FX Insights

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The US dollar had a mixed performance against G10 FX on Wed (2 Jul) although the overall US Dollar index (DXY) continued to lose momentum as the ADP's surprise job loss in Jun, sparked concerns about Thu's US jobs report. DXY fell by -0.04% to 96.776 (from the previous session's close of 96.819). The UK pound stood out as it depreciated against the USD the most among G10 FX after UK bond markets were roiled by the uncertain future of whether Rachel Reeves will stay on as Chancellor of the Exchequer. The GBP/USD pair went to as low as 1.3563, before settling at 1.3636 (from 1.3746), down by 0.8%. The Japanese yen also weakened against the USD and the USD/JPY ended the day higher at 143.66 (from the previous session close of 143.42). The Australian dollar was little changed against the dollar with the AUD/USD ending the session at 0.6584 (versus 0.6583) while the NZD/USD also closed lower at 0.6090 (from 0.6099), a 0.15% depreciation. The euro weakened only marginally as the EUR/USD traded in an intraday range of 1.1747 and 1.1810 before closing the NY session at 1.1799 (from 1.1806), a smaller than 0.1% depreciation.

It was more of the same in the North Asia FX space amidst the soft USD backdrop. Onshore USD/CNY drifted lower from 7.1650 to 7.1630. While offshore USD/CNH ended relatively unchanged at 7.1620 after an intra-day push higher failed to clear the 7.17 resistance. Similarly, USD/KRW appears capped in the near term by the 1,360 level. While USD/TWD continues to press against the psychological 29.0 floor that Taiwan's central bank is said to be supporting at the moment. Finally, USD/HKD continues to push against the 7.85 cap for the convertibility range. In South East Asia, the concern about trade tariffs was more apparent on local currencies as USD/MYR pushed back up from 4.20 to 4.2250 and USD/IDR also gained ground from 16,200 to 16,240. USD/THB was in holding pattern around the 32.45 level. Finally USD/SGD is a touch higher at 1.2730 as the pair finds some support around the 1.27 floor.

Recent publications:

01 Jul 2025: Indonesia: Larger trade surplus on strong non-oil exports
01 Jul 2025: Indonesia: Slight uptick in Jun inflation on food and air transport
30 Jun 2025: China: Economic momentum likely sustained in Jun
30 Jun 2025: Singapore: 1Q25 Labour market - Low firing, low hiring, low quitting
26 Jun 2025 Thailand: BOT is waiting for the right timing for more cuts

Right By You

USD/SGD: 1.2730

24-HOUR VIEW

Price action provides no fresh clues; USD is expected to trade between 1.2710 and 1.2750.

Yesterday, we expected USD to "consolidate between 1.2710 and 1.2750." Our view of consolidation was not wrong, even though USD traded in a narrower range than expected (1.2724/1.2750) before closing unchanged at 1.2729. The price action provides no fresh clues, and we continue to expect USD to trade between 1.2710 and 1.2750. That said, should USD break clearly below 1.2710, it could potentially trigger a more sustained move.

1-3 WEEKS VIEW

Price action suggests USD could continue decline toward 1.2680, potentially reaching 1.2650.

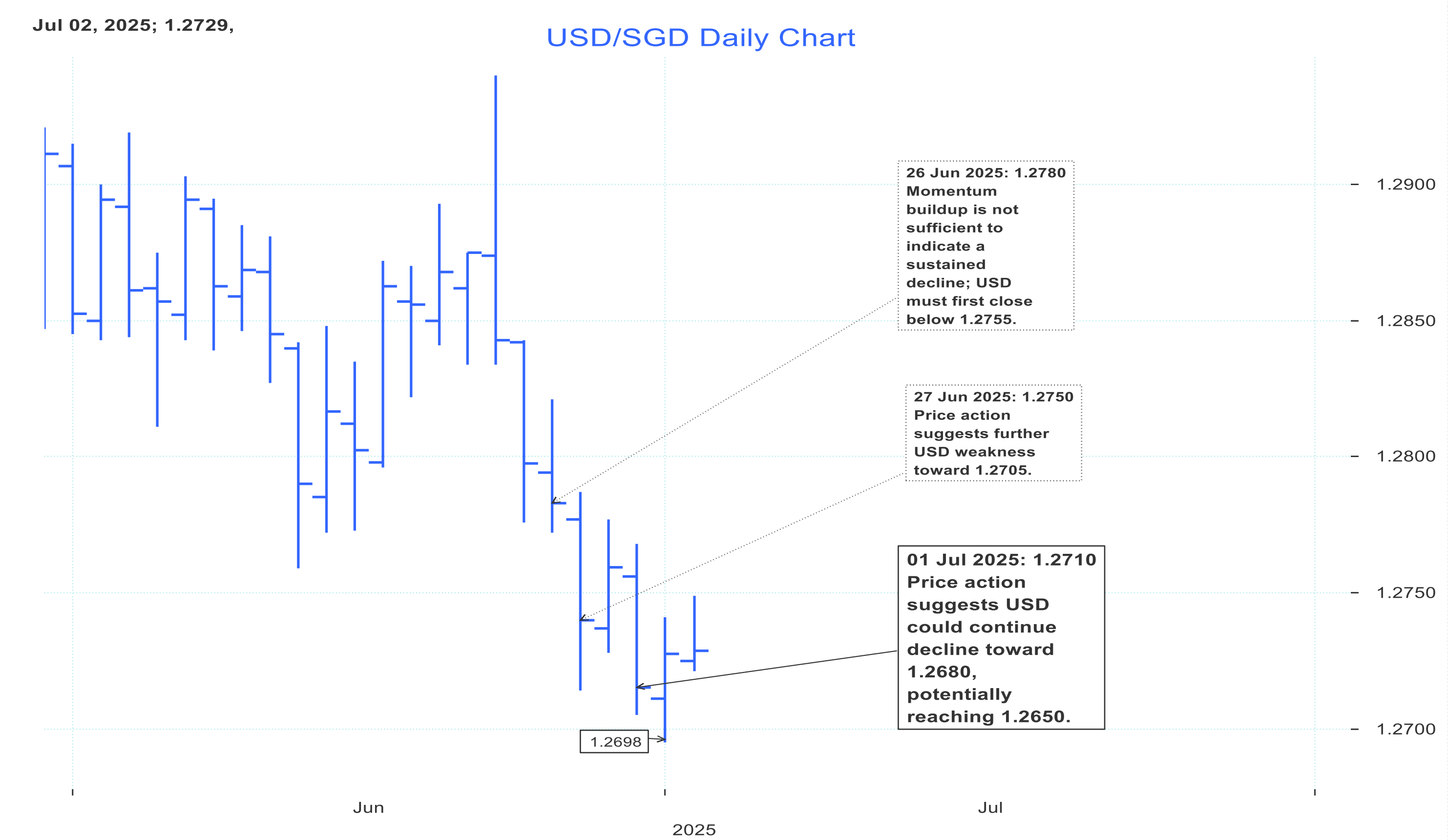
Our most recent narrative was from two days ago (01 Jul, spot at 1.2710), in which we pointed out that "the price action suggests USD could continue to decline toward 1.2680, potentially reaching 1.2650." We also pointed out that "a break above 1.2780 ('strong resistance' level) would indicate that the USD weakness has stabilised." Our narrative still stands.

1-3 MONTHS VIEW

With upward pressure having faded and the daily MACD nearing a negative crossover, USD/SGD could decline further toward 1.2705. (dated 26 Jun 2025, 1.2760) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.2710 S2: 1.2680	R1: 1.2750 R2: 1.2780	1.2729	1.2750	1.2724	1.2729	+0.00%	-0.44%	-0.96%	-6.80%



Source: LSEG Datastream/UOB Global Economics & Market Research

EUR/USD: 1.1800

24-HOUR VIEW

There is still a chance for EUR to retest the 1.1830 level; any further advance is unlikely to break clearly above 1.1850.

Two days ago, EUR rose to a high of 1.1829. In the early Asian session yesterday, when EUR was at 1.1800, we stated that “conditions remain overbought, but there is a chance for EUR to retest the 1.1830 level before a more sustained pullback is likely.” However, instead of retesting 1.1830, EUR pulled back to a low of 1.1746 before recovering to close largely unchanged at 1.1798 (-0.06%). Despite the pullback, upward momentum still appears to be firm, and there is still a chance for EUR to retest 1.1830. That said, any further advance is unlikely to break clearly above 1.1850. Support is at 1.1775; a breach of 1.1745 could trigger a deeper pullback.

1-3 WEEKS VIEW

Overbought conditions suggest a slower pace of advance, and it remains to be seen whether 1.1900 is within reach.

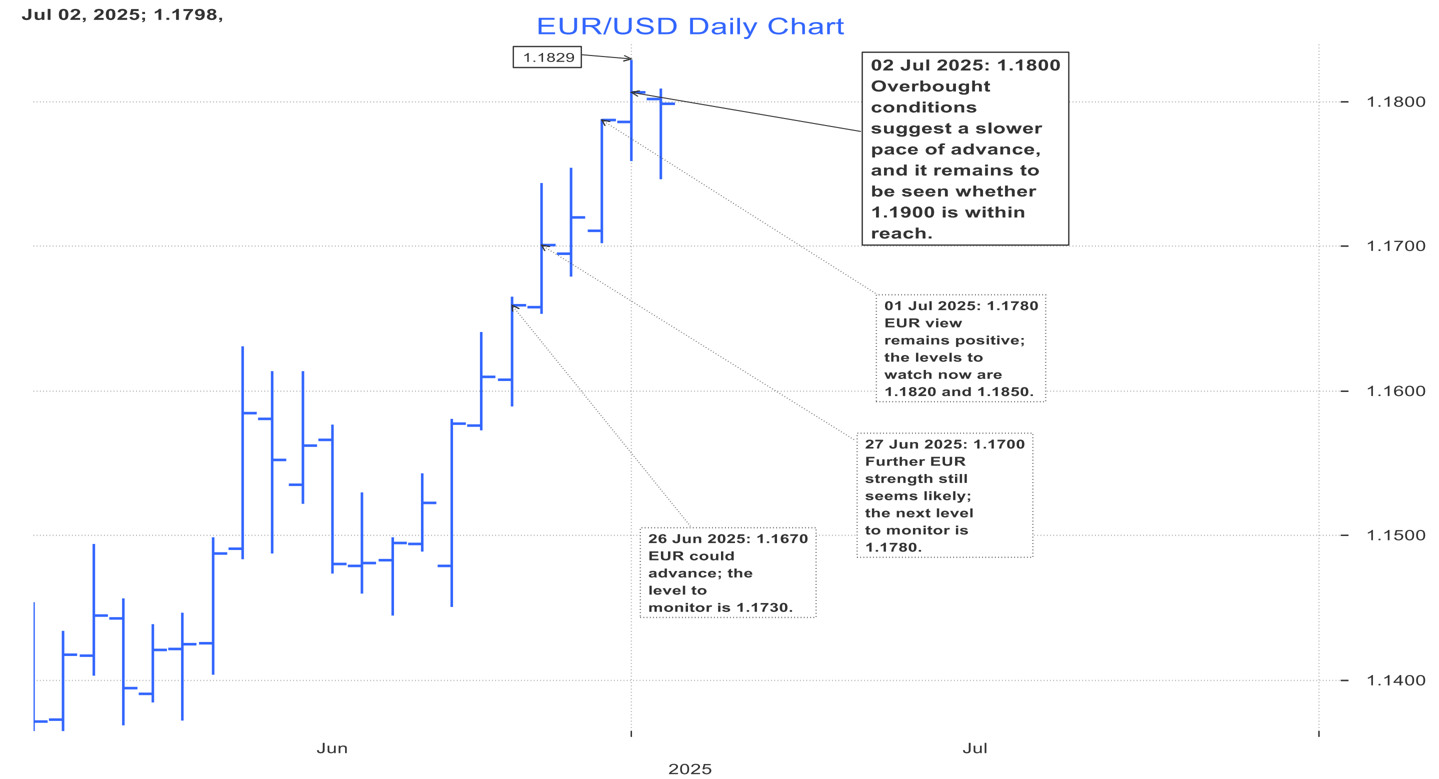
The following are excerpts from our update yesterday: “There is no change in our positive view, but upward momentum has slowed somewhat. This, combined with overbought conditions, suggests a slower pace of advance and it remains to be seen whether 1.1900 is within reach this time around. Note that 1.1850 remains a resistance level.” Our update remains valid. On the downside, if EUR breaks below 1.1715 (no change in ‘strong support’ level), it would mean that the advance that started last week (as annotated in the chart below) has stalled.

1-3 MONTHS VIEW

Upward momentum has improved, though not markedly; a sustained advance in EUR/USD would require a clear break above 1.1780. (dated 27 Jun 2025, 1.1695) [Read more](#)

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.1745 S2: 1.1715	R1: 1.1850 R2: 1.1900	1.1790	1.1809	1.1746	1.1798	-0.06%	+1.19%	+3.12%	+13.96%



Source: LSEG Datastream/UOB Global Economics & Market Research

GBP/USD: 1.3650

24-HOUR VIEW

GBP is likely to trade in a range, probably between 1.3585 and 1.3705.

GBP rose to a multi-year high of 1.3787 two days ago and then pulled back to close largely unchanged at 1.3742 (+0.09%). Yesterday, we noted that “momentum indicators are turning flat.” We expected GBP to “consolidate in a range between 1.3700 and 1.3780.” Instead of consolidating, GBP plummeted to a low of 1.3563 before rebounding to close at 1.3635 (-0.78%). The sharp decline appears excessive. This, combined with the rebound from oversold conditions suggests that GBP is likely to trade in a range today, probably between 1.3585 and 1.3705.

1-3 WEEKS VIEW

Week-long positive outlook has been negated; for a continued down-move, GBP must first close below 1.3560.

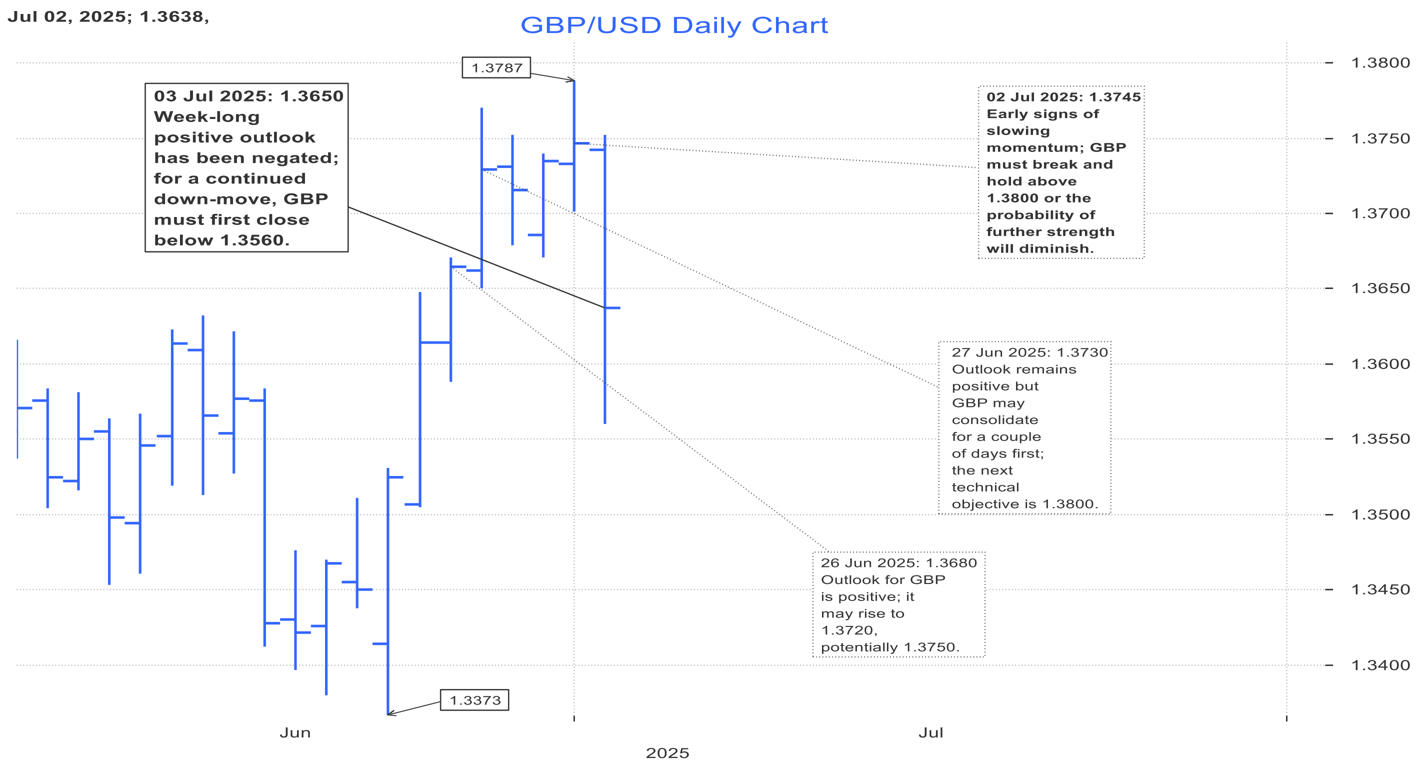
After holding a positive outlook on GBP for about a week (see annotations in the chart below), we highlighted yesterday (02 Jul, spot at 1.3745) that “there are early signs that upward momentum is beginning to slow.” We also highlighted that GBP “must break and hold above 1.3800 soon, or the probability of further GBP strength will diminish rapidly.” While our early signals were timely, we did not expect the sharp selloff in GBP that reached a low of 1.3563. The breach of our ‘strong support’ at 1.3670 has negated the positive outlook. Short-term downward momentum is increasing, but it is not strong enough to indicate a sustained decline just yet. For a continued down-move, GBP must first close below 1.3560. The likelihood of GBP closing below 1.3560 will remain in place as long as the ‘strong resistance’ level, now at 1.3750, is not breached.

1-3 MONTHS VIEW

There is scope for the pullback in GBP/USD to test the major support zone between 1.3295 and 1.3335. (dated 23 Jun 2025, 1.3430) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.3585 S2: 1.3560	R1: 1.3705 R2: 1.3750	1.3741	1.3751	1.3563	1.3635	-0.78%	-0.22%	+0.67%	+9.02%



Source: LSEG Datastream/UOB Global Economics & Market Research

AUD/USD: 0.6580

24-HOUR VIEW

AUD is expected to trade in a range of 0.6550/0.6595.

We expected AUD to test 0.6595 two days ago. After AUD rose to a high of 0.6590, we indicated yesterday that it “may still test 0.6595, but given the slowing momentum, a sustained rise above this level is unlikely.” Our expectations did not materialise, as AUD traded in a range of 0.6544/0.6588, closing largely unchanged at 0.6585 (+0.05%). The price action provides no fresh clues. Today, we expect AUD to trade in a range, albeit a higher one of 0.6550/0.6595.

1-3 WEEKS VIEW

Should AUD break clearly above 0.6595, it could trigger a further rise toward 0.6620.

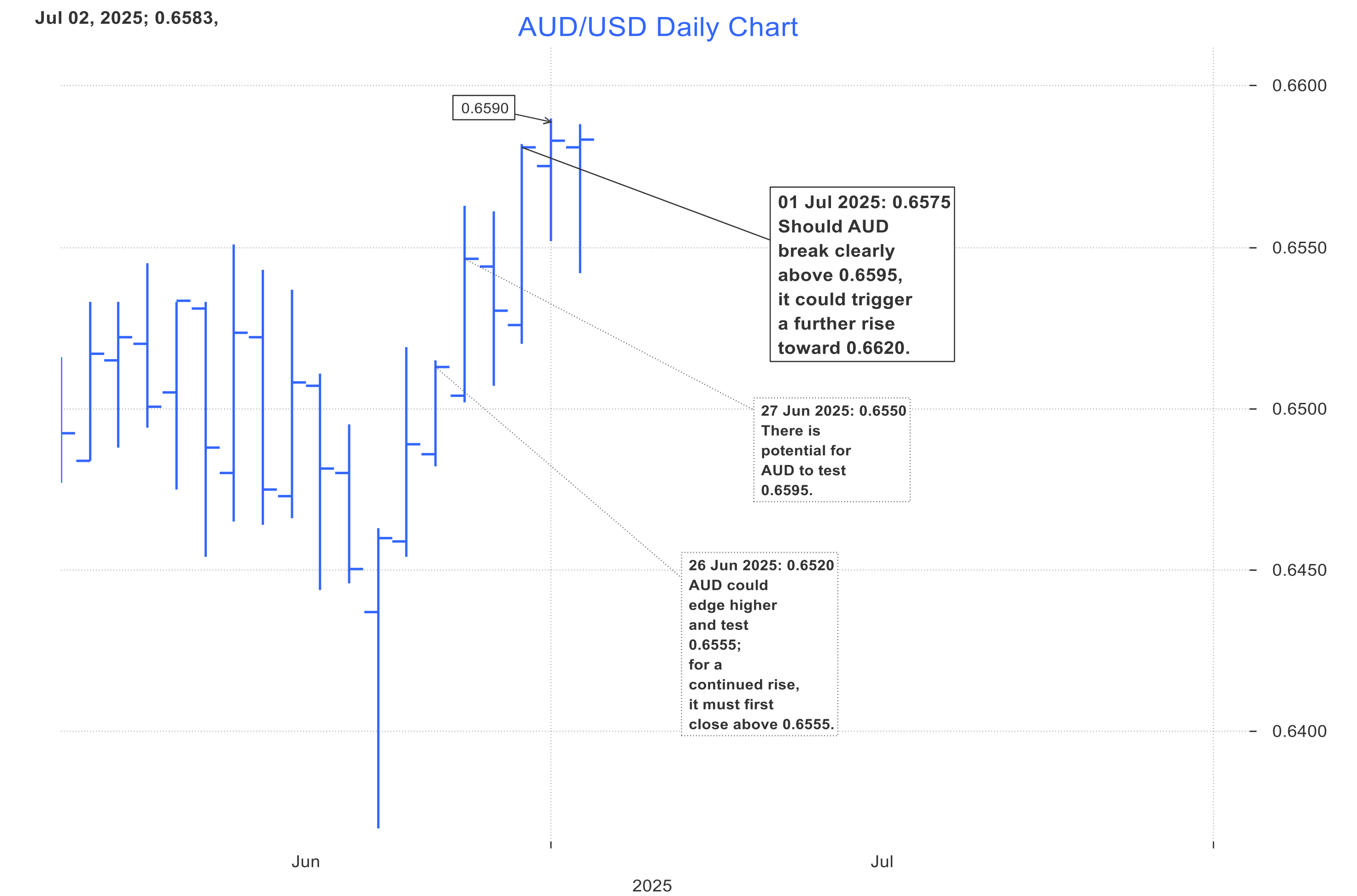
In our most recent narrative from two days ago (01 Jul, spot at 0.6575), we highlighted that “should AUD break clearly above 0.6595, it could trigger a further rise toward 0.6620.” Since then, AUD has traded just below the 0.6595 level, and we continue to hold the same view. On the downside, a breach of 0.6530 (no change in ‘strong support’ level) will invalidate the scenario of AUD breaking clearly above 0.6595.

1-3 MONTHS VIEW

Non-directional price action for now, but AUD/USD may test the channel top near 0.6555. (dated 04 Jun 2025, 0.6465) Read More

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.6550 S2: 0.6530	R1: 0.6595 R2: 0.6620	0.6577	0.6588	0.6544	0.6585	+0.05%	+1.10%	+1.37%	+6.42%



Source: LSEG Datastream/UOB Global Economics & Market Research

NZD/USD: 0.6085

24-HOUR VIEW

NZD is expected to trade in a range between 0.6065 and 0.6115.

NZD rose to 0.6120 two days ago and then pulled back. Yesterday, when NZD was at 0.6100, we highlighted the following: “Conditions remain overbought. This, combined with slowing momentum, suggests NZD is likely to trade in a range today, most likely between 0.6075 and 0.6120.” We did not expect NZD to drop to a low of 0.6051. NZD rebounded from the low to close slightly lower at 0.6089 (-0.15%). The decline did not lead to a clear increase in downward momentum. Today, we continue to expect NZD to trade in a range, most likely between 0.6065 and 0.6115.

1-3 WEEKS VIEW

Upward momentum has largely faded; NZD is likely to trade in a range between 0.6035 and 0.6130.

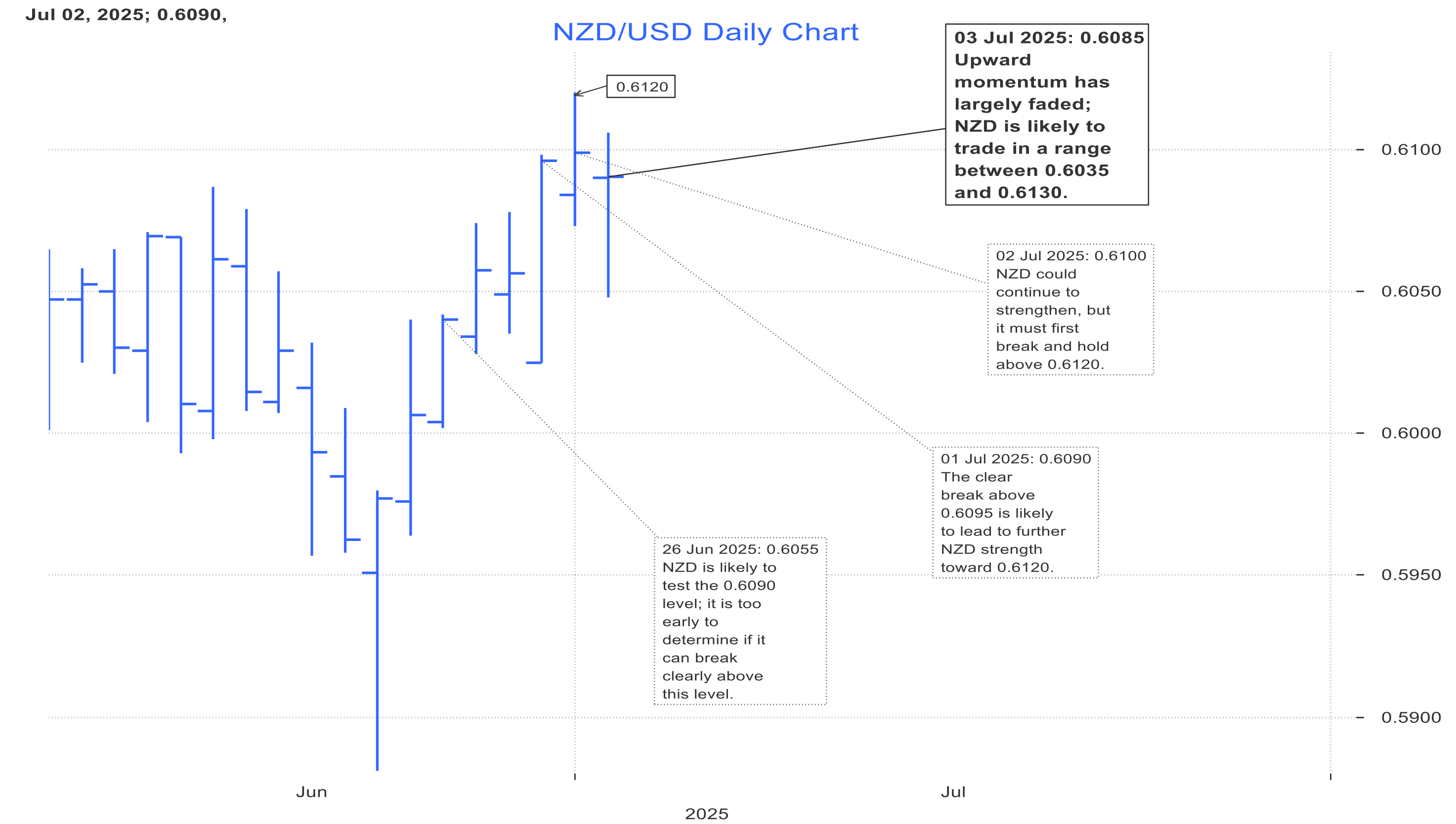
After NZD reached our previous technical target of 0.6120, we indicated yesterday (02 Jul, spot at 0.6100) that “while NZD may continue to rise, it must break and hold above 0.6120 before a move to 0.6145 can be expected.” We added, “should NZD break below 0.6055 (‘strong support’ level), it would mean that the NZD strength from late last week (as annotated in the chart below) has run its course.” NZD subsequently fell to a low of 0.6051. While our ‘strong support’ level was only slightly breached, upward momentum has largely faded. For the time being, it is too early to expect a sizeable pullback. From here, NZD is likely to trade in a range between 0.6035 and 0.6130.

1-3 MONTHS VIEW

Near-term bias for NZD/USD is on the upside; any advance may find the top of the ascending channel near 0.6095, difficult to break. (dated 04 Jun 2025, 0.6010) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.6065 S2: 0.6035	R1: 0.6115 R2: 0.6130	0.6095	0.6106	0.6051	0.6089	-0.15%	+0.84%	+0.83%	+8.81%



Source: LSEG Datastream/UOB Global Economics & Market Research

USD/JPY: 143.55

24-HOUR VIEW

Further USD consolidation would not be surprising, most likely between 143.00 and 144.10.

USD dropped to a low of 142.66 two days ago and then rebounded. Yesterday, when USD was at 143.50, we pointed out that "the rebound in oversold conditions indicates that, instead of weakening, USD is more likely to consolidate in a range of 142.90/144.30 today." USD subsequently traded between 143.31 and 144.24. Further consolidation would not be surprising, most likely between 143.00 and 144.10. Looking ahead, should USD break clearly below 143.00, it could trigger a deeper decline.

1-3 WEEKS VIEW

Further declines are not ruled out, but USD may consolidate for a couple of days first.

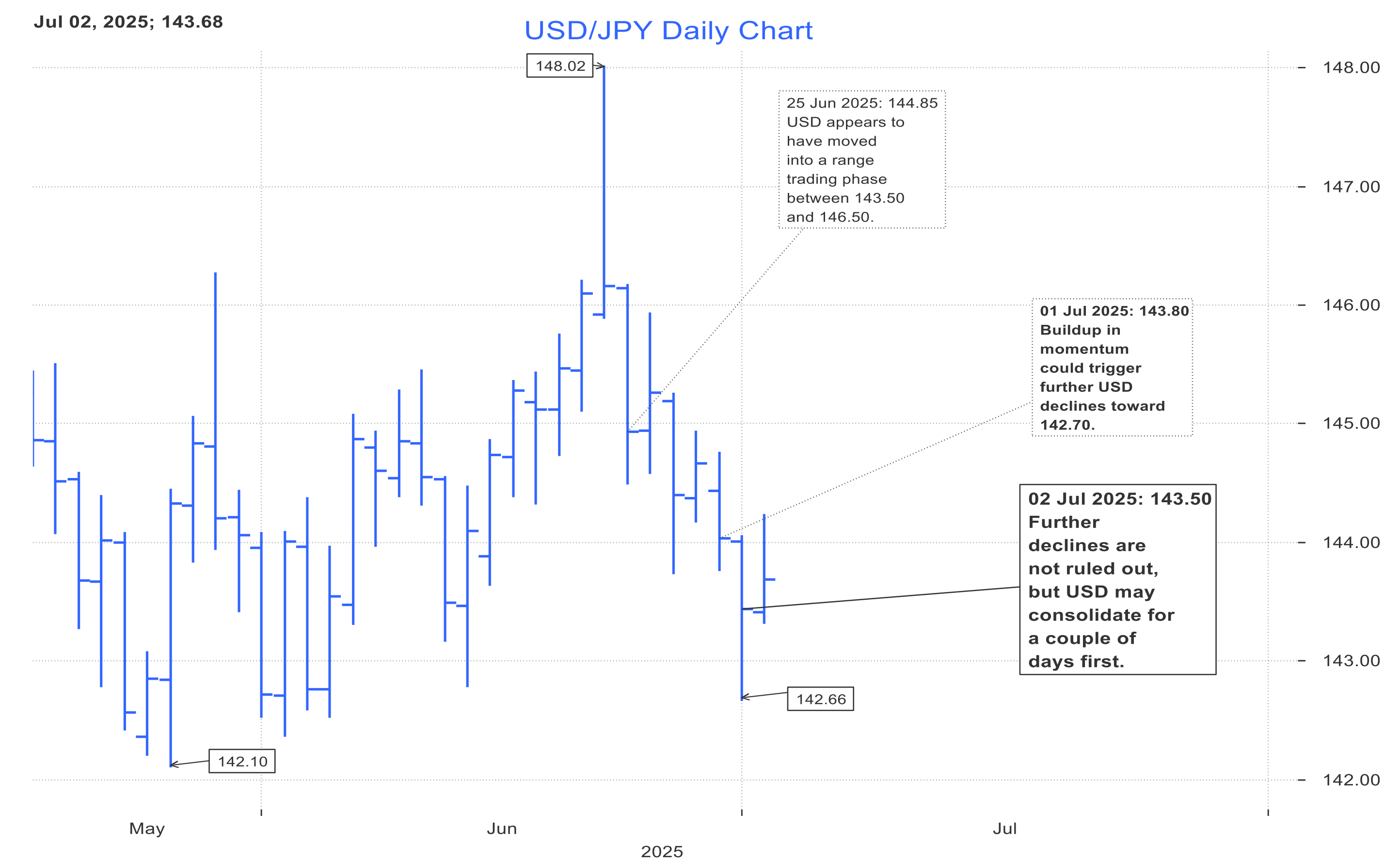
We revised our USD view to negative two days ago (01 Jul, spot at 143.80), indicating that "downward momentum is beginning to build, and a break of 143.50 could trigger further declines toward 142.70." USD then dropped to a low of 142.66 before rebounding. Yesterday (02 Jul, spot at 143.50), we stated that "while further declines are not ruled out, USD may consolidate for a couple of days first before heading lower." We will maintain the same view as long as 144.60 ('strong resistance' level previously at 144.85) is not breached.

1-3 MONTHS VIEW

Price action continues to suggest USD/JPY strength, the next level to watch is 148.65. (dated 23 Jun 2025, 147.20) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 143.00 S2: 142.65	R1: 144.10 R2: 144.60	143.77	144.24	143.31	143.67	+0.17%	-1.09%	+0.69%	-8.60%



Source: LSEG Datastream/UOB Global Economics & Market Research

USD/CNH: 7.1605

24-HOUR VIEW

USD is likely to edge lower, but any decline is likely limited to a test of 7.1500.

We pointed out yesterday that "the current price movements are likely part of a range trading phase, probably between 7.1530 and 7.1730." USD then traded in a tight range of 7.1607/7.1698, closing largely unchanged at 7.1623 (+0.02%). Despite the quiet price action, downward momentum appears to be increasing. Today, we expect USD to edge lower, but given the current mild downward pressure, any decline is likely limited to a test of 7.1500. On the upside, resistance levels are at 7.1655 and 7.1720.

1-3 WEEKS VIEW

Downward momentum has increased further; if USD breaks below 7.1450, the next level to monitor is 7.1300.

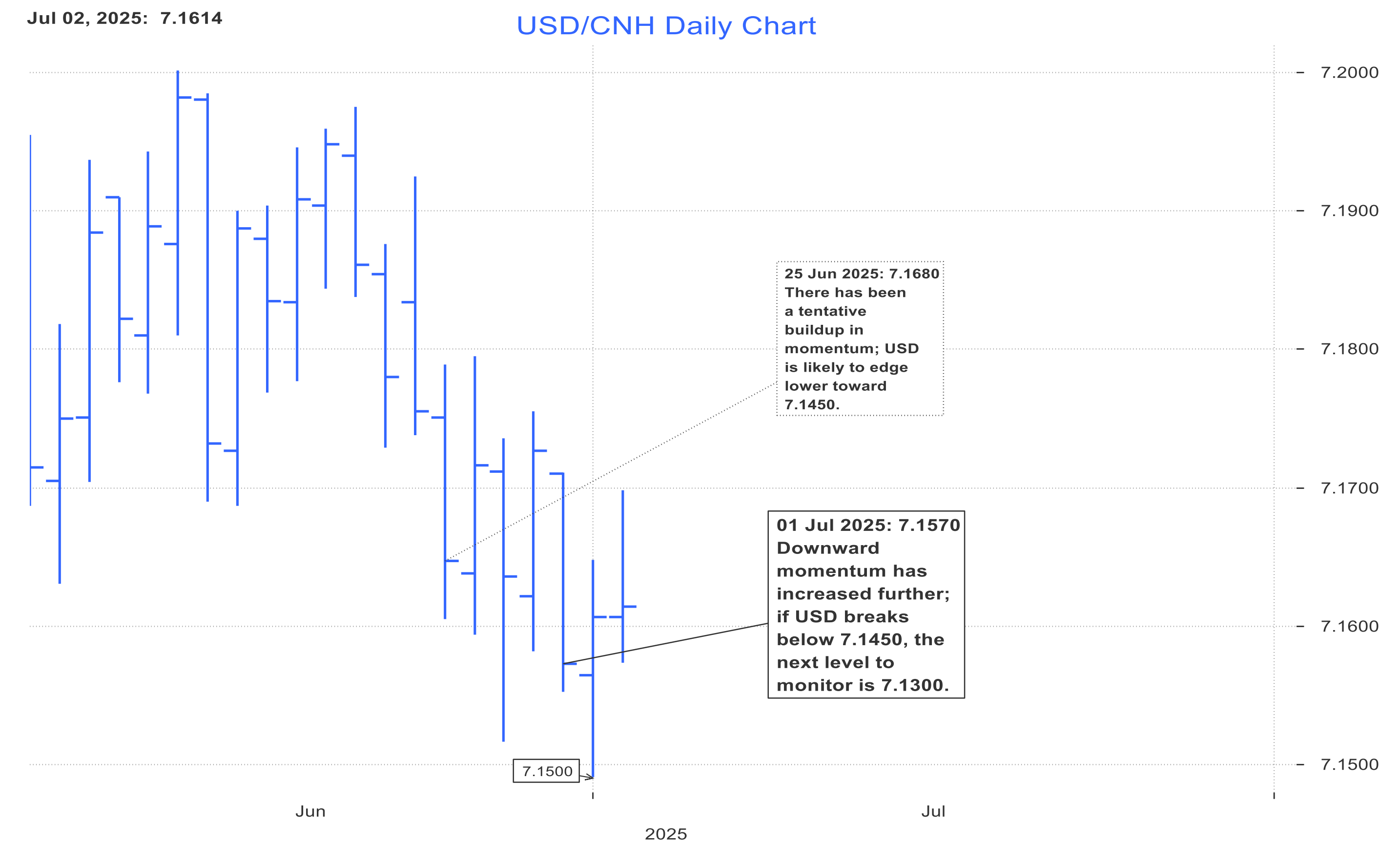
We highlighted two days ago (01 Jul, spot at 7.1570) that "downward momentum has increased further, and if USD breaks below 7.1450, the next level to monitor is at 7.1300." Although USD traded in a quiet manner over the past couple of days, we will hold on to our view as long as 7.1790 (no change in 'strong resistance' level) remains intact.

1-3 MONTHS VIEW

USD/CNH could edge lower; given the weak momentum, any decline may find it difficult to break 7.1400. (dated 04 Jun 2025, 7.1980) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 7.1500 S2: 7.1450	R1: 7.1720 R2: 7.1790	7.1610	7.1698	7.1607	7.1623	+0.02%	-0.13%	-0.65%	-2.35%



Source: LSEG Datastream/UOB Global Economics & Market Research

EUR/SGD: 1.5025

24-HOUR VIEW

There is a chance for EUR to test 1.5050 before the risk of a pullback increases.

Following the rise in EUR to a high of 1.5028 two days ago, we indicated yesterday, when EUR was at 1.5020, that "while conditions are deeply overbought, there is room for further EUR strength." However, we noted that "any advance is unlikely to reach 1.5050." The subsequent price action did not turn out as we expected, with EUR trading in a range of 1.4968/1.5029, closing marginally lower by 0.05% at 1.5014. The underlying tone appears firm, and there is still a chance for EUR to test 1.5050 before the risk of a pullback increases. A sustained rise above 1.5050 is unlikely. Support levels are 1.5000 and 1.4985.

1-3 WEEKS VIEW

Momentum continues to suggest upside pressure, and EUR could potentially reach 1.5050.

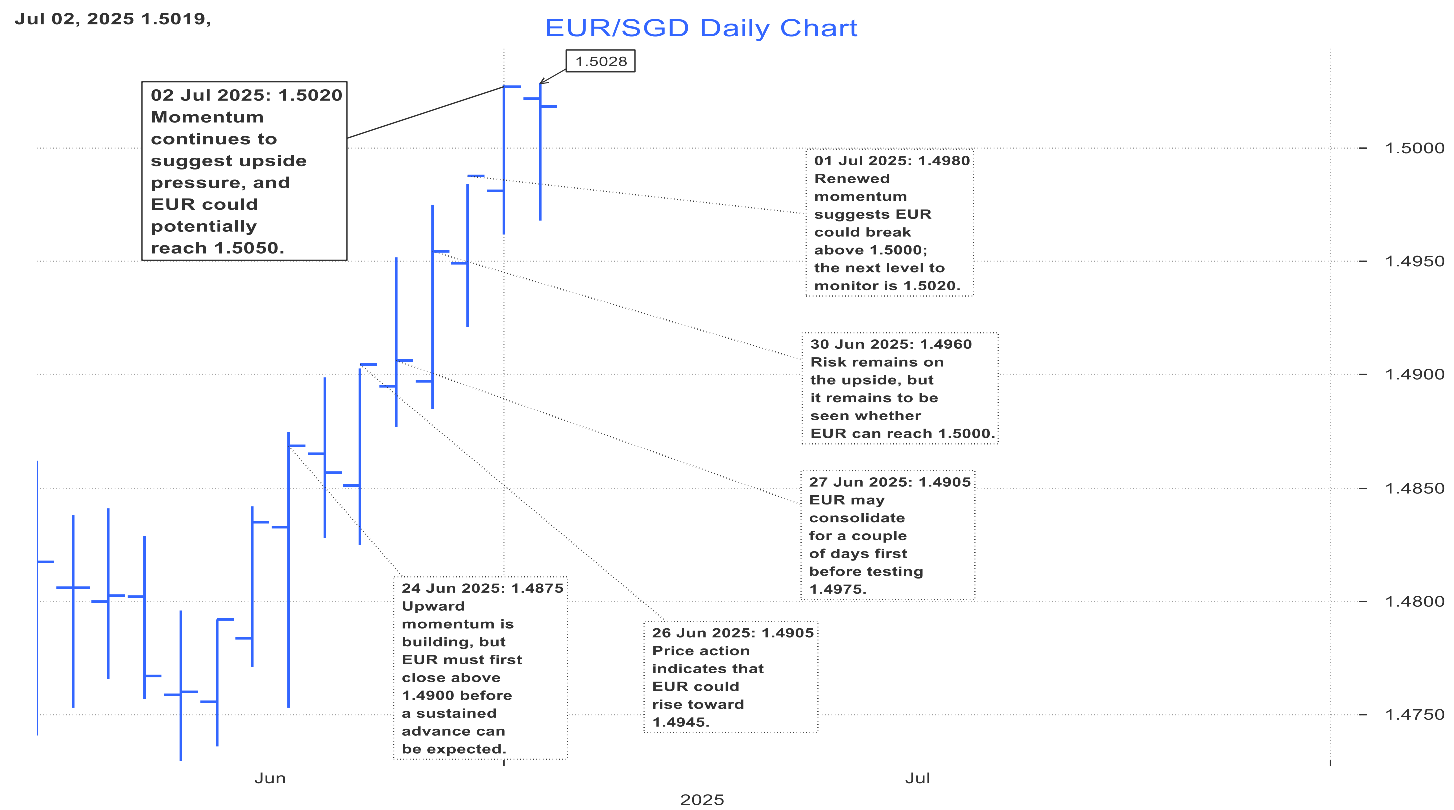
There is not much to add to our update from yesterday (02 Jul, spot at 1.5020). As highlighted, "momentum continues to suggest upside pressure, and there is potential for EUR to reach 1.5050." That said, given the overbought conditions, EUR may not be able to maintain a foothold above this level. If EUR breaks below the 'strong support' level at 1.4940, it would indicate that the EUR strength from early last week (as annotated in the chart below) has come to an end.

1-3 MONTHS VIEW

There has been a tentative buildup in momentum; any advance in EUR/SGD is likely to be slow-going and face resistance at 1.4850. (dated 04 Jun 2025, 1.4700) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.4985 S2: 1.4940	R1: 1.5030 R2: 1.5050	1.5005	1.5029	1.4968	1.5014	-0.05%	+0.79%	+2.12%	+6.23%



Source: LSEG Datastream/UOB Global Economics & Market Research

GBP/SGD: 1.7375

24-HOUR VIEW

Instead of continuing to weaken, GBP is more likely to trade between 1.7300 and 1.7450.

Yesterday, we expected GBP to “trade in a range between 1.7460 and 1.7540.” Our expectation was incorrect, as GBP plunged to 1.7282 before rebounding strongly to close at 1.7353 (-0.79%). The sharp drop appears to be overdone, and instead of continuing to weaken, GBP is more likely to trade in a range today, probably between 1.7300 and 1.7450.

1-3 WEEKS VIEW

Outlook is revised to neutral; GBP is expected to trade in a range of 1.7250/1.7490.

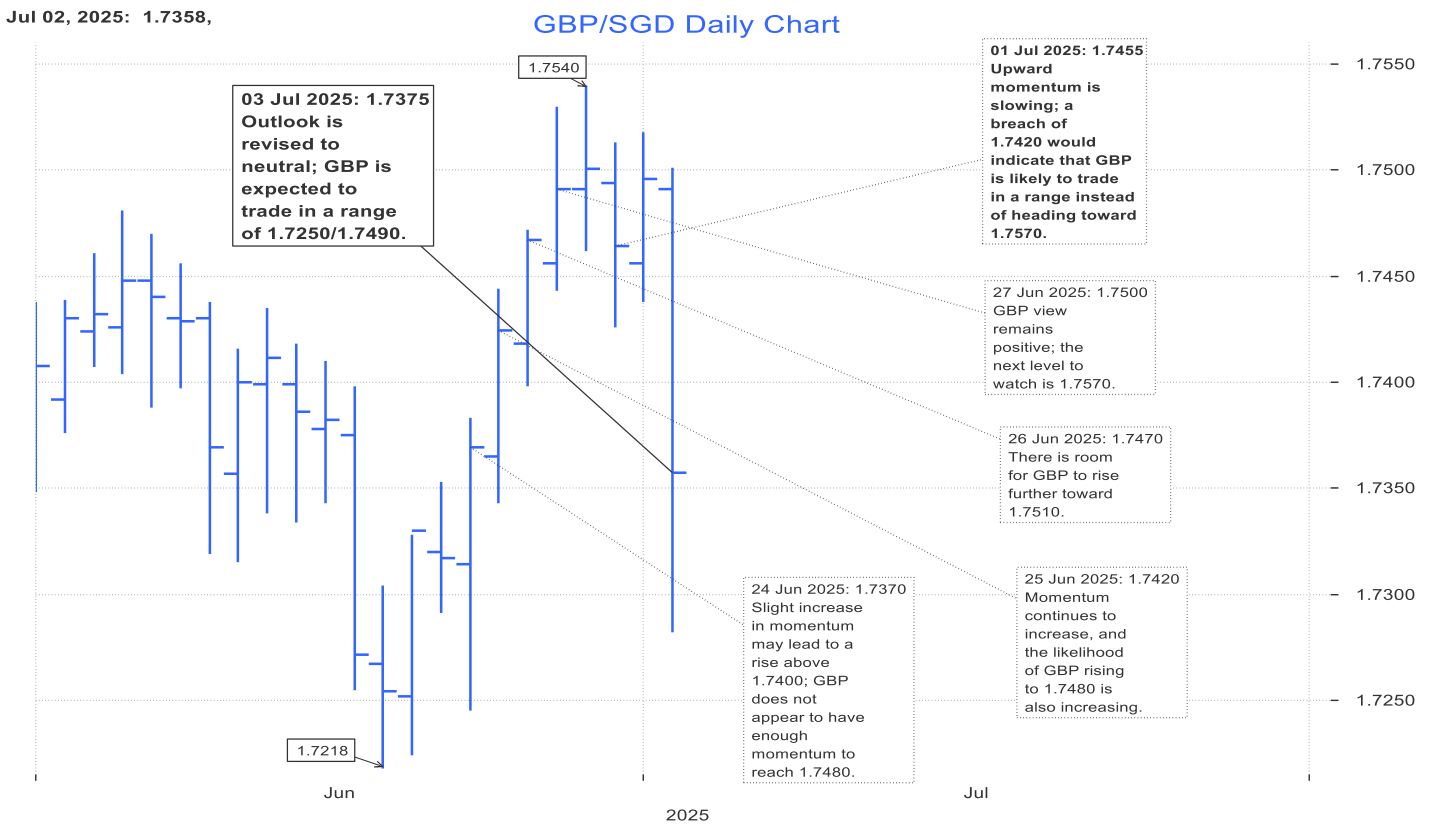
We have held a positive GBP view since early last week (as annotated in the chart below). Two days ago (01 Jul, spot at 1.7500), we indicated that “upward momentum is beginning to slow, and a breach of 1.7420 would indicate that GBP is likely to trade in a range instead of heading toward 1.7570.” Yesterday, in a sudden move, GBP plunged below 1.7420, reaching a low of 1.7282. Given the breach of our ‘strong support’ level, we are revising our positive GBP outlook to neutral. For the time being, we expect GBP to trade in a range of 1.7250/1.7490.

1-3 MONTHS VIEW

GBP/USD could continue to grind higher; lacklustre momentum suggests it is unlikely to threaten April’s highs of 1.7604 and 1.7625. (dated 04 Jun 2025, 1.7400) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.7300 S2: 1.7250	R1: 1.7450 R2: 1.7490	1.7487	1.7501	1.7282	1.7353	-0.79%	-0.50%	-0.17%	+1.70%



Source: LSEG Datastream/UOB Global Economics & Market Research

AUD/SGD: 0.8370

24-HOUR VIEW

AUD is expected to trade in a range of 0.8340/0.8390.

While we expected AUD to "edge higher" yesterday, we indicated that "any advance is unlikely to reach 0.8405." However, AUD dipped to 0.8336, rebounded to 0.8385 and then closed modestly higher by 0.07% (0.8379). The price movements provide no fresh clues. Today, we expect AUD to trade in a range of 0.8340/0.8390.

1-3 WEEKS VIEW

Although upward momentum has not increased significantly, there is a chance for AUD to rise to 0.8405.

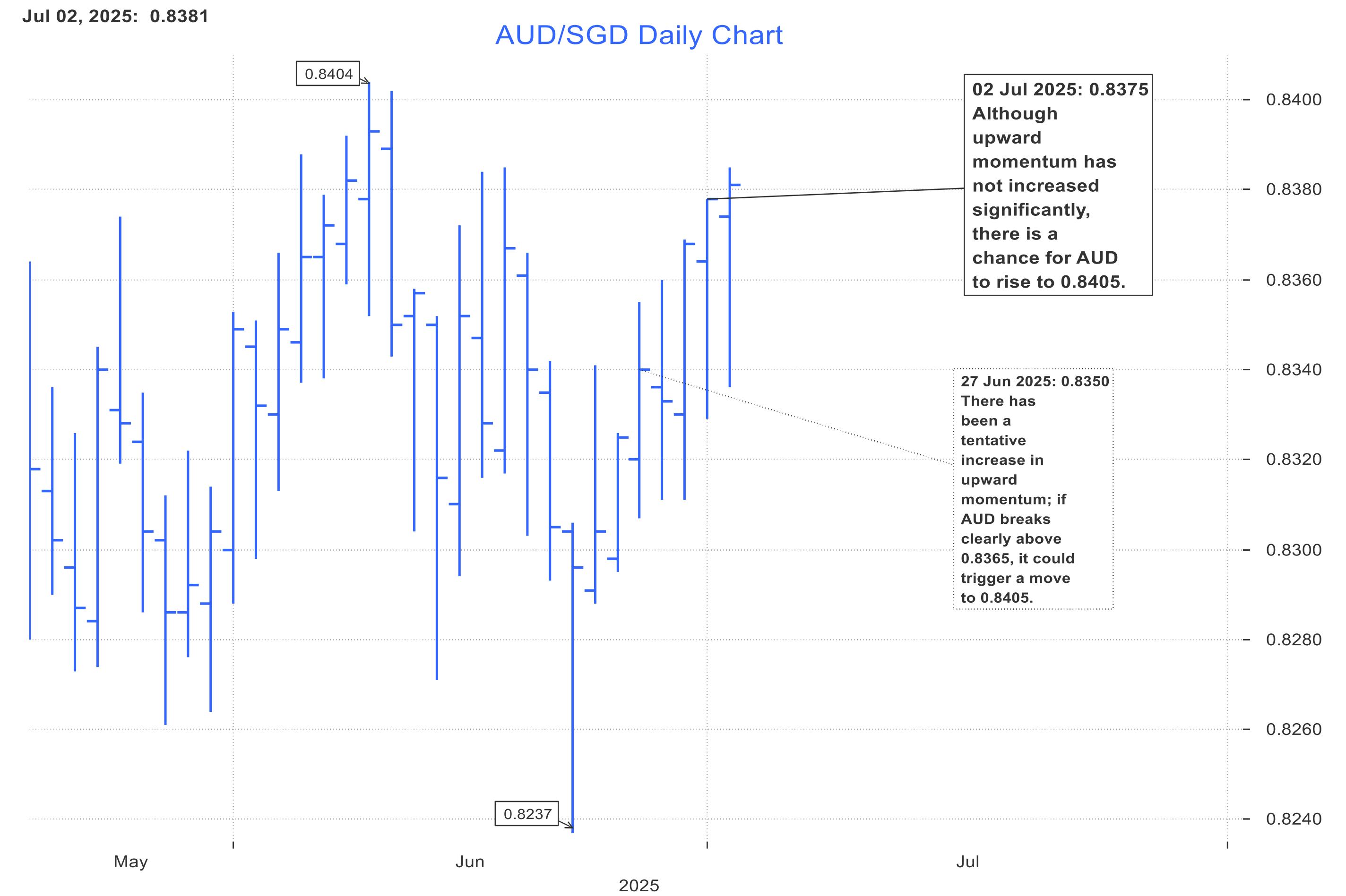
Our update from yesterday (02 Jul, spot at 0.8375) still stands. As highlighted, "although upward momentum has not increased significantly, there is a chance for AUD to rise to 0.8405." However, if AUD were to break below 0.8320 (no change in 'strong support' level), it would mean that the upward pressure has eased.

1-3 MONTHS VIEW

Further range trading in AUD/SGD seems likely, probably between 0.8240 and 0.8445. (dated 04 Jun 2025, 0.8315) Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.8340 S2: 0.8320	R1: 0.8390 R2: 0.8405	0.8368	0.8385	0.8336	0.8379	+0.07%	+0.71%	+0.42%	-0.79%



Source: LSEG Datastream/UOB Global Economics & Market Research

JPY/SGD: 0.8860

24-HOUR VIEW

JPY is likely to trade in a range between 0.8840 and 0.8890.

JPY rose sharply to a high of 0.8905 on Tuesday. Yesterday (Wednesday), we stated that "the rapid rise appears to be excessive, and JPY is unlikely to rise much further." We expected JPY to "trade in a range between 0.8835 and 0.8900." JPY then traded in a range of 0.8827/0.8877. We continue to expect range trading, most likely between 0.8840 and 0.8890.

1-3 WEEKS VIEW

JPY must close above 0.8920 before a sustained advance is likely.

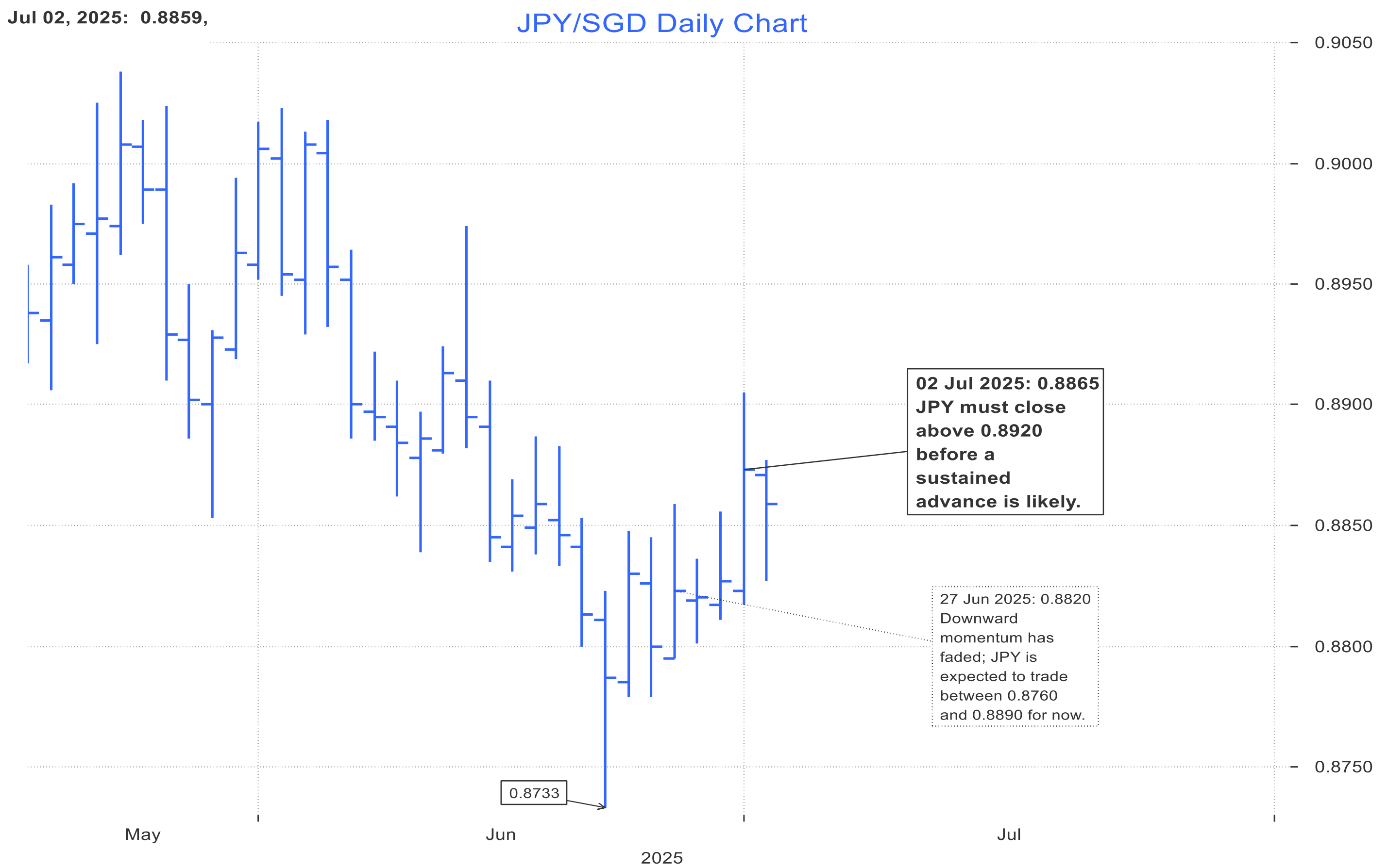
We continue to hold the same view as yesterday (01 Jul, spot at 0.8865). As highlighted, the recent buildup in momentum "is not strong enough to indicate a sustained rise." For JPY to continue to rise, it "must first close above 0.8920. The likelihood of JPY closing above 0.8920 will remain intact as long as the 'strong support' at 0.8820 (no change in level from yesterday) is intact.

1-3 MONTHS VIEW

Should recovery in JPY/SGD break above 0.9040, it could extend to the top of the daily Ichimoku cloud. (dated 04 Jun 2025, 0.8980).
Read more

LEVELS

Support	Resistance	Ranges 02 Jul 25				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.8840 S2: 0.8820	R1: 0.8890 R2: 0.8920	0.8852	0.8877	0.8827	0.8861	-0.11%	+0.75%	-1.57%	+2.04%



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