

Daily FX Focus

14/12/2022

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 on Tuesday though it appeared to lack direction with impending release of U.S. inflation data. The upside remains as traders await the crucial US CPI ahead of the FOMC meeting. AUDUSD rose 1.65% yesterday while AUDHKD ended at 5.32 level.

Currency	Current Trend	Support / Resistance		Market commentary
AUD	↘	vs USD	0.6696 / 0.6951	AUD rose against the dollar on Tuesday though it appeared to lack direction with impending release of U.S. inflation data. The upside remains as traders await the crucial US CPI ahead of the FOMC meeting. AUDUSD rose 1.65% yesterday while AUDHKD ended at 5.32 level.
EUR	↘	vs USD	1.0388 / 1.0773	EUR rose against the dollar yesterday soaring to its highest since June as the dollar slipped after data showed inflation in the US rose less than expected. EURUSD rose 0.93% yesterday while EURHKD ended at 8.26 level.
GBP	↘	vs USD	1.2020 / 1.2566	GBP was steady on Tuesday against dollar following positive UK employment data as markets seem to await this week's U.S. consumer inflation data. Bank of England will release its policy statement alongside the interest rate decision on Thursday GBPUSD rose 0.67% yesterday while GBPHKD ended at 9.60 level.
NZD	↘	vs USD	0.6240 / 0.6599	NZD rose against the dollar yesterday recovering some overnight losses as the dollar fell while global equities moved higher and improved risk sentiment supported commodity currencies. NZDUSD rose 1.35% yesterday while NZDHKD ended at 5.02 level.
RMB	↗	vs USD	6.8438 / 7.1405	CNH rose on yesterday against the dollar as markets are not affected by China's weak loan data are hopeful of economic recovery as Covid restrictions are easing. USDCNH fell 0.38% yesterday while CNHHKD ended at 1.11 level.
CAD	↘	vs USD	1.3342 / 1.3727	CAD rose on yesterday against the dollar, as market has turned cautious again and U.S. bond yields fell supported by inflation pressures easing further. Meanwhile, the policymakers are widely expected to agree Fed to increase the funds rate by 50 basis points. USDCAD fell 0.65% yesterday while CADHKD ended at 5.73 level.
JPY	↗	vs USD	132.82 / 139.11	JPY rose against the dollar yesterday rising to a one week high as the dollar eased after data indicated that US consumer prices rose modestly in November. USDJPY fell 1.52% yesterday while JPYHKD ended at 5.73 level.
CHF	↘	vs USD	0.9163 / 0.9481	CHF ended higher against the dollar yesterday, as U.S. consumer price inflation did not rise as expected and amid caution ahead of the final Federal Reserve meeting of the year. USDCHF fell 0.77% yesterday while CHFHKD ended at 8.36 level.
SGD	↘	vs USD	1.3331 / 1.3702	SGD rose slightly against the dollar yesterday as the dollar weakened across the board after lower than expected US CPI data. USDSGD fell 0.58% yesterday while SGDHKD ended at 5.77 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

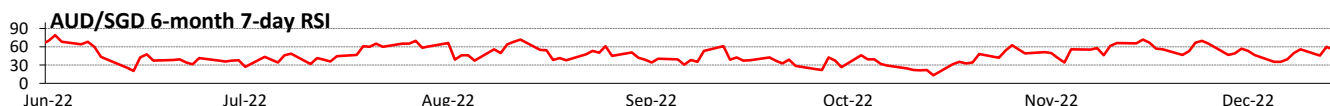
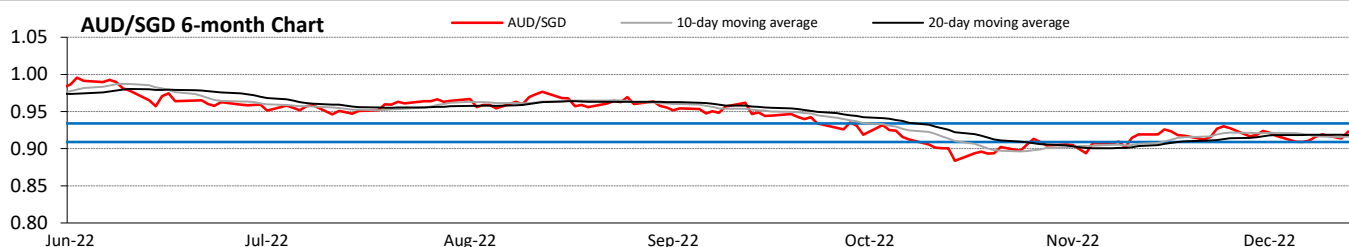
14/12/2022

AUD



RBA raised benchmark interest rate in November. AUD rose against the dollar on Tuesday though it appeared to lack direction with impending release of U.S. inflation data. The upside remains as traders await the crucial US CPI ahead of the FOMC meeting. AUDUSD rose 1.65% yesterday while AUDHKD ended at 5.32 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	0.9230	0.6850	
Daily change:	1.01%	1.60%	(+) Australia Q3 GDP rose 5.9% YoY, higher than an increase of 3.6% in previous quarter
High*	0.9314	0.6893	(~) Australia October unemployment rate arrived at 3.4%
Low*	0.9056	0.6638	(-) Australia October Commodity Price Index arrived at 19.1%, lower than 22.4% in previous month
Support1*	0.9090	0.6696	(~) Australia Q3 CPI rose 1.8% YoY, same as previous quarter
Support2*	0.8940	0.6540	
Resistance1*	0.9340	0.6951	
Resistance2*	0.9460	0.7050	

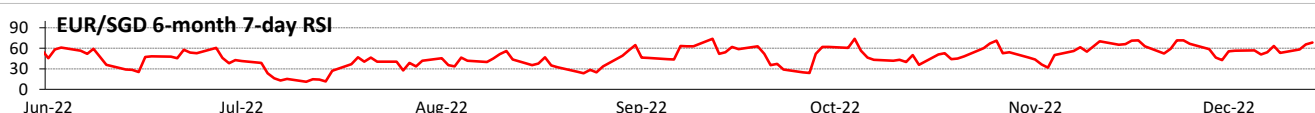
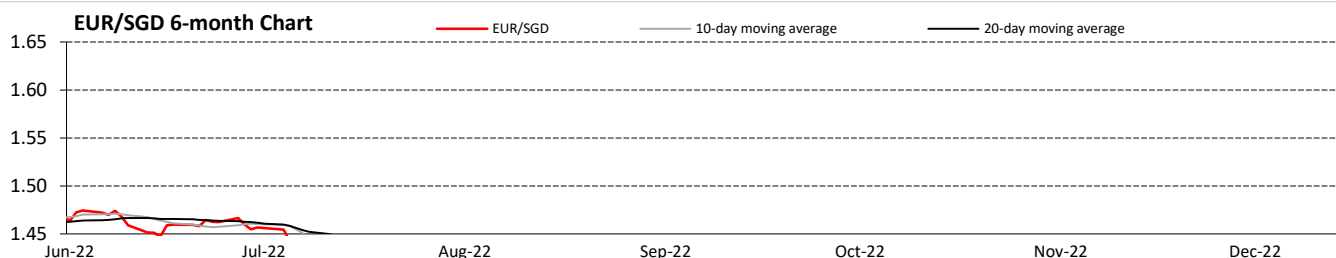


EUR



ECB raised benchmark interest rate in October. EUR rose against the dollar yesterday soaring to its highest since June as the dollar slipped after data showed inflation in the US rose less than expected. EURUSD rose 0.93% yesterday while EURHKD ended at 8.26 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	1.4320	1.0630	
Daily change:	0.31%	0.90%	
High*	1.4417	1.0673	(~) Eurozone CPI recorded at 10% YoY in November
Low*	1.4098	1.0288	(~) Germany November manufacturing PMI arrived at 46.2
Support1*	1.4140	1.0388	(~) Germany November Business Climate arrived at 86.3
Support2*	1.3960	1.0145	
Resistance1*	1.4460	1.0773	
Resistance2*	1.4600	1.0915	



Daily FX Focus

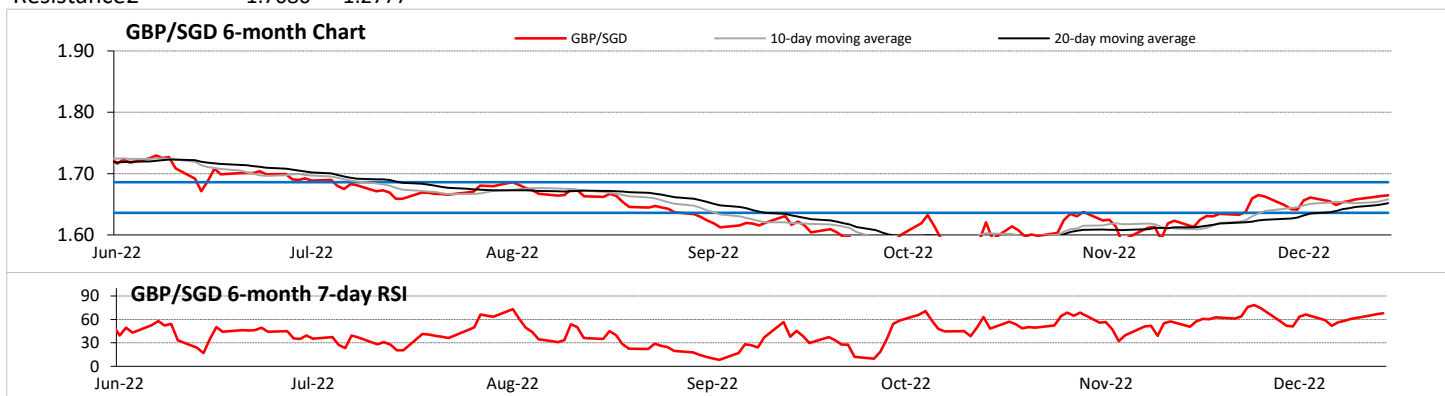
14/12/2022

GBP



Bank of England increased benchmark interest rate in November. GBP was steady on Tuesday against dollar following positive UK employment data as markets seem to await this week's U.S. consumer inflation data. Bank of England will release its policy statement alongside the interest rate decision on Thursday GBPUSD rose 0.67% yesterday while GBPHKD ended at 9.60 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	1.6640	1.2350	
Daily change:	0.10%	0.68%	
High*	1.6802	1.2443	(~) UK CPI recorded at 2% YoY in October
Low*	1.6297	1.1897	(~) UK ILO 's 3Mths unemployment rate was at recorded at 3.6% in September
Support1*	1.6360	1.2020	(~) UK Nationwide House Prices All Houses recorded at 4.4% YoY in November
Support2*	1.6070	1.1685	
Resistance1*	1.6860	1.2566	
Resistance2*	1.7080	1.2777	

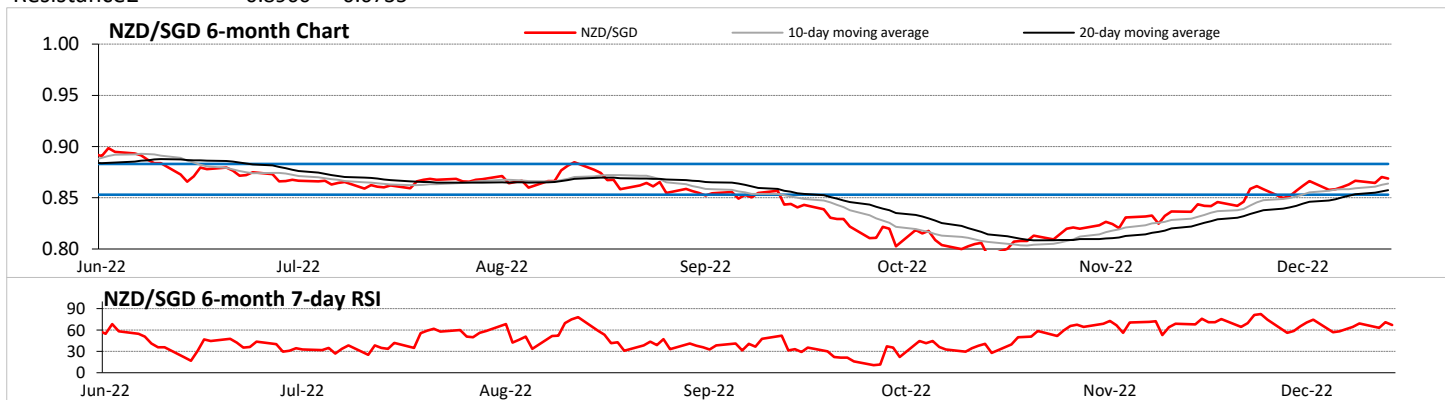


NZD



RBNZ raised benchmark interest rate in October. NZD rose against the dollar yesterday recovering some overnight losses as the dollar fell while global equities moved higher and improved risk sentiment supported commodity currencies. NZDUSD rose 1.35% yesterday while NZDHKD ended at 5.02 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	0.8700	0.6460	
Daily change:	0.67%	1.27%	(~) New Zealand GDP recorded at 0.4% YoY in Q2
High*	0.8781	0.6513	(-) New Zealand Q3 CPI rose 7.2% YoY, lower than an increase of 7.3% in previous quarter
Low*	0.8476	0.6154	(~) New Zealand Q3 unemployment rate arrived at 3.3% , same as previous quarter
Support1*	0.8530	0.6240	(+) New Zealand October Commodity Price Index arrived at -3.4% , higher than -0.6% in previous month
Support2*	0.8350	0.6017	
Resistance1*	0.8830	0.6599	
Resistance2*	0.8960	0.6735	

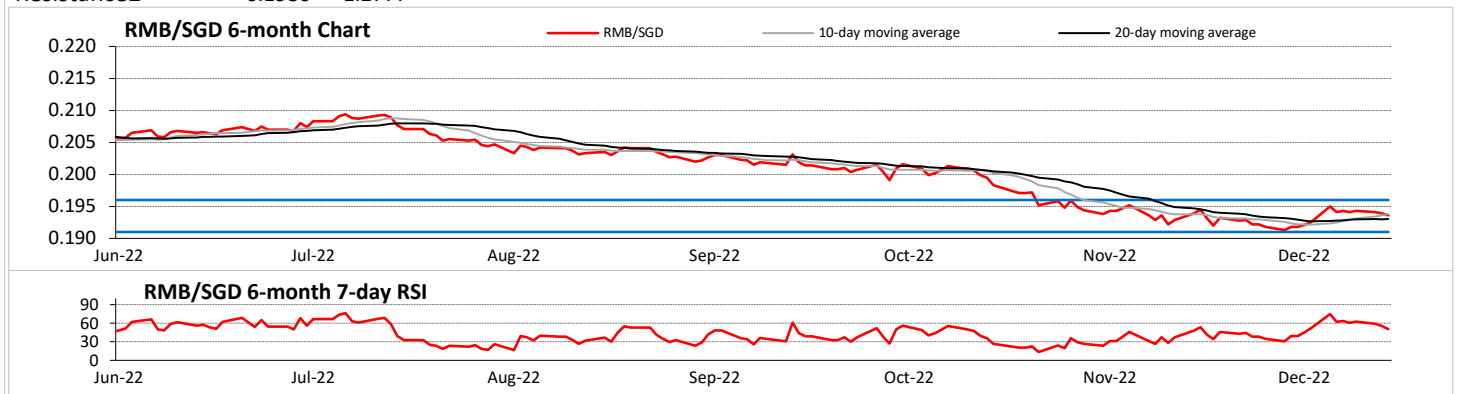


Daily FX Focus

14/12/2022

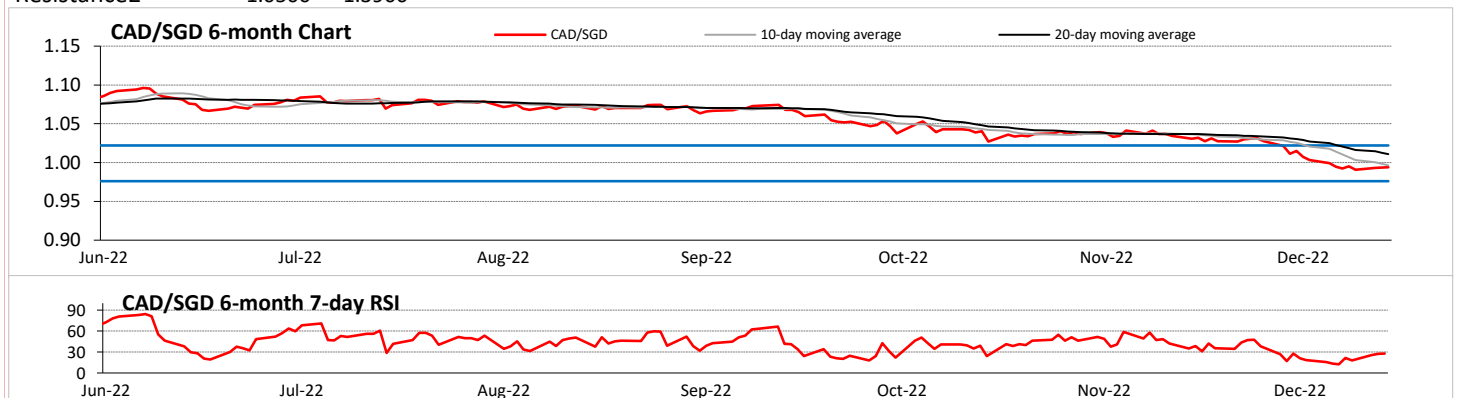
RMB	↗	CNH rose on yesterday against the dollar as markets are not affected by China's weak loan data are hopeful of economic recovery as Covid restrictions are easing. USDCNH fell 0.38% yesterday while CNHHKD ended at 1.11 level.	
-----	---	---	--

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	0.1940	6.9430	
Daily change:	-0.10%	-0.49%	(+) China Q3 GDP rose 3.9% YoY, higher than an increase of 0.4% in previous quarter
High*	0.1951	7.2387	(-) China November CPI rose 1.6% YoY, lower than an increase of 2.1% in previous month
Low*	0.1904	6.9420	(~) China November Caixin manufacturing PMI arrived at 48
Support1*	0.1910	6.8438	(~) China industrial production recorded at 5% YoY in October
Support2*	0.1880	6.7445	
Resistance1*	0.1960	1.2566	
Resistance2*	0.1980	1.2777	



CAD	↘	Bank of Canada raised benchmark interest rate in October. CAD rose on yesterday against the dollar, as market has turned cautious again and U.S. bond yields fell supported by inflation pressures easing further. Meanwhile, the policymakers are widely expected to agree Fed to increase the funds rate by 50 basis points. USDCAD fell 0.65% yesterday while CADHKD ended at 5.73 level.	
-----	---	--	--

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	0.9940	1.3550	
Daily change:	0.05%	-0.63%	(-) Canada Q3 GDP rose 3.93% YoY, lower than an increase of 4.56% in previous month
High*	1.0322	1.3699	(~) Canada CPI recorded at 6.9% YoY in October
Low*	0.9870	1.3314	(+) Canada November unemployment rate arrived at 5.1%, lower than 5.2% in previous month
Support1*	0.9760	1.3342	(+) Canada November Manufacturing PMI arrived at 49.6, higher than 48.8 in previous month
Support2*	0.9590	1.3136	
Resistance1*	1.0220	1.3727	
Resistance2*	1.0500	1.3906	



Daily FX Focus

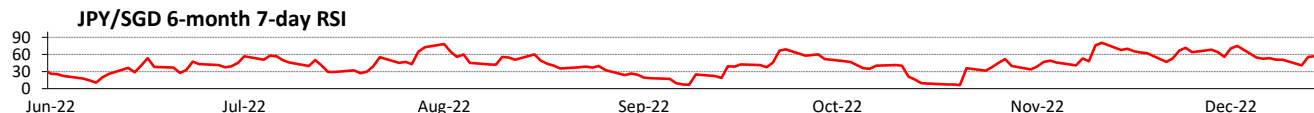
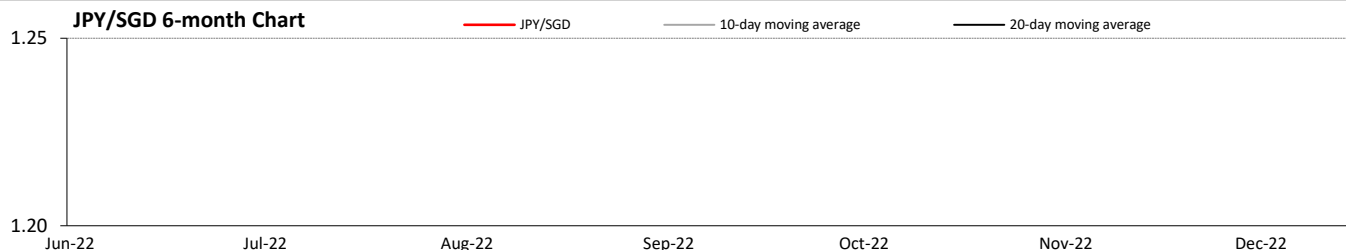
14/12/2022

JPY



Bank of Japan kept benchmark interest rate unchanged in October JPY rose against the dollar yesterday rising to a one week high as the dollar eased after data indicated that US consumer prices rose modestly in November. USDJPY fell 1.52% yesterday while JPYHKD ended at 5.73 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	0.9930	135.60	
Daily change:	0.96%	-1.52%	(-) Japan Q3 GDP rose -1.2% YoY, lower than an increase of 3.5% in previous quarter
High*	1.0097	139.89	(~) Japan CPI nationwide ex fresh food recorded at 3.6% YoY in October
Low*	0.9788	133.60	(~) Japan November manufacturing PMI arrived at 49
Support1*	0.9780	132.82	(~) Japan Industrial Production recorded at -2.6% MoM in October
Support2*	0.9630	130.06	
Resistance1*	1.0090	139.11	
Resistance2*	1.0250	142.64	

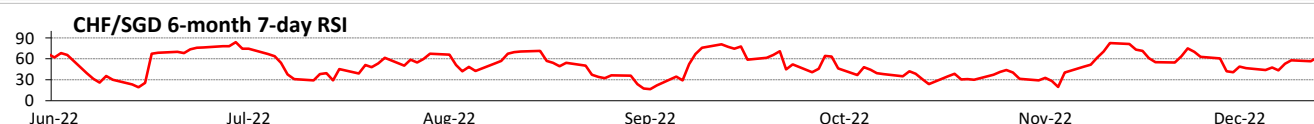
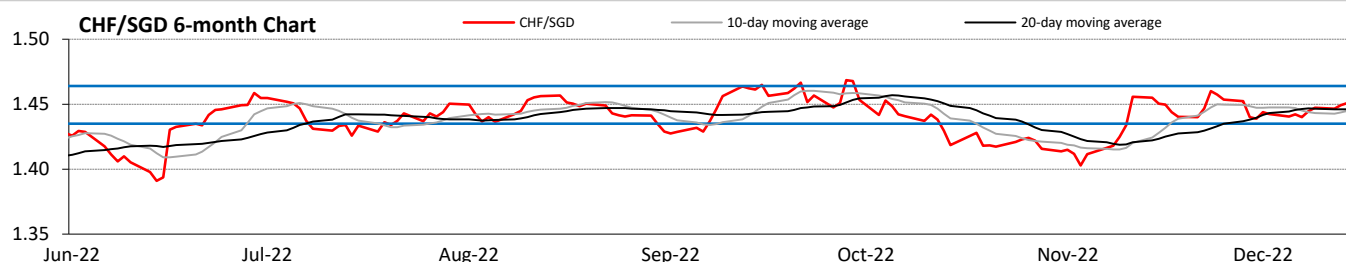


CHF



SNB raised benchmark interest rate in September CHF ended higher against the dollar yesterday, as U.S. consumer price inflation did not rise as expected and amid caution ahead of the final Federal Reserve meeting of the year. USDCHF fell 0.77% yesterday while CHFHKD ended at 8.36 level.

Technical Analysis	vs SGD	vs USD	Market's Focus
14-Dec	1.4490	0.9290	
Daily change:	0.19%	-0.77%	(-) Switzerland Q3 GDP rose 0.5% YoY, lower than an increase of 2.4% in previous quarter
High*	1.4636	0.9548	(~) Switzerland November CPI rose 3% YoY, same as previous month
Low*	1.4344	0.9230	(+) Switzerland November unemployment rate arrived at 2% , lower than 2.1% in previous month
Support1*	1.4350	0.9163	
Support2*	1.4200	0.9037	
Resistance1*	1.4640	0.9481	
Resistance2*	1.4780	0.9673	

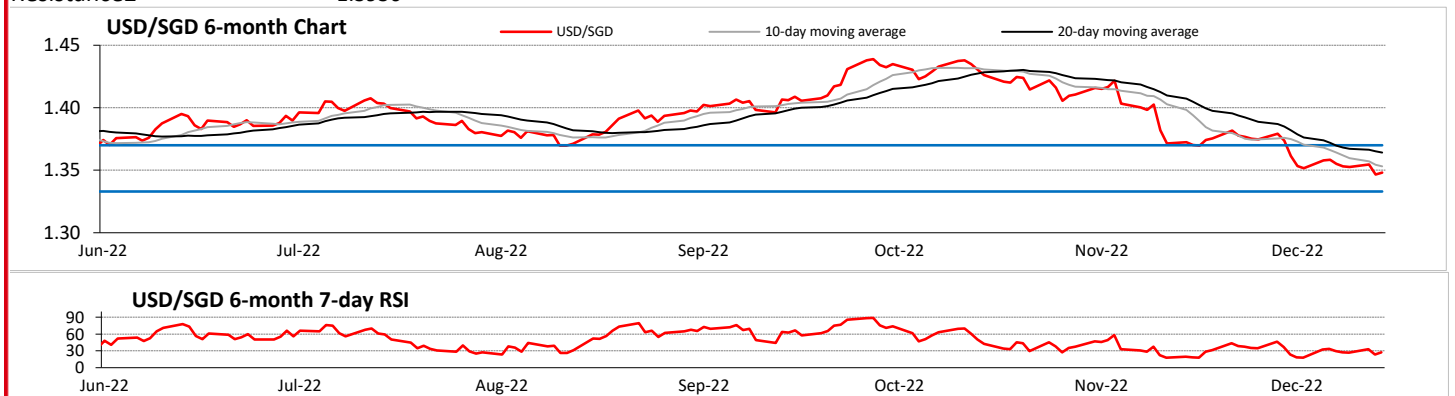


Daily FX Focus

14/12/2022

SGD	↘	SGD rose slightly against the dollar yesterday as the dollar weakened across the broad after lower than expected US CPI data. USDSGD fell 0.58% yesterday while SGDHKD ended at 5.77 level.	
-----	---	---	--

Technical Analysis	vs USD	Market's Focus
14-Dec	1.35	
Daily change:	-0.58%	
High*	1.38	(~) Singapore CPI recorded at 6.7% YoY in October
Low*	1.34	(~) Singapore Q3 unemployment rate arrived at 2%
Support1*	1.3331	(~) Singapore Non Oil Domestic Exports recorded at -5.6% YoY in October
Support2*	1.3194	
Resistance1*	1.3702	
Resistance2*	1.3936	



Daily FX Focus

14/12/2022

Central Bank Rate

	Current	Prior	Date		Current	Prior	Date
FED Fund	0.00	4.00	14-Dec-22	Canada (BOC)	3.75	3.75	25-Jan-23
Europe (ECB)	2.00	1.25	15-Dec-22	Japan (BOJ)	0.00	-0.10	20-Dec-22
UK (BOE)	3.00	2.25	15-Dec-22	Malaysia	2.75	2.50	19-Jan-23
Australia (RBA)	2.00	2.85	7-Feb-23	Taiwan	1.63	1.50	15-Dec-22
New Zealand (RBNZ)	3.50	3.00	22-Feb-23	Indonesia	0.00	5.25	22-Dec-22

Please take note that the primary sources of all the charts are from Reuters dated 14 Dec 2022 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.

This information is only for a reference and does not represent recommendation from HSBC for customer to buy or sell based on the information provided. Customer should not rely on the views or information expressed in this document solely to make investment decisions. HSBC shall not be held liable for damages arising out of any person's reliance upon this information. Customer should make his/her buy and sell decision based on his/her own view. Also, past performance is not indicative of future performance.

Disclaimer:

This document has been prepared for information only. Information contained in this document is obtained from sources believed to be reliable; however HSBC does not guarantee its completeness or accuracy. The information contained in this document is intended for Singapore residents only and should not be construed as an offer to purchase or subscribe for any investment where such activities would be unlawful under the laws of such jurisdiction, in particular the United States of America and Canada. This material is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment or securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. The specific investment objectives, personal situation and particular needs of any person have not been taken in consideration. You should therefore not rely on it as investment advice. Opinions and estimates expressed are subject to change without notice and HSBC expressly disclaims any and all liability for representations and warranties, express or implied, contained herein, or for omissions. All charts and graphs are from publicly available sources or proprietary data. The mention of any security should not be construed as representing a recommendation to buy or sell that security, nor does it represent a forecast on future performance of the security.

This document is prepared by HSBC Bank (Singapore) Limited ("HBSP") to its customers for general reference only. HBSP is not responsible for any loss, damage or other consequences of any kind that you may incur or suffer as a result of, arising from or relating to your use or reliance of this document. HBSP gives no guarantee, representation or warranty as to the accuracy, timeliness or completeness of this document.

This document is prepared by The Hongkong and Shanghai Banking Corporation Limited ("HBAP"), 1 Queen's Road Central, Hong Kong. HBAP is incorporated in Hong Kong and is part of the HSBC Group.

