

Daily FX Focus

3/12/2021

Currency	Current Trend	Support / Resistance		Market commentary
AUD	↘	vs USD vs HKD	0.6979 / 0.7288 5.4399 / 5.6766	Australia trade surplus slightly fell to AUD 11.22 billion in October from AUD 11.82 billion in September, narrowing trade surplus was ascribed to the weaker global demand under continuous outbreak of coronavirus globally. AUDUSD fell 0.15% to new y-t-d low yesterday while AUDHKD ended at 5.52 level.
EUR	↘	vs USD vs HKD	1.1168 / 1.1447 8.7047 / 8.9162	Eurozone PPI rose to 5.4% m-o-m in October, above forecast of 3% and marked highest reading since 1995, while unemployment rate of Eurozone edged lower to 7.3% in November. Despite upbeat data, EURUSD fell 0.18% yesterday to below 1.13 level while EURHKD ended at 8.80 level.
GBP	↘	vs USD vs HKD	1.3162 / 1.3482 10.2597 / 10.4993	Irish officer said that no agreement was expected to reach between UK and EU before Christmas, while U.S. delayed a trade deal that remove tariff on UK steel and aluminium. However, GBP rebounded yesterday, rose 0.21% to above 1.33 level while GBPHKD ended at 10.36 level.
NZD	↘	vs USD vs HKD	0.6698 / 0.7007 5.2207 / 5.4574	NZDUSD rose 0.15% yesterday as risk sentiment slightly improved, but the upside of Kiwi was capped as Omicron was detected in more countries and raised worries that it would be widely spread around the globe and hamper the global economic recovery, while NZDHKD ended at 5.30 level.
RMB	↗	vs USD vs HKD	6.3544 / 6.3942 1.2176 / 1.2262	Advisers to China government were reported to recommend China government to lower its economic growth target in 2022, down from 6% growth target for 2021 amid potential slowdown caused by property woes and coronavirus outbreak. USDCNH was almost flat yesterday while CNHHKD ended at 1.22 level.
CAD	↘	vs USD vs HKD	1.2585 / 1.2934 6.0214 / 6.1868	OPEC decided to maintain its original plan to boost oil output, despite the outbreak of new coronavirus variant raised oil demand concerns. Oil price edged higher yesterday, CAD was bolstered and rose 0.05% against U.S. dollar while CADHKD ended at 6.08 level.
JPY	↗	vs USD vs HKD	111.94 / 114.93 6.7793 / 6.9574	Japan consumer confidence remained at 30 months high 39.2 in November amid higher vaccination rate while BOJ policymaker signaled yesterday that the central bank may cease its pandemic-relief scheme in Q1 2022. However, USDJPY rose 0.35% yesterday while JPYHKD ended at 6.88 level.
CHF	↗	vs USD vs HKD	0.9114 / 0.9331 8.3506 / 8.5464	Switzerland retail sales came out better than expected, rose 0.7% in October after a 0.1% rise in September. USDCHF was flat yesterday as upbeat Switzerland retail sales data offset gain of U.S. dollar under better than expected U.S. jobless claim number, while CHFHKD ended at 8.46 level.
SGD	↘	vs USD vs HKD	1.3545 / 1.3790 5.6498 / 5.7483	U.S. initial jobless claims rose to 222k, higher than the 194k from previous week, but the number was better than market consensus of 240k. U.S. dollar was underpinned yesterday on upbeat jobless claims data, dollar index rose 0.13%, USDSGD rose 0.29% while SGDHKD ended at 5.68 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 both the 20-days moving average and the 50-days moving average.

→	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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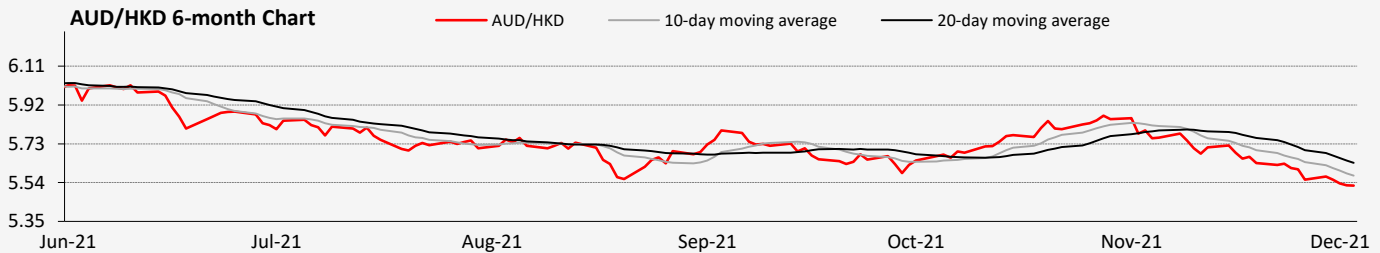
AUD



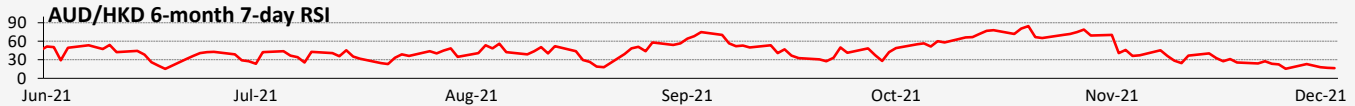
RBA kept benchmark interest rate unchanged in November. Australia trade surplus slightly fell to AUD 11.22 billion in October from AUD 11.82 billion in September, narrowing trade surplus was ascribed to the weaker global demand under continuous outbreak of coronavirus globally. AUDUSD fell 0.15% to new y-t-d low yesterday while AUDHKD ended at 5.52 level.

Technical Analysis	vs HKD	vs USD	Market's Focus
03-Dec	5.5300	0.7090	
Daily change:	-0.18%	-0.18%	(-) Australia Q3 GDP rose 3.9% YoY, lower than an increase of 9.5% in previous quarter
High	5.5482	0.7119	(-) Australia October unemployment rate arrived at 5.2%, higher than 4.6% in previous month
Low	5.5182	0.7082	(-) Australia November Commodity Price Index arrived at 36.2%, lower than 42.8% in previous month
Support*	5.4399	0.6979	(~) Australia Q3 CPI rose 0.8% YoY, same as previous quarter
Resistance*	5.6766	0.7288	

AUD/HKD 6-month Chart



AUD/HKD 6-month 7-day RSI



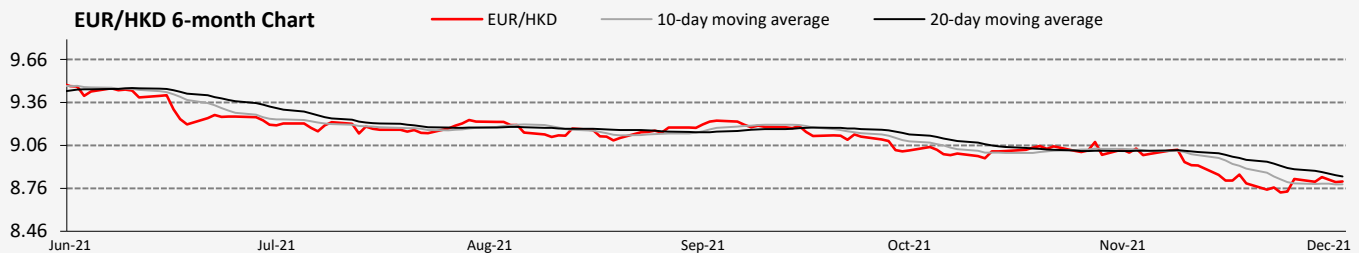
EUR



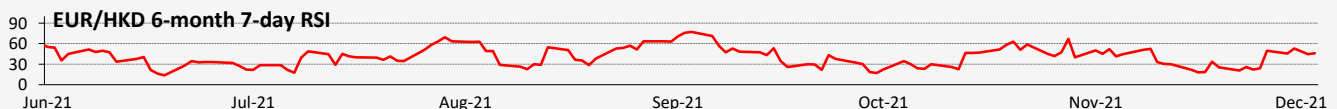
ECB kept benchmark interest rate unchanged in October. Eurozone PPI rose to 5.4% m-o-m in October, above forecast of 3% and marked highest reading since 1995, while unemployment rate of Eurozone edged lower to 7.3% in November. Despite upbeat data, EURUSD fell 0.18% yesterday to below 1.13 level while EURHKD ended at 8.80 level.

Technical Analysis	vs HKD	vs USD	Market's Focus
03-Dec	8.8100	1.1300	
Daily change:	-0.20%	-0.20%	(+) Eurozone November CPI rose 4.9% YoY, higher than an increase of 4.1% in previous month
High	8.8440	1.1347	(-) Germany November manufacturing PMI arrived at 57.4, lower than 57.8 in previous month
Low	8.7980	1.1293	(-) Germany November Business Climate arrived at 96.5, lower than 97.7 in previous month
Support*	8.7047	1.1168	
Resistance*	8.9162	1.1447	

EUR/HKD 6-month Chart



EUR/HKD 6-month 7-day RSI



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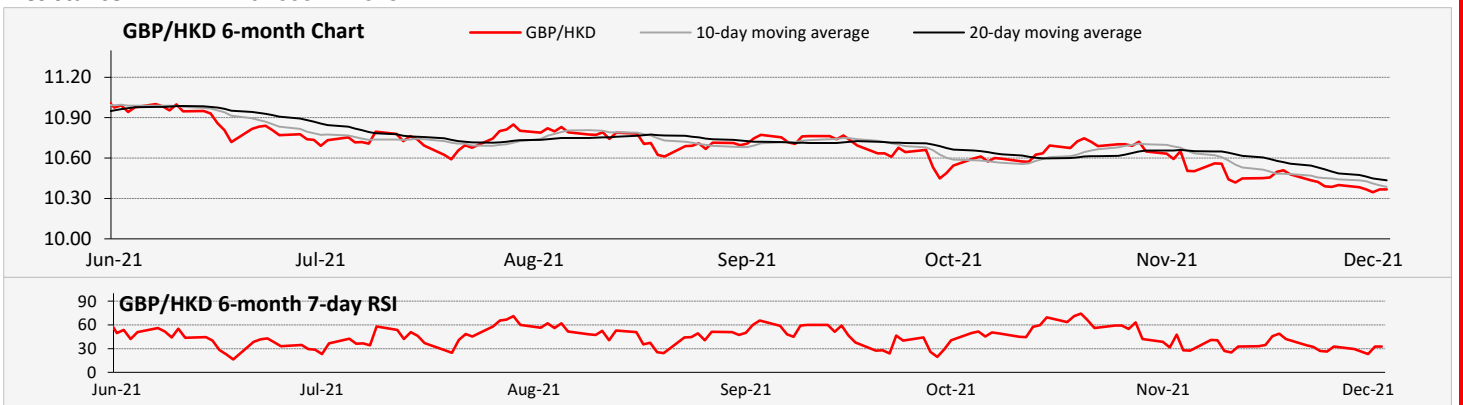
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GBP



Bank of England kept benchmark interest rate unchanged in November. Irish officer said that no agreement was expected to reach between UK and EU before Christmas, while U.S. delayed a trade deal that remove tariff on UK steel and aluminium. However, GBP rebounded yesterday, rose 0.21% to above 1.33 level while GBPHKD ended at 10.36 level.

Technical Analysis	vs HKD	vs USD	Market's Focus
03-Dec	10.3700	1.3300	
Daily change:	0.18%	0.18%	
High	10.3915	1.3333	(+) UK October CPI rose 1.1% YoY, higher than an increase of 0.3% in previous month
Low	10.3387	1.3270	(+) UK ILO September's 3Mths unemployment rate was at 4.3%, lower than 4.5% in previous month
Support*	10.2597	1.3162	(+) UK November Nationwide House Prices All Houses rose 10% YoY, higher than an increase of 9.9% in previous month
Resistance*	10.4993	1.3482	

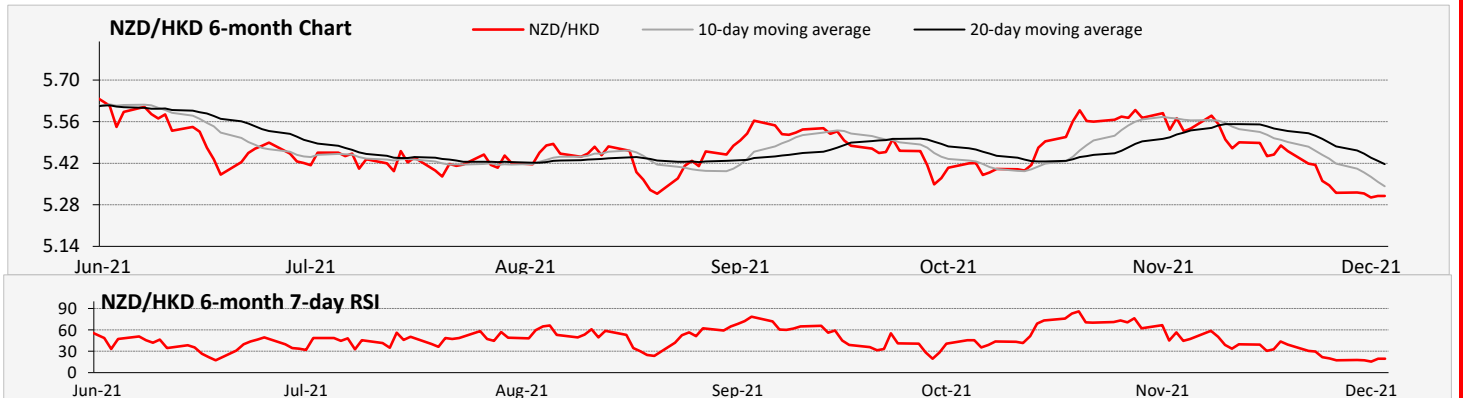


NZD



RBNZ raised benchmark interest rate in November. NZDUSD rose 0.15% yesterday as risk sentiment slightly improved, but the upside of Kiwi was capped as Omicron was detected in more countries and raised worries that it would be widely spread around the globe and hamper the global economic recovery, while NZDHKD ended at 5.30 level.

Technical Analysis	vs HKD	vs USD	Market's Focus
03-Dec	5.3100	0.6810	
Daily change:	0.11%	0.11%	(+) New Zealand Q2 GDP rose 17.4% YoY, higher than an increase of 2.9% in previous quarter
High	5.3239	0.6831	(+) New Zealand Q3 CPI rose 4.9% YoY, higher than an increase of 3.3% in previous quarter
Low	5.2959	0.6796	(+) New Zealand Q3 unemployment rate arrived at 3.4%, lower than 4% in previous quarter
Support*	5.2207	0.6698	(+) New Zealand October Commodity Price Index arrived at 2.1%, higher than 1.5% in previous month
Resistance*	5.4574	0.7007	



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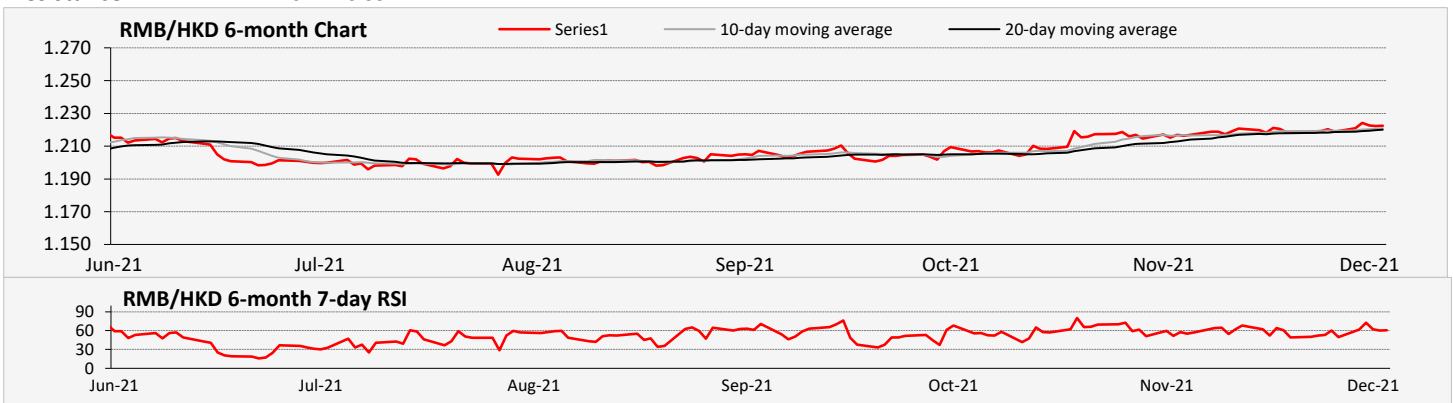
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RMB



Advisers to China government were reported to recommend China government to lower its economic growth target in 2022, down from 6% growth target for 2021 amid potential slowdown caused by property woes and coronavirus outbreak. USDCNH was almost flat yesterday while CNHKKD ended at 1.22 level.

Technical Analysis	vs HKD	USD vs	Market's Focus
03-Dec	1.2230	6.3720	
Daily change:	-0.02%	-0.02%	(-) China Q3 GDP rose 4.9% YoY, lower than an increase of 7.9% in previous quarter
High	1.2238	6.3776	(+) China October CPI rose 1.5% YoY, higher than an increase of 0.7% in previous month
Low	1.2210	6.3657	(-) China November Caixin manufacturing PMI arrived at 49.9, lower than 50.6 in previous month
Support*	1.2176	6.3544	(+) China October industrial production rose 3.5% YoY, higher than an increase of 3.1% in previous month
Resistance*	1.2262	6.3942	

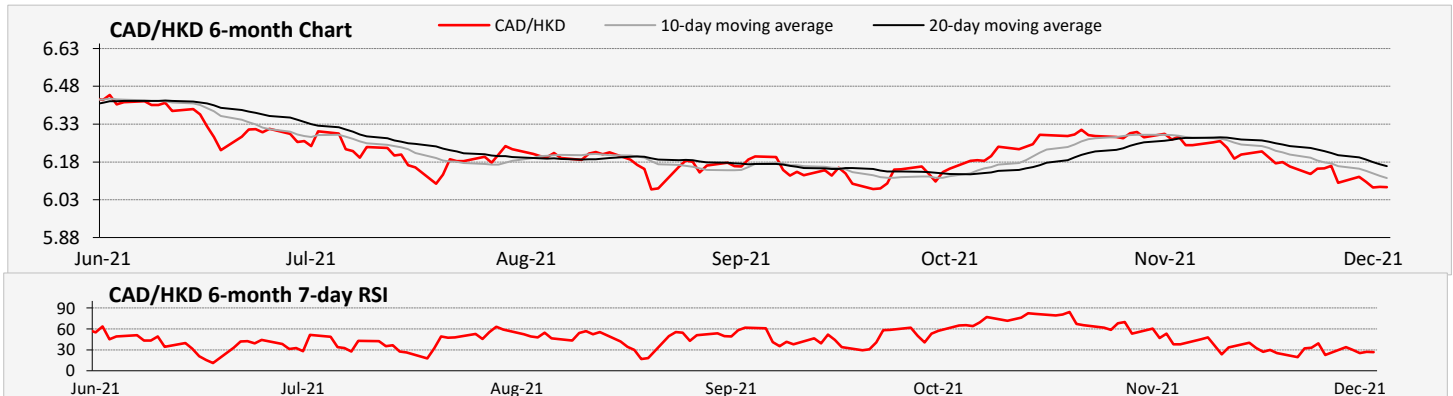


CAD



Bank of Canada kept benchmark interest rate unchanged in October. OPEC decided to maintain its original plan to boost oil output, despite the outbreak of new coronavirus variant raised oil demand concerns. Oil price edged higher yesterday, CAD was bolstered and rose 0.05% against U.S. dollar while CADHKD ended at 6.08 level.

Technical Analysis	vs HKD	USD vs	Market's Focus
03-Dec	6.0800	1.2810	(-) Canada September GDP rose 3.4% YoY, lower than an increase of 4.3% in previous month
Daily change:	0.04%	0.04%	(+) Canada October CPI rose 4.7% YoY, higher than an increase of 4.4% in previous month
High	6.0960	1.2837	(+) Canada October unemployment rate arrived at 6.7%, lower than 6.9% in previous month
Low	6.0679	1.2774	(-) Canada November Manufacturing PMI arrived at 57.2, lower than 57.7 in previous month
Support*	6.0214	1.2585	
Resistance*	6.1868	1.2934	



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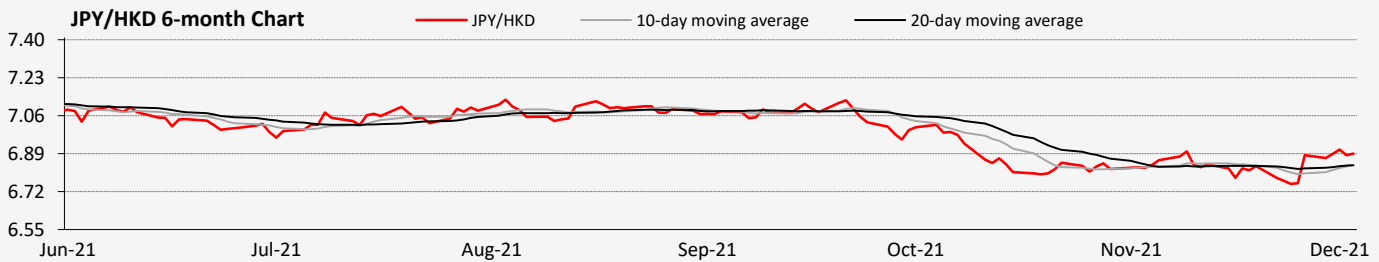
JPY



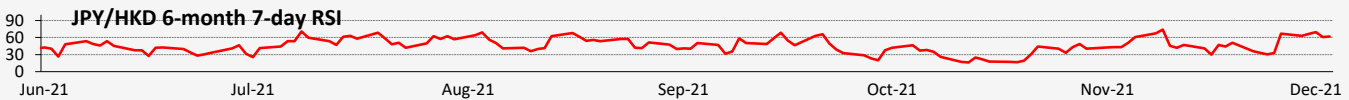
Bank of Japan kept benchmark interest rate unchanged in October. Japan consumer confidence remained at 30 months high 39.2 in November amid higher vaccination rate while BOJ policymaker signaled yesterday that the central bank may cease its pandemic-relief scheme in Q1 2022. However, USDJPY rose 0.35% yesterday while JPYHKD ended at 6.88 level.

Technical Analysis	vs HKD	USD vs	Market's Focus
03-Dec	6.8900	113.10	
Daily change:	-0.36%	-0.36%	(-) Japan Q3 GDP rose 1.4% YoY, lower than an increase of 7.6% in previous quarter
High	6.9155	113.33	(-) Japan October CPI nationwide ex fresh food rose 0.1% YoY, lower than an increase of 0.2% in previous month
Low	6.8713	112.69	(+) Japan November manufacturing PMI arrived at 54.5, higher than 53.2 in previous month
Support*	6.7793	111.94	(~) Japan October Industrial Production rose 1.1% MoM, same as previous month
Resistance*	6.9574	114.93	

JPY/HKD 6-month Chart



JPY/HKD 6-month 7-day RSI



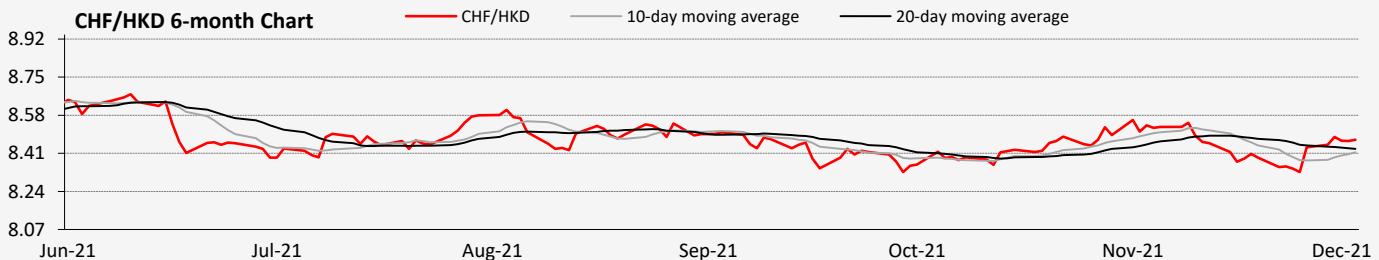
CHF



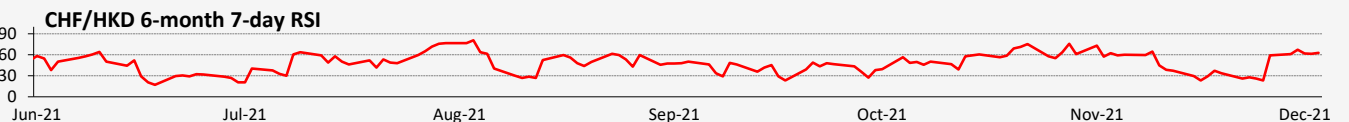
SNB kept benchmark interest rate unchanged in September. Switzerland retail sales came out better than expected, rose 0.7% in October after a 0.1% rise in September. USDCHF was flat yesterday as upbeat Switzerland retail sales data offset gain of U.S. dollar under better than expected U.S. jobless claim number, while CHFHKD ended at 8.46 level.

Technical Analysis	vs HKD	USD vs	Market's Focus
03-Dec	8.4700	0.9200	
Daily change:	0.00%	0.00%	(-) Switzerland Q3 GDP rose 4.1% YoY, lower than an increase of 8.6% in previous quarter
High	8.4912	0.9221	(+) Switzerland November CPI rose 1.5% YoY, higher than an increase of 1.2% in previous month
Low	8.4451	0.9176	(+) Switzerland October unemployment rate arrived at 2.7%, lower than 2.8% in previous month
Support*	8.3506	0.9114	(-) Switzerland October Foreign Currency Reserves arrived at CHF 923 billion, lower than CHF 939.3 billion in previous month
Resistance*	8.5464	0.9331	

CHF/HKD 6-month Chart



CHF/HKD 6-month 7-day RSI



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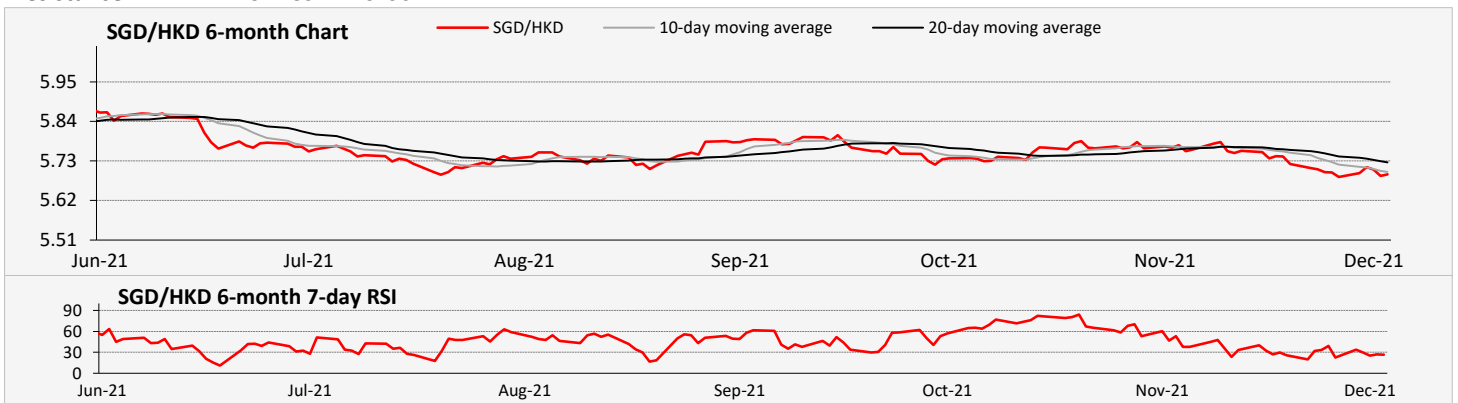
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SGD



U.S. initial jobless claims rose to 222k, higher than the 194k from previous week, but the number was better than market consensus of 240k. U.S. dollar was underpinned yesterday on upbeat jobless claims data, dollar index rose 0.13%, USDSGD rose 0.29% while SGDHKD ended at 5.68 level.

Technical Analysis	vs HKD	USD vs	Market's Focus
03-Dec	5.6900	1.3680	(+) Singapore October CPI rose 3.2% YoY, higher than an increase of 2.5% in previous month
Daily change:	-0.30%	-0.30%	(+) Singapore Q9 unemployment rate arrived at 2.6%, lower than 2.7% in previous quarter
High	5.7141	1.3698	(+) Singapore October Non Oil Domestic Exports rose 17.9% YoY, higher than an increase of 12% in previous month
Low	5.6858	1.3632	
Support*	5.6498	1.3545	
Resistance*	5.7483	1.3790	



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Please take note that the primary sources of all the charts are from Reuters dated 3 Dec 2021 before 9:00 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.

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