

# Daily FX Focus

28/10/2020

## 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 MYR deposit will be subject to the risk of exchange rate fluctuation. If you choose to convert your foreign currency and MYR 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 MYR, you may suffer loss in principal.

Currency	Current Trend*	Support / Resistance	Market commentary
AUD	↘	vs USD 0.7016 / 0.7241	U.S. September durable goods orders increased 1.9%, which was better than the market expected. AUDUSD once rose 0.3% overnight; while AUDHKD continued to trade above the 5.5 level.
EUR	↘	vs USD 1.1694 / 1.1888	Investors continued to pay close attention to whether the pandemic will spread on a large scale again in Europe, and whether the blockade measures in European countries will further drag down the local economy. EURUSD fell 0.2% and dropped below the 1.18 handle overnight; while EURHKD continued to trade above the 9.1 level.
GBP	↗	vs USD 1.2877 / 1.3193	The market continued to wait for further development of the trade negotiation between the U.K. and the EU. GBPUSD once surged 0.5% overnight; while GBPHKD broke above the 10.1 level.
NZD	↗	vs USD 0.6593 / 0.6772	U.S. September durable goods orders increased 1.9%, which was better than the market expected. NZDUSD rose 0.3% and broke above the 0.67 handle overnight; while NZDHKD once broke above the 5.2 level.
RMB	→	vs USD 6.6428 / 6.7631	China announced sanctions on three U.S. companies that sold arms to Taiwan. The market was worried that China-U.S. relationship might continue to deteriorate, and the CNH was under pressure. USDCNH once rose 0.2% and broke above the 6.72 handle overnight; while CNHHKD continued to trade above the 1.15 level.
CAD	→	vs USD 1.3084 / 1.3276	New hurricanes might be forming and approaching the U.S. Gulf of Mexico. The market has been paying close attention to its impact on local oil production. USDCAD dropped below the 1.32 handle during daytime, and once fell for another 0.4% overnight; while CADHKD continued to trade above the 5.8 level.
JPY	↗	vs USD 103.78 / 105.56	U.S. October consumer confidence recorded at 100.9, which was worse than the market expected. USDJPY once fell 0.2% overnight; while JPYHKD continued to trade around the 7.4 level.
SGD	→	vs USD 1.3545 / 1.3644	U.S. October consumer confidence recorded at 100.9, which was worse than the market expected. USDSGD remained roughly flat overnight; while SGDHKD once broke above the 5.7 level.
MYR	↘	vs USD 4.1397 / 4.1747	This morning, safe haven currencies inched stronger overnight as rising Covid-19 cases worldwide and US elections added uncertainty. USDMYR opened around the same at around 4.17 levels and likely to trade in defensive mode ahead of Malaysian public holiday tomorrow. Expected range today is between 4.14- 4.18 for now.

Last week, USD/MYR traded back up from 4.16 levels on Monday to close above 4.18 levels on Friday after the euphoria of a USD-China trade war ceasefire died down. For today, market players may turn their focus back to uncertainty in world growth and political noises amidst lower oil prices. The market expects the pair to trade in

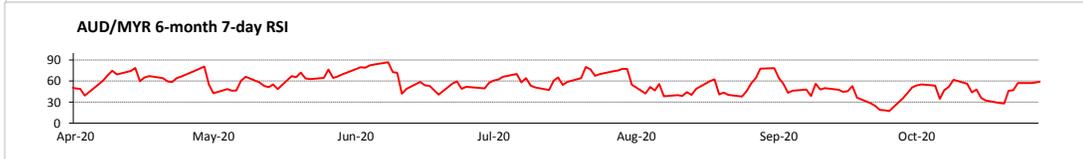
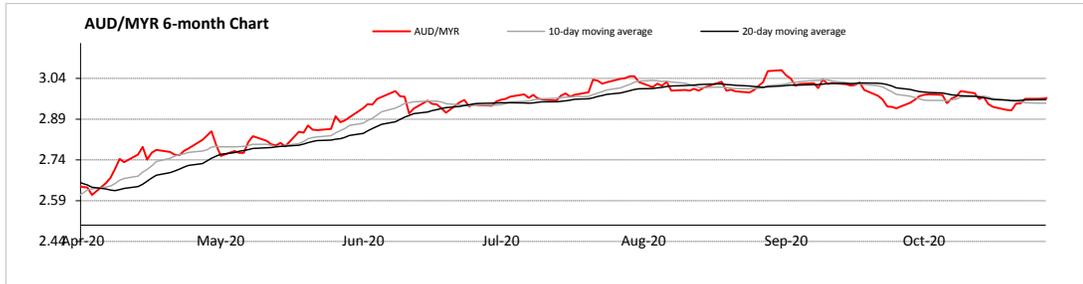
→	Consolidation, indicates that the currency's movement against USD has remained sideways
↗	Up Trend, indicates that the currency has been moving higher against the base currency
↘	Down Trend, indicates that the currency has been moving lower against the base currency

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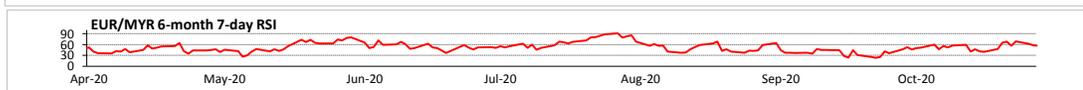
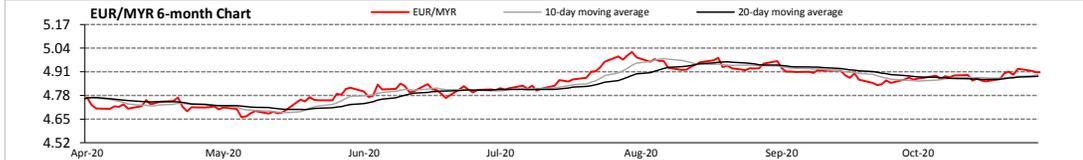
<b>AUD</b>	↓	RBA kept benchmark interest rate unchanged in October. U.S. September durable goods orders increased 1.9%, which was better than the market expected. AUDUSD once rose 0.3% overnight; while AUDHKD continued to trade above the 5.5 level.
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Technical Analysis	vs MYR	vs USD	Market's Focus
28-Oct	2.9660	0.7130	
Daily change:	0.04%	0.04%	(-) Australia Q2 GDP fell 6.3% YoY, lower than an increase of 1.6% in previous quarter
High	2.9950	0.7243	(-) Australia September unemployment rate arrived at 6.9%, higher than 6.8% in previous month
Low	2.9111	0.7018	(+) Australia September Commodity Price Index arrived at -5.8%, dropped less than -10.2% in previous month
Support*	2.9200	0.7016	(+) Australia Q3 CPI rose 1.6% YoY, higher than a decrease of 1.9% in previous quarter
Resistance*	3.0040	0.7241	



<b>EUR</b>	↓	ECB kept benchmark interest rate unchanged in September. Investors continued to pay close attention to whether the pandemic will spread on a large scale again in Europe, and whether the blockade measures in European countries will further drag down the local economy. EURUSD fell 0.2% and dropped below the 1.18 handle overnight; while EURHKD continued to trade above the 9.1 level.
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Technical Analysis	vs MYR	vs USD	Market's Focus
28-Oct	4.9080	1.1800	
Daily change:	-0.15%	-0.15%	(-) Eurozone September CPI fell 0.3% YoY, dropped more than a decrease of 0.2% in previous month
High	4.9377	1.1880	(+) Germany October manufacturing PMI arrived at 58, higher than 56.4 in previous month
Low	4.8501	1.1686	(-) Germany October Business Climate arrived at 92.7, lower than 93.2 in previous month
Support*	4.8590	1.1694	
Resistance*	4.9470	1.1888	

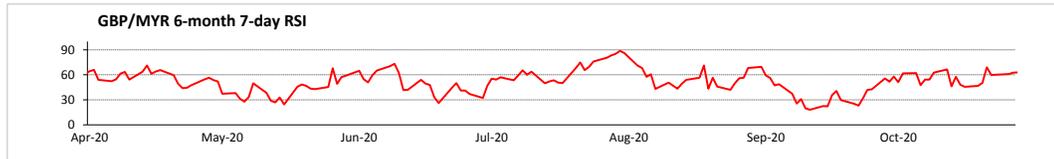
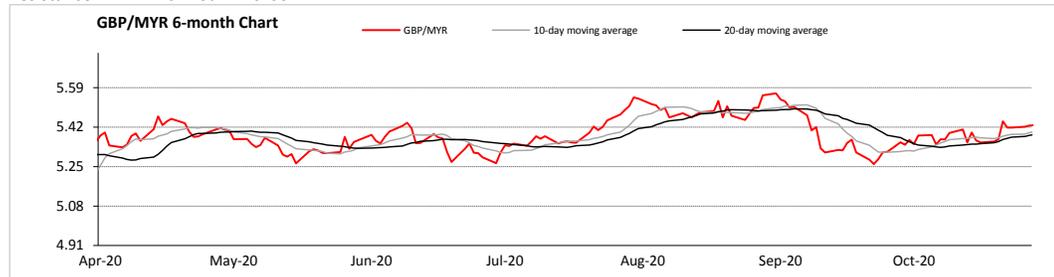


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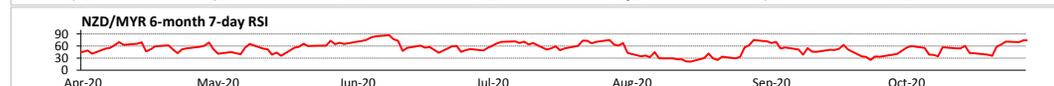
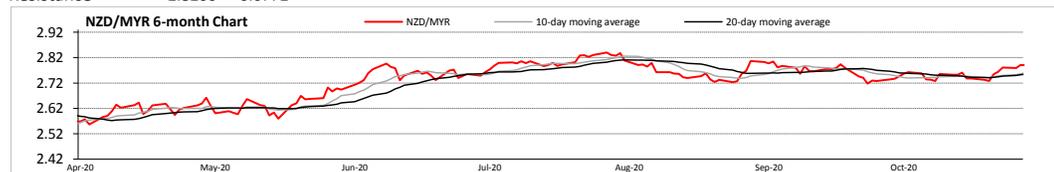
<b>GBP</b>	↗	Bank of England kept benchmark interest rate unchanged in September. The market continued to wait for further development of the trade negotiation between the U.K. and the EU. GBPUSD once surged 0.5% overnight; while GBPHKD broke above the 10.1 level.
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Tehcnal Analysis	vs MYR	vs USD	Market's Focus
28-Oct	5.4270	1.3040	
Daily change:	0.11%	0.11%	(+) UK September CPI rose 0.4% YoY, higher than a decrease of 0.4% in previous month
High	5.4566	1.3177	(-) UK ILO August's 3Mths unemployment rate was at 4.5%, higher than 4.3% in previous month
Low	5.3322	1.2861	(+) UK September Nationwide House Prices All Houses rose 5% YoY, higher than an increase of 3.7% in previous month
Support*	5.3540	1.2877	
Resistance*	5.4780	1.3193	



<b>NZD</b>	↗	RBNZ kept benchmark interest rate unchanged in September. U.S. September durable goods orders increased 1.9%, which was better than the market expected. NZDUSD rose 0.3% and broke above the 0.67 handle overnight; while NZDHKD once broke above the 5.2 level.
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Tehcnal Analysis	vs MYR	vs USD	Market's Focus
28-Oct	2.7910	0.6710	(-) New Zealand Q2 GDP fell 12.4% YoY, dropped more than a decrease of 0.1% in previous quarter
Daily change:	0.42%	0.42%	(-) New Zealand Q3 CPI rose 1.4% YoY, lower than an increase of 1.5% in previous quarter
High	2.7974	0.6723	(+) New Zealand Q2 unemployment rate arrived at 4%, lower than 4.2% in previous quarter
Low	2.7174	0.6544	(+) New Zealand September Commodity Price Index arrived at -0.2%, dropped less than -1% in previous month
Support*	2.7400	0.6593	
Resistance*	2.8200	0.6772	

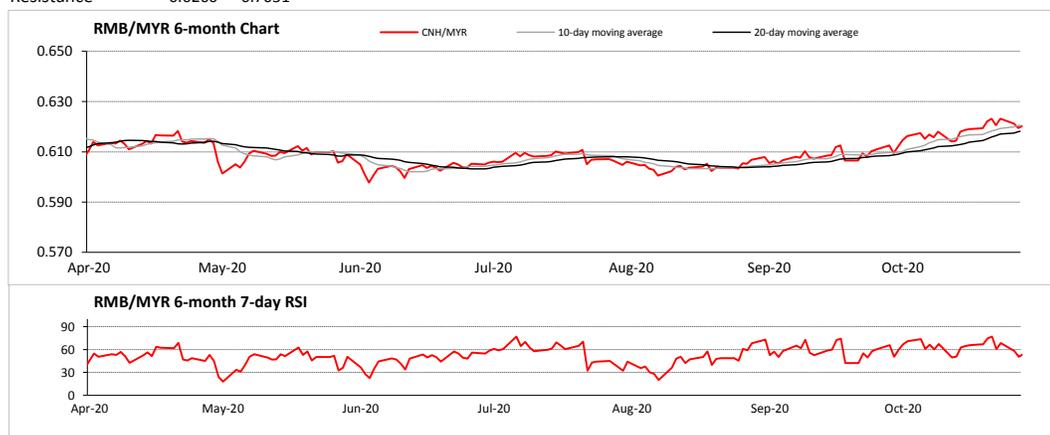


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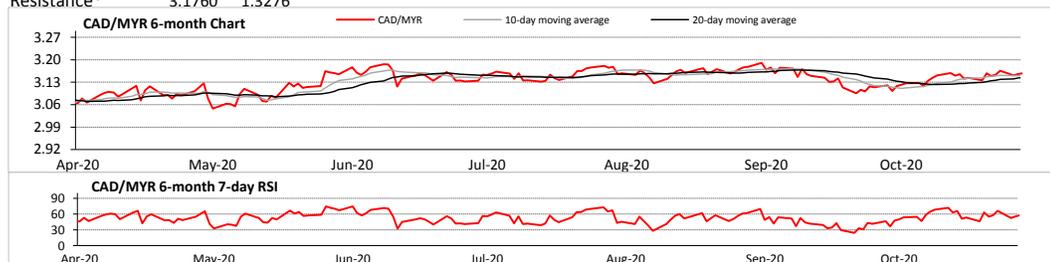
<b>RMB</b>	→	China announced sanctions on three U.S. companies that sold arms to Taiwan. The market was worried that China-U.S. relationship might continue to deteriorate, and the CNH was under pressure. USDCNH once rose 0.2% and broke above the 6.72 handle overnight; while CNH HKD continued to trade above the 1.15 level.
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Tehcnal Analysis	vs MYR	vs USD	Market's Focus
28-Oct	0.6200	6.7040	
Daily change:	-0.27%	-0.27%	(+) China Q3 GDP rose 4.9% YoY, higher than an increase of 3.2% in previous quarter
High	0.6254	6.7603	(-) China September CPI rose 1.7% YoY, lower than an increase of 2.4% in previous month
Low	0.6128	6.6400	(-) China September Caixin manufacturing PMI arrived at 53, lower than 53.1 in previous month
Support*	0.6130	6.6428	(+) China September industrial production rose 6.9% YoY, higher than an increase of 5.6% in previous month
Resistance*	0.6260	6.7631	



<b>CAD</b>	→	Bank of Canada kept benchmark interest rate unchanged in September. New hurricanes might be forming and approaching the U.S. Gulf of Mexico. The market has been paying close attention to its impact on local oil production. USDCAD dropped below the 1.32 handle during daytime, and once fell for another 0.4% overnight; while CAD HKD continued to trade above the 5.8 level.
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Tehcnal Analysis	vs MYR	vs USD	Market's Focus
28-Oct	3.1550	1.3180	(+) Canada July GDP fell 5% YoY, dropped less than a decrease of 7.7% in previous month
Daily change:	0.13%	0.13%	(+) Canada September CPI rose 0.5% YoY, higher than an increase of 0.1% in previous month
High	3.1734	1.3269	(+) Canada September unemployment rate arrived at 9%, lower than 10.2% in previous month
Low	3.1288	1.3077	(+) Canada September Manufacturing PMI arrived at 56, higher than 55.1 in previous month
Support*	3.1320	1.3084	
Resistance*	3.1760	1.3276	

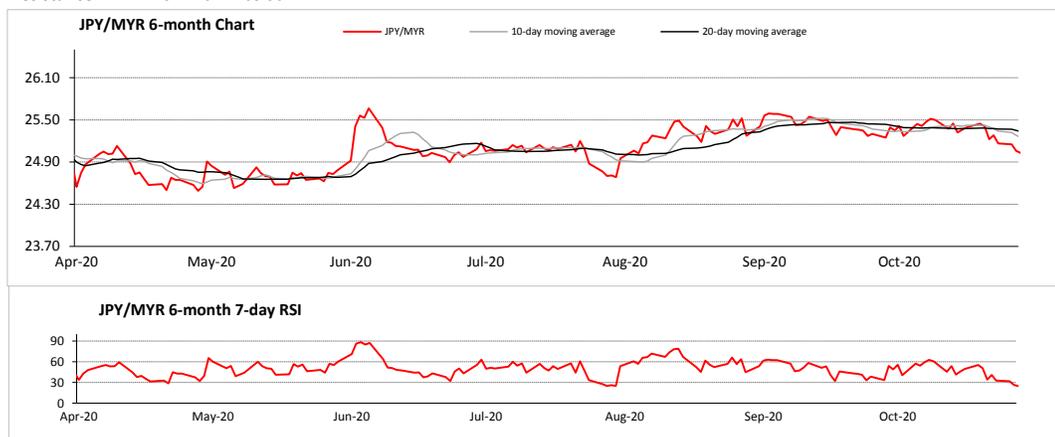


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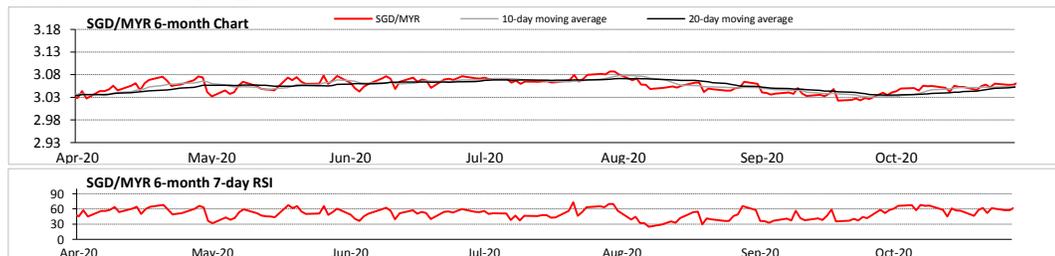
<b>JPY</b>	↗	Bank of Japan kept benchmark interest rate unchanged in September. U.S. October consumer confidence recorded at 100.9, which was worse than the market expected. USDJPY once fell 0.2% overnight; while JPYHKD continued to trade around the 7.4 level.
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Technical Analysis:	vs MYR	vs USD	Market's Focus
28-Oct	25.0600	104.40	
Daily change:	-0.36%	-0.36%	(-) Japan Q2 GDP fell 9.9% YoY, dropped more than a decrease of 1.8% in previous quarter
High	25.5832	106.10	(-) Japan September CPI nationwide ex fresh food kept flat YoY, lower than an increase of 0.2% in previous month
Low	25.0060	104.32	(+) Japan October manufacturing PMI arrived at 48, higher than 47.7 in previous month
Support*	24.8500	103.78	(*) Japan August Industrial Production rose 1% MoM, same as previous month
Resistance*	25.4270	105.56	



<b>SGD</b>	→	U.S. October consumer confidence recorded at 100.9, which was worse than the market expected. USDSGD remained roughly flat overnight; while SGDHKD once broke above the 5.7 level.
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Technical Analysis:	vs MYR	vs USD	Market's Focus
28-Oct	3.0580	1.3610	(+) Singapore September CPI kept flat YoY, higher than a decrease of 0.4% in previous month
Daily change:	0.00%	0.00%	(-) Singapore Q2 unemployment rate arrived at 2.9%, higher than 2.4% in previous quarter
High	3.0700	1.3623	(-) Singapore September Non Oil Domestic Exports rose 5.9% YoY, lower than an increase of 7.7% in previous month
Low	3.0412	1.3524	
Support*	3.0430	1.3545	
Resistance*	3.0710	1.3644	

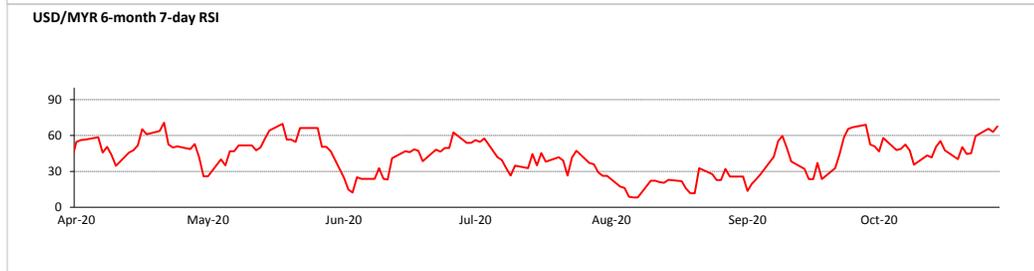
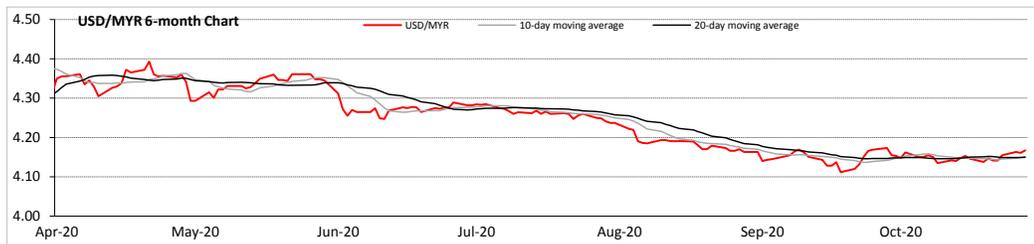


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<b>MYR</b>	↓	<p>This morning, safe haven currencies inched stronger overnight as rising Covid-19 cases worldwide and US elections added uncertainty. USDMYR opened around the same at around 4.17 levels and likely to trade in defensive mode ahead of Malaysian public holiday tomorrow. Expected range today is between 4.14- 4.18 for now.</p>
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Tehcnical Analysis	vs USD	Market's Focus
28-Oct	4.1610	Nil
Daily change:	-0.05%	
High	4.1670	
Low	4.1320	
Support*	4.1397	
Resistance*	4.1747	



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## Important Economic Data Release

Source: Bloomberg as of October 28, 2020

		Analysts			
		Consensus	Previous	Actual	
<b>United States</b>					
26-Oct-20	New Home Sales*	Oct	1025K	959K	959K
26-Oct-20	New Home Sales*	Oct	1025K	959K	959K
27-Oct-20	Consumer Confidence*	Oct	102	101.8	100.9
27-Oct-20	Durable Goods Orders*	Sep	0.50%	0.50%	1.90%
27-Oct-20	Durables Ex Transportation	Sep	0.40%	0.60%	0.80%
27-Oct-20	Richmond Fed Manufact. Index	Oct	18%	21%	29%
28-Oct-20	MBA Mortgage Applications*	Weekly		-0.60%	-
28-Oct-20	Wholesale Inventories	Sep	0.40%	0.40%	-
29-Oct-20	GDP QoQ (Annualised)*	Qtrly	32%	-31.40%	-
29-Oct-20	GDP Price Index	Qtrly	2.90%	-1.80%	-
29-Oct-20	PCE Deflator QoQ	Qtrly	4%	-0.80%	-
29-Oct-20	Personal Consumption	Qtrly	38.90%	-33.20%	-
29-Oct-20	Initial Jobless Claims*	Weekly	775K	787K	-
29-Oct-20	Continuing Claims	Weekly	7700K	8373K	-
29-Oct-20	Pending Home Sales MoM	Sep	3%	8.80%	-
30-Oct-20	Chicago Purchasing Manager	Oct	58	62.4	-
30-Oct-20	U. of Michigan Confidence*	Nov	81.2	81.2	-
30-Oct-20	Employment Cost Index	Qtrly	0.50%	0.50%	-
30-Oct-20	Personal Spending*	Sep	1%	1%	-
30-Oct-20	Personal Income*	Sep	0.40%	-2.70%	-
<b>Regional</b>					
27-Oct-20	New Zealand Trade Balance*	Oct	-1013M	-1017M	-1017M
27-Oct-20	New Zealand Imports	Oct	5.02M	5022.34M	5022.34M
27-Oct-20	Hong Kong Export YoY %	Sep	0.20%	-2.30%	9.10%
27-Oct-20	Hong Kong Import YoY %	Sep	-1.90%	-5.70%	3.40%
28-Oct-20	Australia Consumer Price (QoQ)*	Qtrly	1.5	-1.9	-
28-Oct-20	Australia Consumer Price (YoY)*	Qtrly	0.60%	-0.30%	-
30-Oct-20	Australia Private Sector Credit MoM%	Sep	0.10%	0%	-
30-Oct-20	Australia Private Sector Credit YoY%	Sep	2%	2.20%	-
30-Oct-20	Australia Producer Price Index (QoQ)	Qtrly		-1.20%	-
30-Oct-20	Hong Kong GDP (YoY)	Qtrly	-5.60%	-9%	-
30-Oct-20	Hong Kong GDP (QoQ)	Qtrly	0.70%	-0.10%	-
30-Oct-20	Hong Kong Gov't Monthly Budget	Sep		-48.93B	-
31-Oct-20	China PMI Manufacturing	Oct	51.3	51.5	-
<b>G7 Countries</b>					
28-Oct-20	Canada Bank of Canada Rate*	Weekly	0.25%	0.25%	-
28-Oct-20	Italy PPI (YoY)	Sep		0.10%	-
28-Oct-20	UK Nat'wide House Price sa (MoM)*	Oct	0.40%	0.90%	-
28-Oct-20	UK Nat'wide House Price nsa (YoY)*	Oct	5.20%	5%	-
29-Oct-20	Germany Unemployment Change (000's)*	Oct	-5K	-8K	-
29-Oct-20	Germany Consumr Price Index (MoM)	Oct	0%	-0.20%	-
29-Oct-20	Germany Consumr Price Index (YoY)	Oct	-0.30%	-0.20%	-
29-Oct-20	Germany Unemployment Rate (s.a.)	Oct	6.30%	6.30%	-
29-Oct-20	Germany CPI - EU Harmonised (YoY)	Oct	-0.40%	-0.40%	-
29-Oct-20	Germany CPI - EU Harmonised (MoM)	Oct	0%	-0.40%	-
29-Oct-20	Japan Retail Trade YoY	Sep	-7.60%	-1.90%	-
29-Oct-20	Japan Retail Trade MoM SA	Sep	1%	4.60%	-
29-Oct-20	UK Mortgage Approvals	Sep	76.056K	84.715K	-
29-Oct-20	ECB Main Refinancing Operations Announcement	Weekly	0	0	-
30-Oct-20	Canada GDP MoM*	Aug	0.90%	3%	-
30-Oct-20	Canada Industrial Product Price MoM	Sep	0.10%	0.26%	-
30-Oct-20	France Consumer Price Index (YoY)	Oct	0.10%	0%	-
30-Oct-20	France GDP (QoQ)	Qtrly	15%	-13.80%	-

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## Currency Market Movements Table

	1 Current	Night Desk		2 Weeks		1 Month		3 Months	
		High	Low	High	Low	High	Low	High	Low
AUD/MYR	2.9672	2.9691	2.9638	2.9904	2.9749	2.9949	2.9847	3.0758	3.0573
EUR/MYR	4.9071	4.9092	4.9035	4.9337	4.9204	4.9337	4.9204	5.0478	5.0250
GBP/MYR	5.4281	5.4320	5.4230	5.4556	5.4314	5.4556	5.4314	5.5722	5.5560
MYR/JPY	25.0510	25.0720	25.0153	25.4950	25.3920	25.5610	25.4770	25.6990	25.5940
NZD/MYR	2.7897	2.7910	2.7872	2.7888	2.7789	2.7888	2.7789	2.8469	2.8314
SGD/MYR	3.0609	3.0616	3.0575	3.0664	3.0598	3.0664	3.0598	3.0967	3.0903
USD/MYR	4.1660	4.1675	4.1650	4.1675	4.1615	4.1768	4.1648	4.2625	4.2505
AUD/USD	0.7122	0.7147	0.7113	0.7220	0.7165	0.7243	0.7205	0.7414	0.7354
EUR/USD	1.1779	1.1839	1.1769	1.1881	1.1825	1.1881	1.1825	1.2011	1.1919
GBP/USD	1.3029	1.3079	1.3020	1.3177	1.3044	1.3177	1.3044	1.3482	1.3326
NZD/USD	0.6696	0.6724	0.6692	0.6705	0.6673	0.6705	0.6673	0.6798	0.6738
USD/JPY	104.4700	104.6840	104.3870	105.7500	105.3100	106.1100	105.8500	107.0500	106.5700
AUD/GBP	0.5466	0.5467	0.5452	0.5566	0.5507	0.5507	0.5535	0.5716	0.5658
AUD/NZD	1.0635	1.0641	1.0594	1.0856	1.0790	1.0898	1.0849	1.1044	1.0983
AUD/SGD	0.9694	0.9701	0.9677	0.9794	0.9744	0.9816	0.9772	1.0062	1.0003
EUR/AUD	1.6537	1.6567	1.6526	1.6828	1.6717	1.6828	1.6717	1.6828	1.6717
EUR/NZD	1.7588	1.7597	1.7556	1.8022	1.7858	1.8022	1.7858	1.8224	1.8064
EUR/GBP	0.9040	0.9044	0.9029	0.9149	0.9067	0.9162	0.9092	0.9292	0.9215
GBP/SGD	1.7732	1.7748	1.7716	1.7834	1.7688	1.7834	1.7688	1.8303	1.8152
GBP/NZD	1.9455	1.9467	1.9413	1.9802	1.9639	1.9802	1.9639	2.0272	2.0019
AUD/HKD	5.5198	0.1814	0.1809	5.5951	5.5531	5.6135	5.5841	5.7457	5.6991
GBP/HKD	10.0971	10.1075	10.0901	10.2118	10.1094	10.2118	10.1094	10.4490	10.3274
USD/CAD	1.3195	1.3200	1.3176	1.3259	1.3177	1.3421	1.3362	1.3460	1.3391
CAD/MYR	3.1571	3.1582	3.1552	3.1689	3.1590	3.1689	3.1590	3.1953	3.1849
GBP/AUD	1.8292	1.8324	1.8279	1.8527	1.8413	1.8527	1.8413	1.8527	1.8413
USD/SGD	1.3609	1.3621	1.3592	1.3624	1.3581	1.3779	1.3732	1.3838	1.3786
EUR/SGD	1.6030	1.6047	1.6007	1.6111	1.6057	1.6111	1.6057	1.6317	1.6240
XAU/MYR	7940.8438	7948.5522	7921.4927	8005.8388	7911.0039	8005.9770	7956.2041	8693.0508	8525.4229
XAU/USD	1905.5400	1908.1899	1902.2000	1931.3800	1906.5000	1933.2800	1918.4400	2075.4700	2034.5500
XAU/GBP	1462.4200	1464.6074	1460.3748	1482.8500	1468.6000	1489.2500	1468.6000	1578.6700	1550.4300
XAU/AUD	2674.5300	2681.5076	2670.7158	2714.1900	2697.5300	2714.1900	2697.5300	2873.5600	2826.7600
XAU/EUR	1617.8800	1620.9858	1615.5007	1632.9800	1619.9100	1635.4700	1625.6400	1749.2200	1714.7200
AUD/CAD	0.9398	0.9404	0.9371	0.9474	0.9416	0.9583	0.9523	0.9697	0.9618
AUD/JPY	74.4090	74.6810	74.2830	76.1010	75.4650	76.5220	76.0150	78.4620	77.8810
CAD/JPY	79.1670	79.5050	79.1155	80.5270	80.1280	80.6360	80.2840	81.5840	81.1140
NZD/JPY	69.9530	70.2270	69.9080	70.3580	70.0140	70.5120	70.1090	71.9790	71.5720
SGD/JPY	76.7570	77.0270	76.6647	77.8745	77.5855	78.2237	77.9525	78.3955	77.9525
AUD/CNY	4.7837	4.7910	4.7753	4.8515	4.8284	4.8958	4.8643	5.0654	5.0316
GBP/CNY	8.7556	8.7560	8.7264	8.8194	8.7395	8.8330	8.7749	9.1965	9.1410
NZD/CNY	4.4894	4.4972	4.4869	4.5087	4.4786	4.5206	4.5025	4.6989	4.6499
MYR/CNY	1.6082	1.6127	1.6076	1.6303	1.6242	1.6407	1.6354	1.6650	1.6581

Updated as of 28 October 2020 9:03:26 AM

\* Night Desk Session from 5pm – 5am Hong Kong Time.

Source: Bloomberg

## Key Currency Performance against MYR

	Current level vs MYR	1-week Performance	3-month Performance	6-month Performance
NZD	2.7900	1.31%	-1.66%	7.33%
CAD	3.1600	0.19%	-0.01%	3.55%
GBP	5.4300	-0.32%	-2.17%	1.11%
SGD	3.0600	-0.02%	-0.95%	0.84%
AUD	2.9700	0.65%	-2.68%	7.67%
CNY	0.6200	-0.34%	2.64%	2.09%
THB	13.3300	0.39%	-1.26%	1.09%
CHF	4.5800	0.14%	-1.77%	2.55%
EUR	4.9100	-0.05%	-2.22%	4.13%
JPY	3.9837	0.63%	-1.51%	-0.77%
USD	4.1610	0.48%	-1.79%	-3.07%

\*source : REUTERS closing bid price, as at 27-Oct-2020

# Daily FX Focus

28/10/2020

## Central Bank Rate

	Current (%)	Prior (%)	Next Meeting		Current (%)	Prior (%)	Next Meeting
FED Fund	#N/A	1.25	29-Apr-20	Canada (BOC)	0.75	0.75	15-Apr-20
Europe (ECB)	0.00	0.00	30-Apr-20	Japan (BOJ)	-0.1	-0.1	28-Apr-20
UK (BOE)	0.75	0.10	26-Mar-20	Malaysia	2.5	2.5	
Australia (RBA)	0.25	0.50	5-May-20	Taiwan	1.125	1.375	
New Zealand (RBNZ)	0.25	1.00	12-May-20	Indonesia	4.5	4.75	

**Please take note that the primary sources of all the charts are from Reuters dated 28/10/2020 before 10.30 am**

The information in this document has been obtained from reports (relevant reports) issued or compiled by various entities within the HSBC Group (the "HSBC Group")

### 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.

\*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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