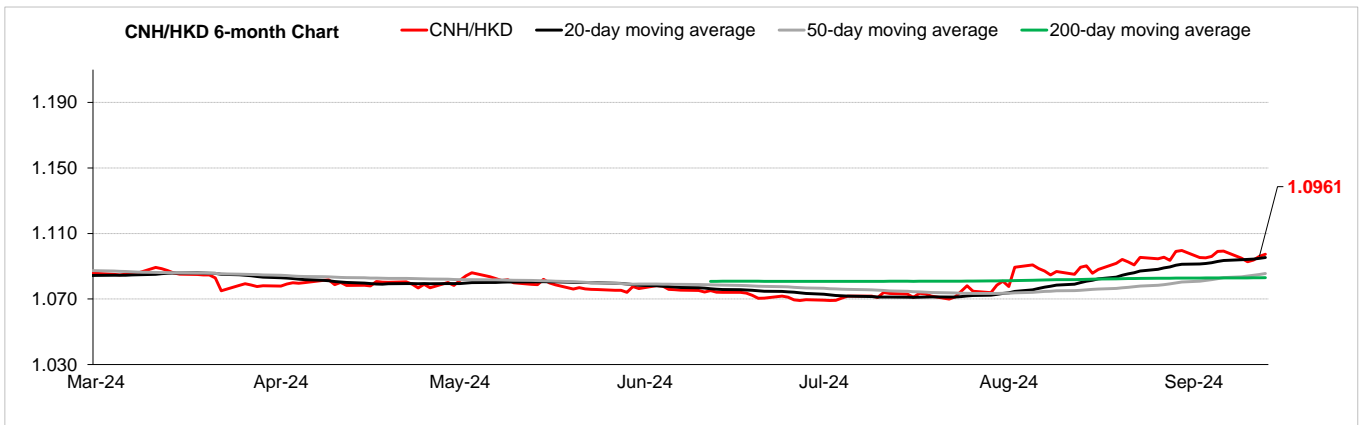
Currency	10-Second Pitch	Technical Analysis	
NZD ↑	Reserve Bank of New Zealand reduced benchmark interest rate in August. NZD rose against the dollar yesterday due to risk-on mood following August's US CPI data released on Wednesday. The upside of the Kiwi Dollar could be limited as RBNZ may implement additional rate cuts by the end of 2024. NZDUSD rose 0.75% yesterday while NZDHKD ended at 4.82 level.		vs HKD
			vs USD
		13-Sep	4.8311
		Daily change	0.81%
		High	4.8256
		Low	4.7758
		Support*	4.7527
		Resistance*	4.9031
			0.6191
			0.75%
			0.6184
			0.6124
			0.6092
			0.6285
Market's Focus		Trendlines	
(-) New Zealand GDP recorded at 0.3% YoY in Q1 (-) New Zealand Q2 CPI rose 3.3% YoY, lower than an increase of 4% in previous quarter (-) New Zealand Q2 unemployment rate arrived at 4.6% , higher than 4.3% in previous quarter		Spot Rate	4.8238
		20 day moving average	4.8260
		50 day moving average	4.7410
		200 day moving average	4.7650
		RSI	54.3648
		MACD	0.0216
		Signal	0.0302
		Closed at	



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FX Snapshot - CNH				
Currency	10-Second Pitch	Technical Analysis		
CNH ↑	CNH rose against the dollar yesterday as the dollar eased broadly. For the most recent assessment of China's faltering economic recovery, investors are awaiting home prices and retail sales data release on Saturday. USDCNH fell 0.17% yesterday while CNHHKD ended at 1.09 level.	vs HKD	USD vs	
		13-Sep	1.0975	7.1068
		Daily change	0.21%	-0.17%
		High	1.0965	7.1330
		Low	1.0934	7.1159
		Support*	1.0914	7.0783
		Resistance*	1.1016	7.1490
	Market's Focus	Trendlines	Closed at	
	(-) China Q2 GDP rose 4.7% YoY, lower than an increase of 5.3% in previous quarter	Spot Rate	1.0961	
	(+) China August CPI rose 0.6% YoY, higher than an increase of 0.5% in previous month	20 day moving average	1.0953	
	(-) China August Caixin manufacturing PMI arrived at 49.1	50 day moving average	1.0855	
	(-) China industrial production recorded at 5.1% YoY in July	200 day moving average	1.0830	
		RSI	54.1247	
		MACD	0.0028	
		Signal	0.0036	



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Please take note that the primary sources of all the charts are from Refinitiv dated 13 Sep 2024 before 9:30 am

Terminology:

'Support level' is the level where the exchange rate 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 rather than go lower.

'Resistance level' is the 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.

We derive the support and resistance level using 'Pivot Points' which takes into account the high, low and close prices in the prior period of 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.

Moving Average Convergence Divergence (MACD) : is a type of oscillator that can measure market momentum as well as follow or indicate the trend. The convention for the MACD analysis is to use an Exponential Moving Average (EMA). MACD consists of two lines, the MACD Line and the Signal Line. The MACD Line measures the difference between a short moving average and a long moving average. The Signal Line is a moving average of the MACD Line.

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13-Sep-2024

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