

# FX Insights

---

Wednesday, 23 September 2020

**Quek Ser Leang**[Quek.SerLeang@uobgroup.com](mailto:Quek.SerLeang@uobgroup.com)**Lee Sue Ann**[Lee.SueAnn@uobgroup.com](mailto:Lee.SueAnn@uobgroup.com)

US equities snapped multi-day losing streaks, all closing in the green on Tuesday, following comments from US Federal Reserve Chair Jerome Powell before the House Financial Services Committee. Powell said the central bank should not be used to funnel aid for small businesses in need as a result of the COVID-19 pandemic, and US Treasury Secretary Steven Mnuchin said he was willing for the Fed to loosen the standards of the Main Street program and allow loans as small as \$100,000. The closely-watched part of the US Treasury yield curve measuring the gap between yields on 2- and 10-year Treasury notes was at 53.2bps, rebounding from a two-week low of 51.2 on Monday. The US dollar rose to an eight-week high on Tuesday, with the US Dollar Index (DXY) rising 0.35% to almost 94, its highest levels since late July. Today, the preliminary US Markit PMI readings for September will be the focus in the US. Federal Reserve Chair Jerome Powell is scheduled to testify to the House Panel at 10pm SGT.

EUR/USD dropped for a third day and now threatens to break its key support at 1.17 which has held the pair since early August. GBP/USD was weighed by new measures outlined by PM Johnson to contain the COVID-19 outbreak and dropped 0.65% to 1.2733. USD/JPY rebounded for a second day after its steep drop last week and gained from 104.65 to 104.93. AUD/USD took out its key support at 0.72 and closed 0.73% lower at 0.7171. Today in the Eurozone, attention will be on the preliminary Eurozone Markit PMI readings for September. The UK's preliminary Markit PMI readings for September will also be released.

USD/Asians rose on the back of a surge in risk aversion on Tuesday. Leading gainers, USD/KRW ended up 0.61% at 1,165.05 while the USD/IDR and USD/THB closed up 0.58% and 0.43% to 14,785 and 31.36 respectively. The Chinese currency was the outperformer on Tuesday. USD/CNY ended 0.37% lower at 6.7799. Offshore USD/CNH touched a session high of 6.8010 but pared back to close lower for the day at 6.7840 (-0.13%). USD/SGD rose to a high of 1.3667 before settling at 1.3653 (+0.24%). SGD NEER is trading at -0.12% from the mid-point this morning. On the SGD NEER, +/-0.3% from the mid-point implies USD/SGD range of 1.3602-1.3684 based on the current FX levels.

The Asian economic docket is heavy today, with the scheduled release of August custom trade in Thailand, as well as August CPI in Singapore and Malaysia. Thailand exports and imports are expected to remain in double-digit contraction. Meanwhile, Malaysia (Bloomberg: -1.3% y/y; Jul: -1.3% y/y) and Singapore (Bloomberg: -0.5% y/y; Jul: -0.4% y/y) are expected to remain in deflation. In addition to the headline number, Singapore's core CPI is forecast to be at -0.4% y/y in August, unchanged from July.

We expect no change to Bank of Thailand (BOT)'s 0.50% policy rate today (3.05pm SGT). With rates approaching the zero mark, policy space is increasingly limited. While we expect no change in September, policymakers may cut the benchmark rate by just another 25bps to 0.25% in 4Q20 to support growth and inflation in the year ahead, failing which, unconventional measures such as asset purchases or yield curve control may be adopted.

**Recent publications:**21 Sep 20: [China: PBoC No Longer Expected To Cut LPR Further](#)18 Sep 20: [New Zealand: COVID-19 Pushes Economy Into Recession](#)18 Sep 20: [Australia: Unemployment Rate Unexpectedly Dips In August](#)18 Sep 20: [UK: BOE Keeps Monetary Policy Unchanged But Explores Negative Rates](#)17 Sep 20: [Taiwan: CBC Keeps Interest Rate Unchanged In September](#)17 Sep 20: [Indonesia: BI Stood Pat In September MPC but Could Lower Rate In Q4 2020](#)

## USD/SGD: 1.3650

### 24-HOUR VIEW

**USD could continue to advance but a sustained rise above the major resistance at 1.3685 appears unlikely.**

Yesterday, we highlighted that “there is room for USD to test 1.3650 first before the current upward pressure should ease”. USD subsequently rose to a high of 1.3657, dropped back down to 1.3611 before surging to a high of 1.3667 during NY hours. While the advance appears to be overstretched, there is likely enough momentum left for USD to continue to advance even though a sustained rise above the major resistance at 1.3685 is unlikely (next resistance is at 1.3720). Support is at 1.3625 followed by 1.3610.

### 1-3 WEEKS VIEW

**Downside risk has dissipated; USD is expected to consolidate between 1.3550 and 1.3685 for a period of time.**

No change in view from yesterday, see reproduced update below.

Last Thursday (17 Sep, spot at 1.3585), we indicated that USD “has to close below the solid support at 1.3560 before a sustained weakness can be expected”. USD dropped to 1.3555 last Friday but rebounded to close at 1.3600. Yesterday (21 Sep, spot at 1.3585), we highlighted that “downward momentum has waned but only a break of 1.3630 would indicate the risk of a sustained decline below 1.3560 has dissipated”. While USD subsequently dropped to 1.3543, it snapped back up to an overnight high of 1.3641 (closed at 1.3620, +0.15%). The price actions indicate that downside risk has dissipated. From here, USD is deemed to have moved into a consolidation phase and is likely to trade between 1.3550 and 1.3685 for a period of time.

### 1-3 MONTHS VIEW

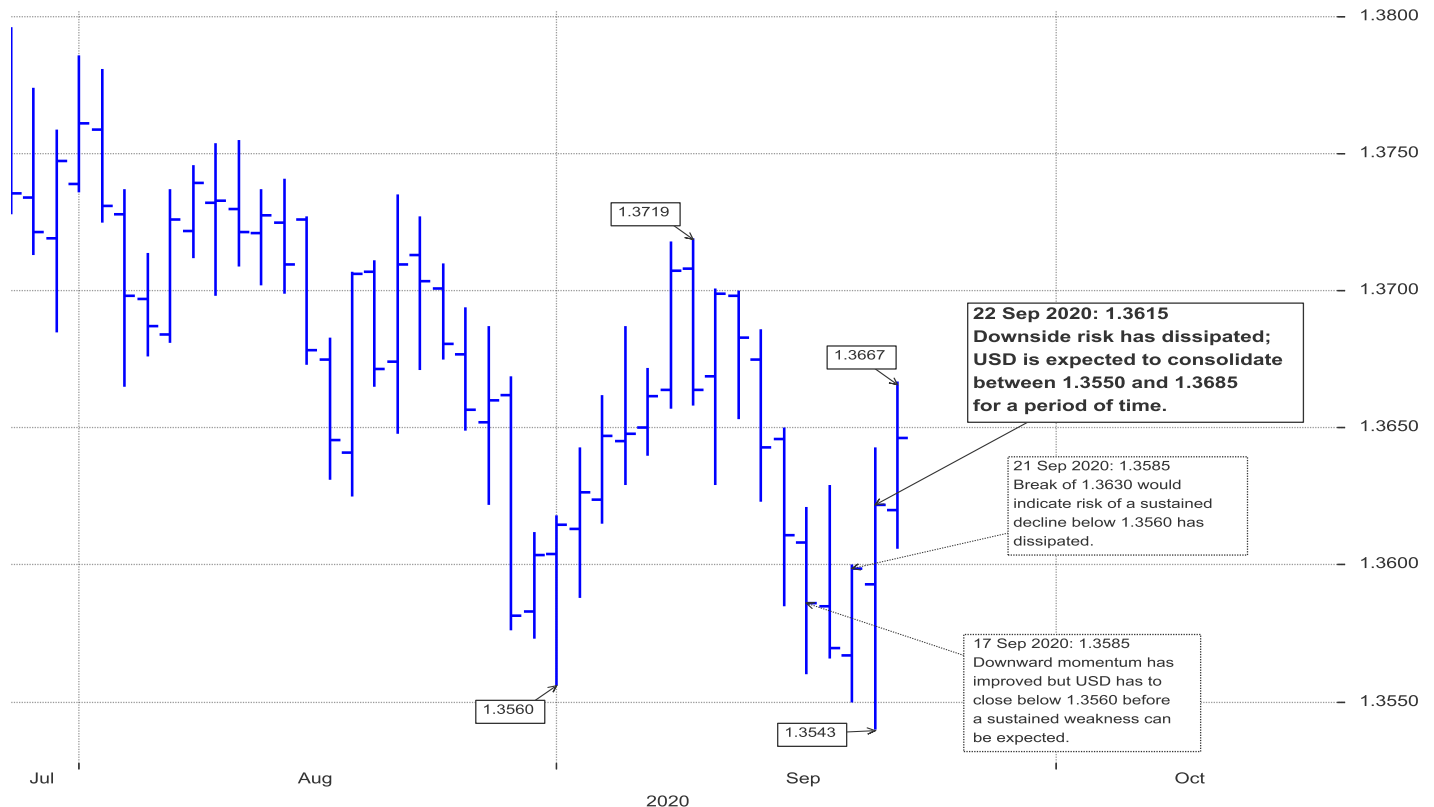
USD/SGD could weaken further but it could not afford to dither at these oversold levels or the risk of a rebound would increase quickly. (dated 31 Aug 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 2020				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.3625 S2: 1.3550	R1: 1.3685 R2: 1.3720	1.3628	1.3667	1.3611	1.3653	+0.24%	+0.32%	-0.48%	+1.47%

Sep 22, 2020; 1.3646,

### USD/SGD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## EUR/USD: 1.1710

### 24-HOUR VIEW

**EUR could weaken further but oversold conditions suggest a sustained decline below 1.1660 is unlikely.**

We highlighted yesterday that “there is scope to EUR to dip towards 1.1720 first before the current weakness should stabilize”. While EUR rebounded after touching a low of 1.1719, it dropped back down sharply during NY hours (low of 1.1690). In other words, the expected stabilization did not materialize. While further EUR weakness is not ruled out, oversold conditions suggest a sustained decline below the major support at 1.1660 is unlikely (next support is at 1.1630). All in, EUR is expected to stay under pressure unless it can move above 1.1760 (minor resistance is at 1.1730).

### 1-3 WEEKS VIEW

**Risk for EUR is still on the downside; next support is at 1.1630 followed by 1.1600.**

We noted yesterday (22 Sep, spot at 1.1765) that the “rapid improvement in downward momentum suggests EUR could weaken further towards the next major support at 1.1695”. While our view was correct, we did expect 1.1695 to come into the picture so soon (EUR dropped to an overnight low of 1.1690). Downward momentum has improved further and the risk is still on the downside. From here, the next support is at 1.1630 followed by 1.1600. On the upside, the ‘strong resistance’ level has moved lower to 1.1815 from yesterday’s level of 1.1855. On a shorter-term note, 1.1760 is already quite a strong level.

### 1-3 MONTHS VIEW

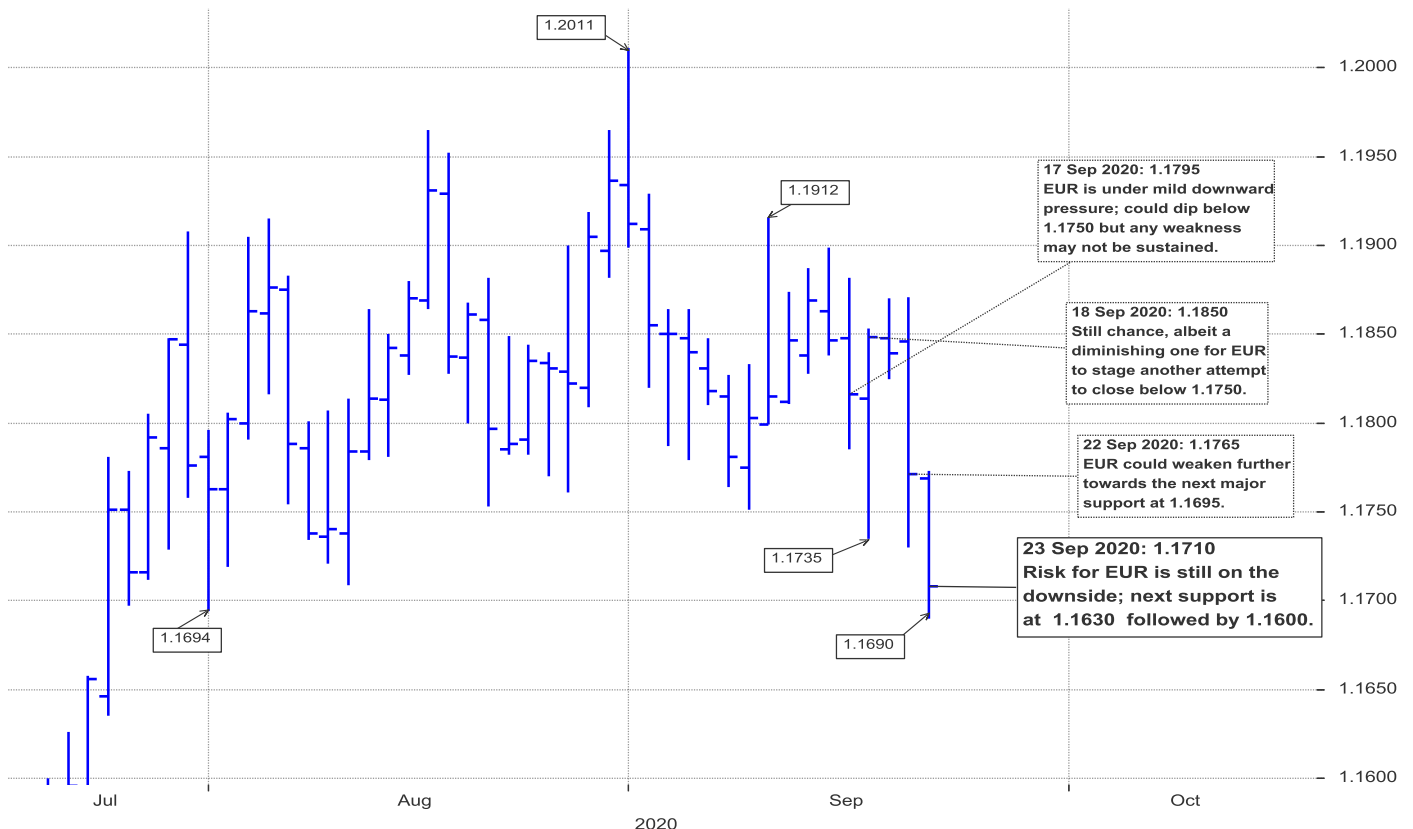
EUR/USD is in the early stages of an up-trend; break of 6-year trend-line at 1.1635 could lead to a rapid upward acceleration. (dated 23 Jul 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.1660 S2: 1.1630	R1: 1.1760 R2: 1.1815	1.1763	1.1773	1.1690	1.1706	-0.54%	-1.17%	-0.75%	+4.42%

Sep 22, 2020; 1.1708,

EUR/USD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## GBP/USD: 1.2745



### 24-HOUR VIEW

**Further GBP weakness is not ruled out but 1.2650 is likely out of reach for now.**

While our view for GBP to weaken yesterday was not wrong, we underestimated the downward momentum as GBP plunged to a low of 1.2711 (we were of the view that a sustained decline below 1.2763 is unlikely). From here, further GBP weakness is not ruled out but in view of the oversold conditions, the next support at 1.2650 is likely out of reach for now (1.2680 is a relatively strong support). Resistance is at 1.2780 followed by 1.2810.



### 1-3 WEEKS VIEW

**Downward momentum has improved considerably; GBP could weaken further to 1.2650.**

Yesterday (22 Sep, spot at 1.2820), we expected GBP "to trade with a downward bias towards 1.2730" and we highlighted that GBP "has to close below this level before further weakness can be expected". GBP subsequently dropped to 1.2711 before closing at 1.2734. While GBP did not close below 1.2730, downward momentum has improved considerably. In other words, GBP is likely to weaken further. The next support is at 1.2650. The current negative outlook for GBP is deemed as intact as long as it does not move above 1.2860 ('strong resistance' level was at 1.2930 yesterday).



### 1-3 MONTHS VIEW

Overall technical readings suggest GBP/USD could continue to advance but be mindful about major and long-term resistance levels near 1.3340 and 1.3516. (dated 19 Aug 2020) [Read more](#)

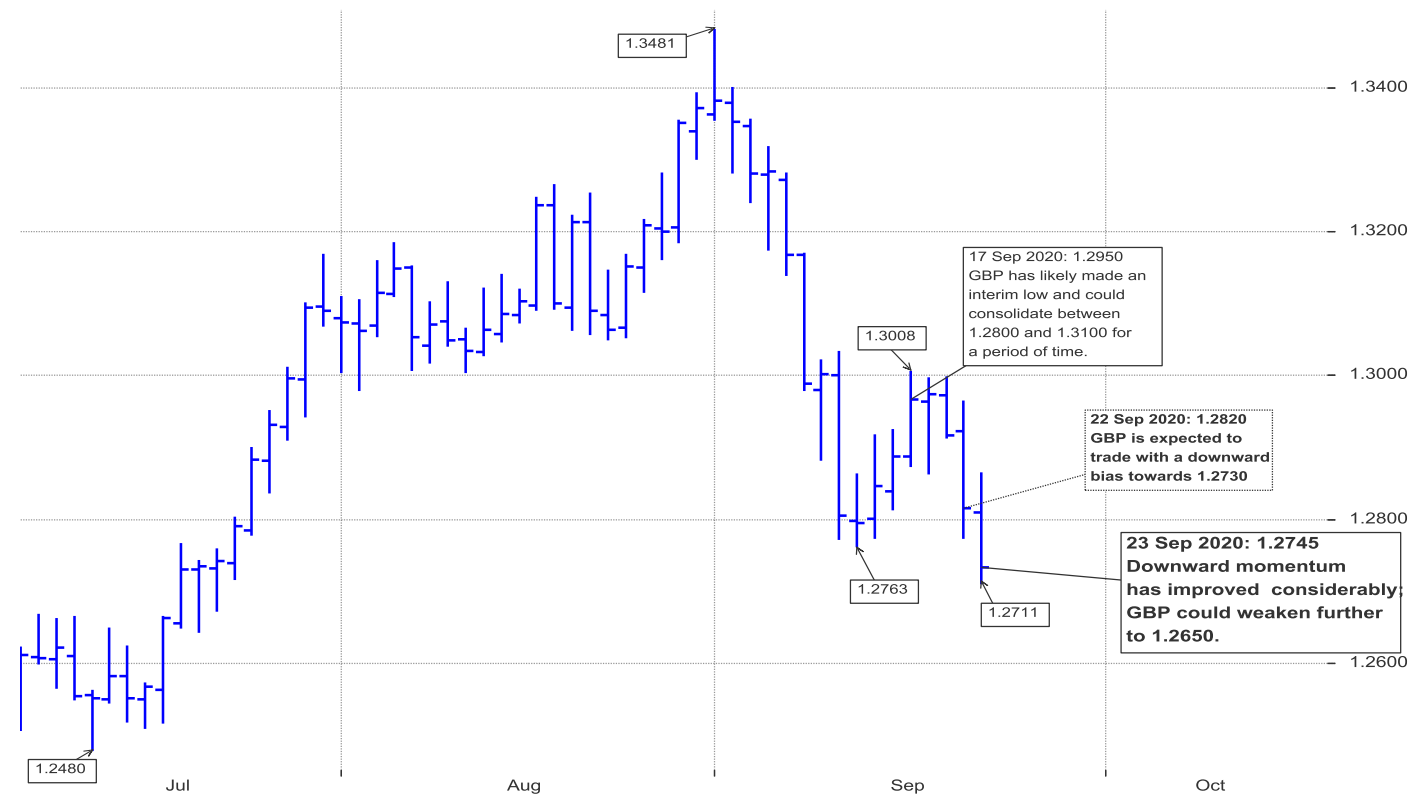


### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.2680 S2: 1.2650	R1: 1.2810 R2: 1.2860	1.2814	1.2865	1.2711	1.2734	-0.64%	-1.21%	-2.72%	-3.99%

Sep 22, 2020; 1.2733,

GBP/USD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## AUD/USD: 0.7130

### 24-HOUR VIEW

**AUD is likely to weaken further but 0.7060 is unlikely to come into the picture for now.**

We expected AUD to weaken yesterday but held the view that “0.7150 is unlikely to come into the picture”. AUD subsequently dropped to an overnight low of 0.7155 before extending its decline after opening this morning. The ease by which AUD took out 0.7150 and the accompanying strong downward momentum indicates that AUD could weaken further but the major support at 0.7060 is unlikely to come into the picture for now (there is a relatively strong level at 0.7110). Resistance is at 0.7160 followed by 0.7200.

### 1-3 WEEKS VIEW

**Rapid surge in downward momentum indicates that AUD could weaken further to 0.7060.**

While we highlighted yesterday that the risk for AUD “has shifted to the downside”, we held the view that “any weakness could be relatively limited unless AUD can break 0.7150”. The ease by which AUD cracked 0.7150 earlier this morning came as a surprise and the rapid surge in downward momentum indicates that AUD could weaken further towards 0.7060. All in, the current negative outlook for AUD is deemed as intact as long as AUD does not move above 0.7250 (‘strong resistance’ level was 0.7305 yesterday).

### 1-3 MONTHS VIEW

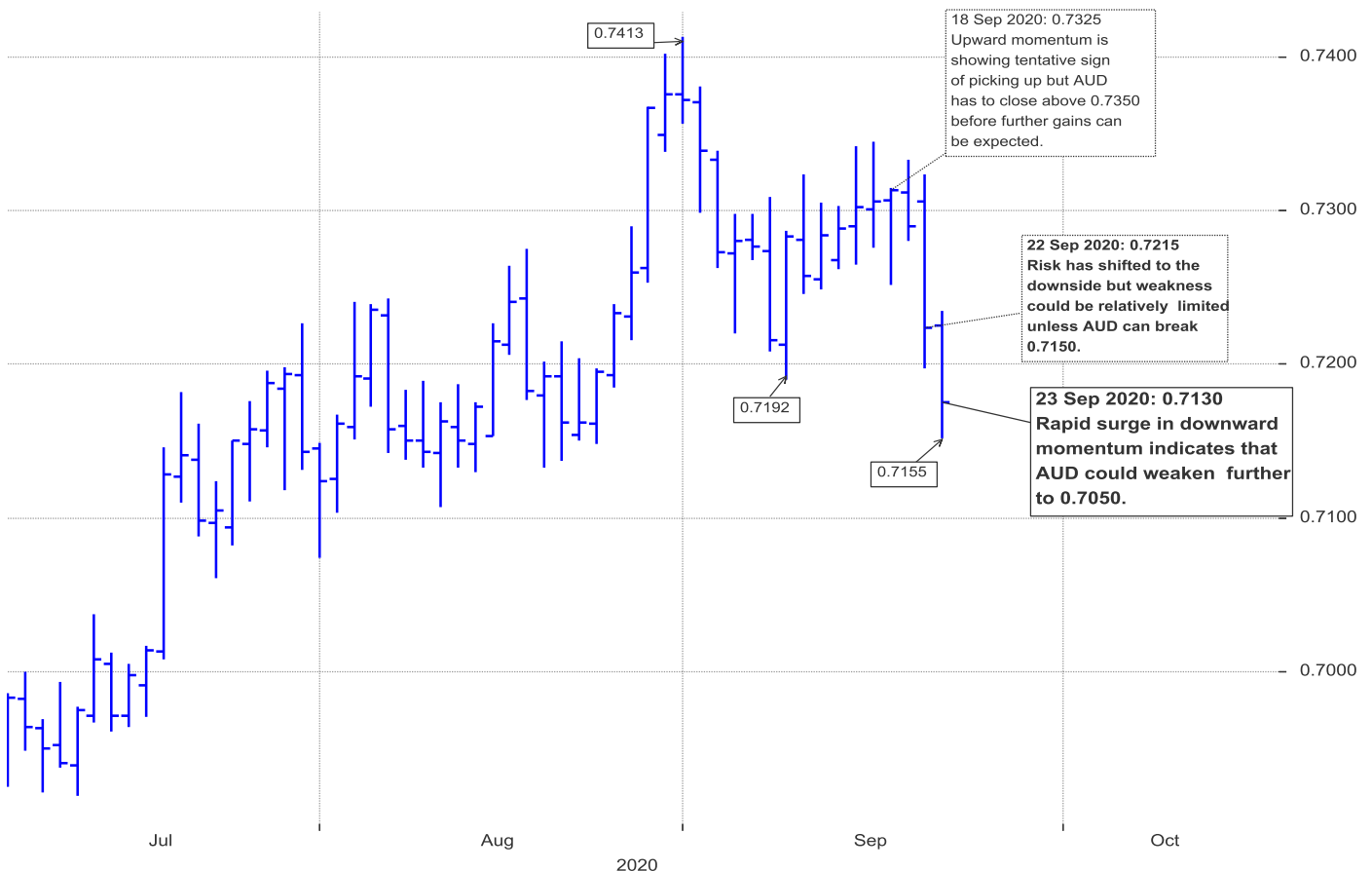
Despite overbought conditions, AUD/USD could strengthen further. Next resistance levels of note are at 0.7550 and 0.7640. (dated 01 Sep 2020) [Read More](#).

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.7110 S2: 0.7060	R1: 0.7200 R2: 0.7250	0.7221	0.7236	0.7155	0.7169	-0.75%	-1.82%	+0.13%	+2.17%

Sep 22, 2020; 0.7175,

AUD/USD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## NZD/USD: 0.6615

### 24-HOUR VIEW

**A break of 0.6600 would not be surprising, next support at 0.6545 is unlikely to come into the picture.**

We highlighted yesterday that the “rapid improvement in downward momentum suggests further NZD weakness towards 0.6630”. We added, “for today, the next support at 0.6600 is likely out of reach”. Our view was correct as NZD dropped to an overnight low of 0.6622 before extending its decline this morning. From here, a breach of 0.6600 would not be surprising but the next support at 0.6545 is unlikely to come into the picture. On the upside, 0.6680 is expected to be strong enough to hold for today (minor resistance is at 0.6650).

### 1-3 WEEKS VIEW

**Negative phase in NZD has more room to run; next support is at 0.6545.**

Yesterday (22 Sep, spot at 0.6665), we highlighted the “strong downward momentum” and held the view that NZD “could weaken further to 0.6600”. While our view was correct, the pace of decline was faster than expected as NZD dropped to an overnight low of 0.6622 before extending its decline this morning. In view of the vastly improved momentum, the current negative phase appears to have more room to run. The next support is at 0.6545 followed by 0.6490. On the upside, the ‘strong resistance’ level has moved lower to 0.6720 from yesterday’s level of 0.6760.

### 1-3 MONTHS VIEW

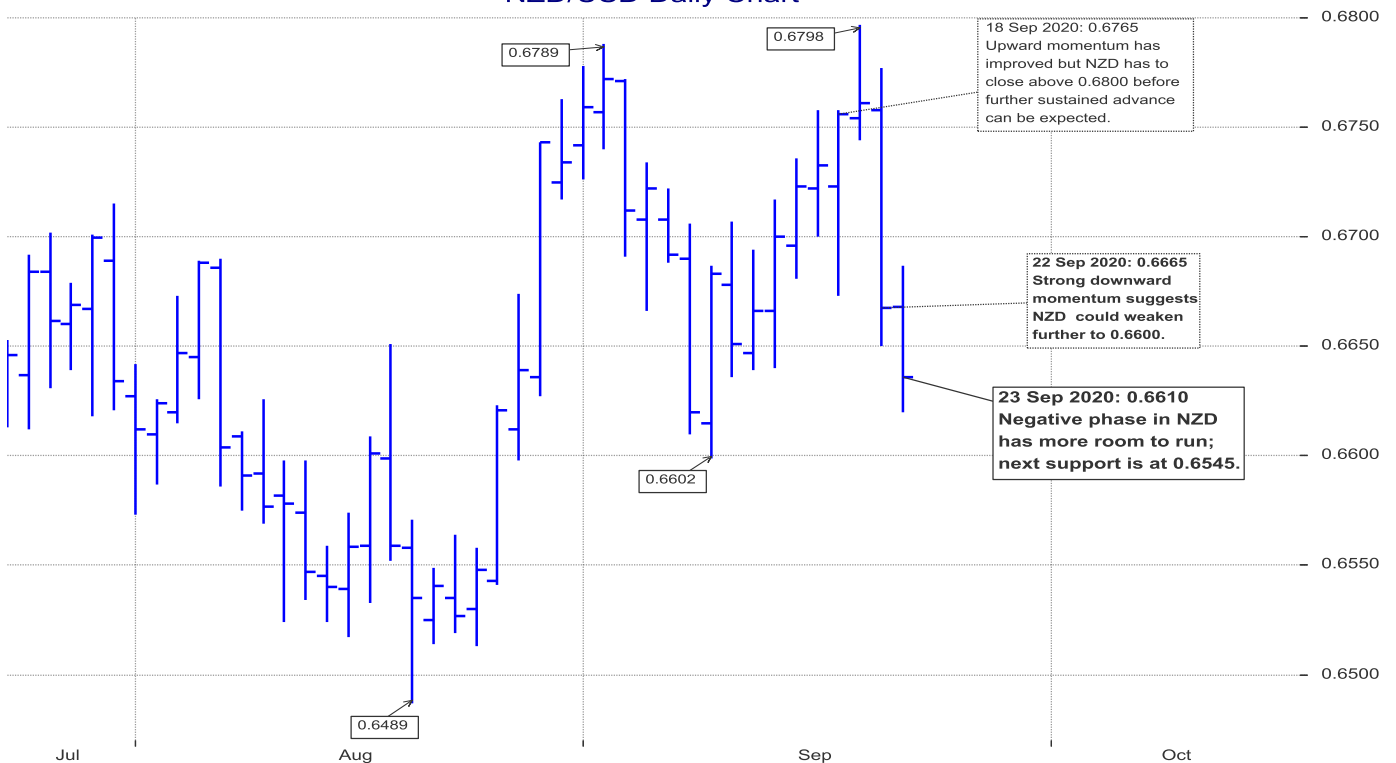
NZD/USD may found a long-term bottom at 0.5469 but shorter-term advance could be limited to a test of the 0.6755/0.6800 resistance zone. (dated 19 Jun 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.6600 S2: 0.6545	R1: 0.6680 R2: 0.6720	0.6666	0.6686	0.6622	0.6634	-0.54%	-1.24%	+1.44%	-1.41%

Sep 22, 2020; 0.6636,

### NZD/USD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research



## USD/JPY: 105.05

### 24-HOUR VIEW

**USD could break the 105.20 resistance but 105.50 is not expected to come into the picture.**

We expected USD to trade sideways between 104.20 and 104.90 yesterday. However, USD rose to an overnight high of 105.07 before extending its gains this morning. While upward momentum has not improved by much, there is room for USD to breach the strong resistance at 105.20. For today, the next resistance at 105.50 is not expected to come into the picture. Support is at 104.75 followed by 104.50.

### 1-3 WEEKS VIEW

**Negative phase has run its course; USD is in a correction phase now.**

We have held a negative view in USD since early last week (see annotations in the chart below). In our latest narrative from Monday (21 Sep, spot at 104.55), we held the view that USD “could dip below 104.16 but oversold conditions suggest that a sustained decline below this level is unlikely”. We added, “the weakness in USD appears to be overstretched but only a break of 105.20 (‘strong resistance’ level was previously at 105.50) would indicate that the negative phase has run its course”. USD subsequently dropped to a low of 103.99 before rebounding strongly over the past two days. While 105.20 is still intact, the rapid loss in momentum indicates that the negative phase has run its course. The current movement is viewed as the early stages of a correction phase. From here, USD could edge higher but any advance is viewed as part of 104.25/105.75 range (for now, a sustained rise above 105.75 is not expected).

### 1-3 MONTHS VIEW

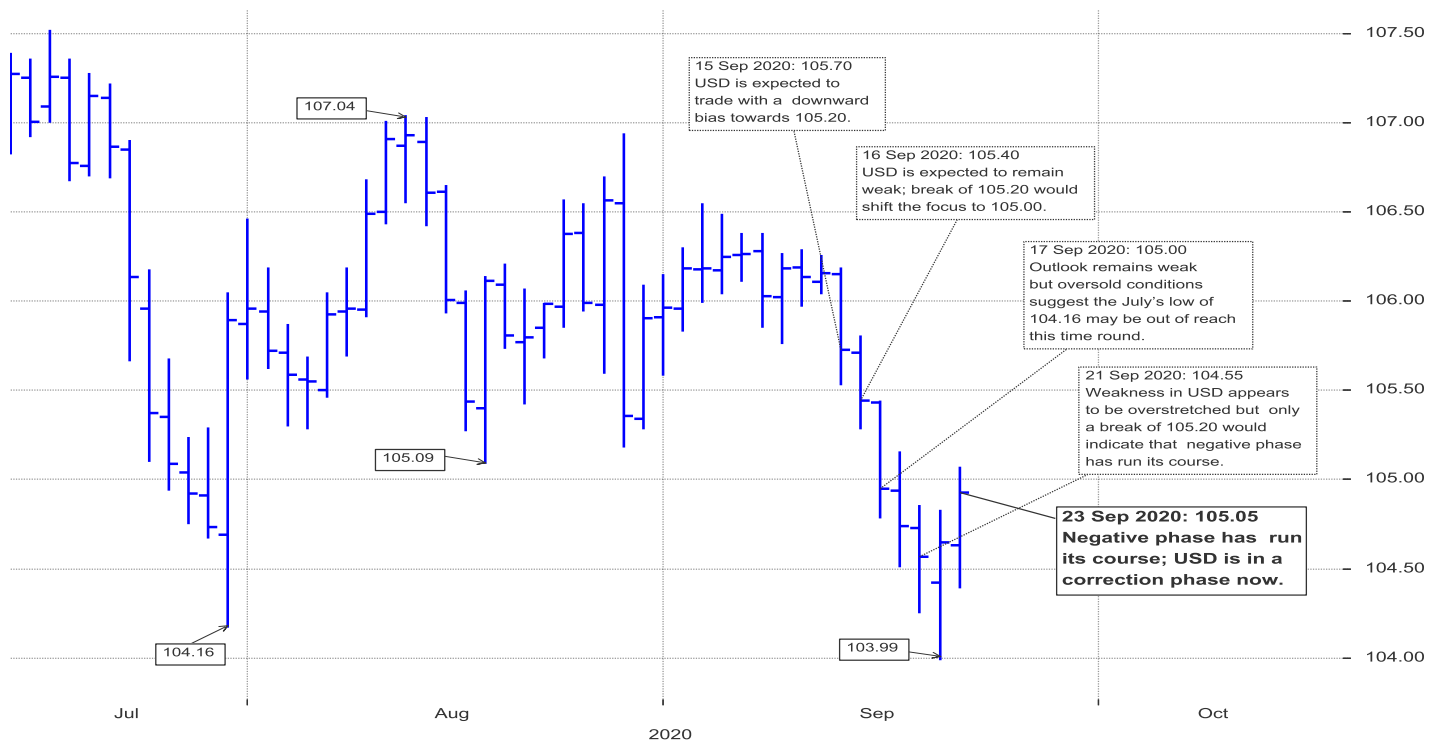
Outlook is mixed; USD/ JPY could continue to trade in a choppy manner within a relatively broad range of 105.80/111.30. (dated 19 Jun 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 104.50 S2: 104.25	R1: 105.50 R2: 105.75	104.72	105.07	104.39	104.91	+0.26%	-0.49%	-0.82%	-3.41%

Sep 22, 2020; 104.93

### USD/JPY Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## USD/CNH: 6.7960

### 24-HOUR VIEW

**USD could edge upward but any advance is likely limited to a test of 6.8100.**

USD trade between 6.7727 and 6.8006 yesterday, narrower than our expected range of 6.7700/6.8100. The underlying tone has improved somewhat and USD could edge upward from here. That said, any advance is likely limited to a test of the resistance at 6.8100. Support is at 6.7880 followed by 6.7700.

### 1-3 WEEKS VIEW

**Month-long negative phase has run its course; rebound has room to extend higher but any advance is viewed as part of a broad 6.7500/6.8300 range.**

No change in view from yesterday, see reproduced update below.

We have held a negative view in USD since mid-August (see annotations in the chart below). In our latest narrative from last Thursday (17 Sep, spot at 6.7520), we indicated that the “decline is oversold but outlook for USD remains weak for now” and we added, “pace of any further weakness is likely to be slower and next major support 6.7165 may be out of reach this time round”. Yesterday (21 Sep), USD rebounded strong and touched a high of 6.8080, not far below our ‘strong resistance’ level of 6.8100. While the ‘strong resistance’ is still intact, downward momentum has waned considerably and this coupled with the still oversold conditions suggest that the month-long negative phase has run its course. From here, there is room for the current rebound to extend higher but for now, any advance is viewed as part of broad 6.7500/6.8300 range.

### 1-3 MONTHS VIEW

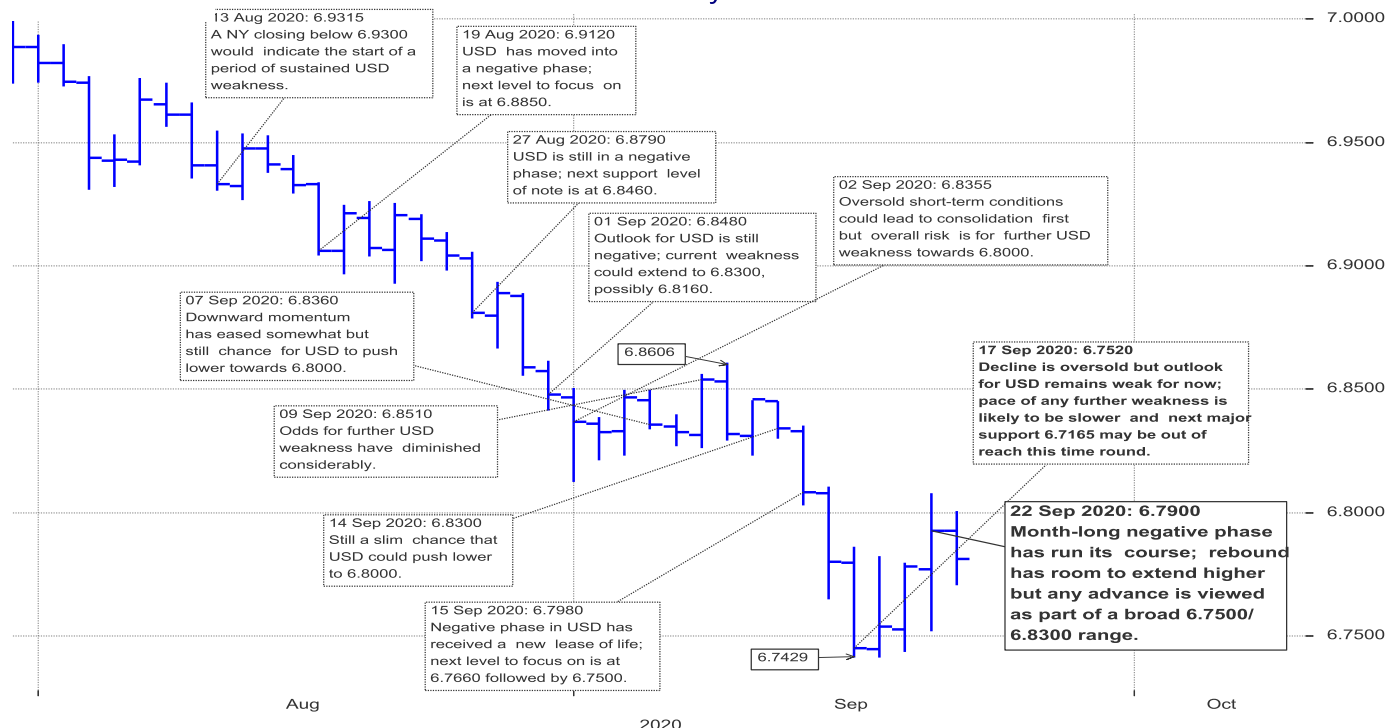
USD/CNH is moving into a "down-trend", could continue to weaken at a rapid clip. Next support is at 6.7165 followed by the 2019 low of 6.6710. (dated 15 Sep 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 6.7700 S2: 6.7500	R1: 6.8100 R2: 6.8300	6.7933	6.8006	6.7727	6.7854	-0.11%	+0.09%	-1.96%	-2.52%

Sep 22, 2020: 6.7812

USD/CNH Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

eursgd



## EUR/SGD: 1.5975

### 24-HOUR VIEW

**EUR could edge lower but the major support at 1.5920 is likely out of reach.**

We noted the oversold conditions yesterday but held the view that “the rapid drop has room to test the 1.5965 support first the current weakness should stabilize”. While EUR weaken as expected, the 1.5965 level was untested (EUR dropped to 1.5971 before closing on a weak note at 1.5972, -0.36%). Conditions remain oversold and but the weakness is not showing sign of stabilizing just yet. From here, EUR could edge lower but the major support at 1.5920 is likely out of reach (there is a minor support at 1.5940). Resistance is at 1.6005 but only a move above 1.6030 would indicate the current weakness has stabilized.

### 1-3 WEEKS VIEW

**Negative phase in EUR has more room to run; break of 1.5920 could potentially lead to rapid drop to 1.5870.**

Yesterday (22 Sep, spot at 1.6025), we held the view that EUR “could dip below 1.5965, the next support at 1.5920 could be out of reach this time round”. While there is no change in our view, the rapid manner by which EUR approaches 1.5965 (overnight low of 1.5971) indicates that 1.5920 may come into the picture after all. This is a relatively critical support and a break of this level could potentially lead to a rapid drop towards the next support at 1.5870. Overall, the negative phase in EUR that started last week (see annotations in the chart below) appears to have more room to run unless EUR moves back above 1.6065 (‘strong resistance’ level was at 1.6100 yesterday).

### 1-3 MONTHS VIEW

EUR/SGD could consolidate first before making attempt to break above the major 1.5920/1.5970 resistance zone. (dated 19 Jun 2020)

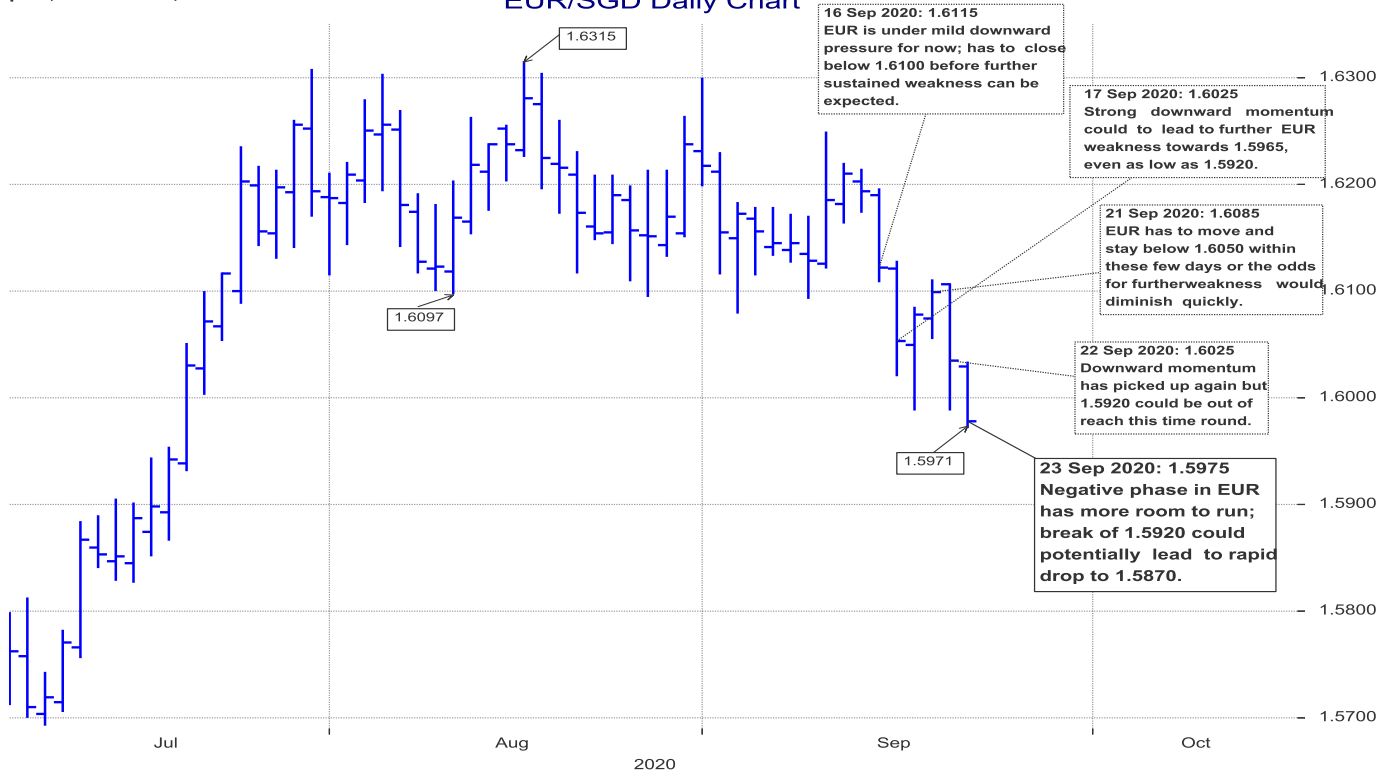
[Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.5940 S2: 1.5920	R1: 1.6030 R2: 1.6065	1.6027	1.6036	1.5971	1.5972	-0.36%	-0.90%	-1.21%	+5.98%

Sep 22, 2020 1.5977,

EUR/SGD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## GBP/SGD: 1.7390

### 24-HOUR VIEW

**GBP could dip below 1.7340 but the next support at 1.7300 is likely out of reach for now.**

We expected GBP to weaken yesterday and we held the view that GBP could “test the support at 1.7390 but the next support at 1.7340 is not expected to come into the picture”. Our view was not wrong as GBP dropped to a low of 1.7356. While downward momentum has eased somewhat, it is too early to expect a sustained rebound. From here, GBP could dip below 1.7340 but the next support at 1.7300 is likely out of reach for now. Resistance is at 1.7430 followed by 1.7460.

### 1-3 WEEKS VIEW

**Downward momentum is stronger than expected; GBP could drop to 1.7300 soon.**

We have held a negative view in GBP for about 2 weeks now (see annotations in the chart below). Yesterday (22 Sep, spot at 1.7455), we indicated that GBP “could move below 1.7390 but the next support at 1.7300 could be out of reach”. However, GBP dropped rapidly to a low of 1.7356 before closing on a soft note at 1.7370 (-0.48%). In other words, downward momentum is stronger than expected and GBP could drop to 1.7300 soon. On the upside, the ‘strong resistance’ level has moved lower to 1.7530 from 1.7580.

### 1-3 MONTHS VIEW

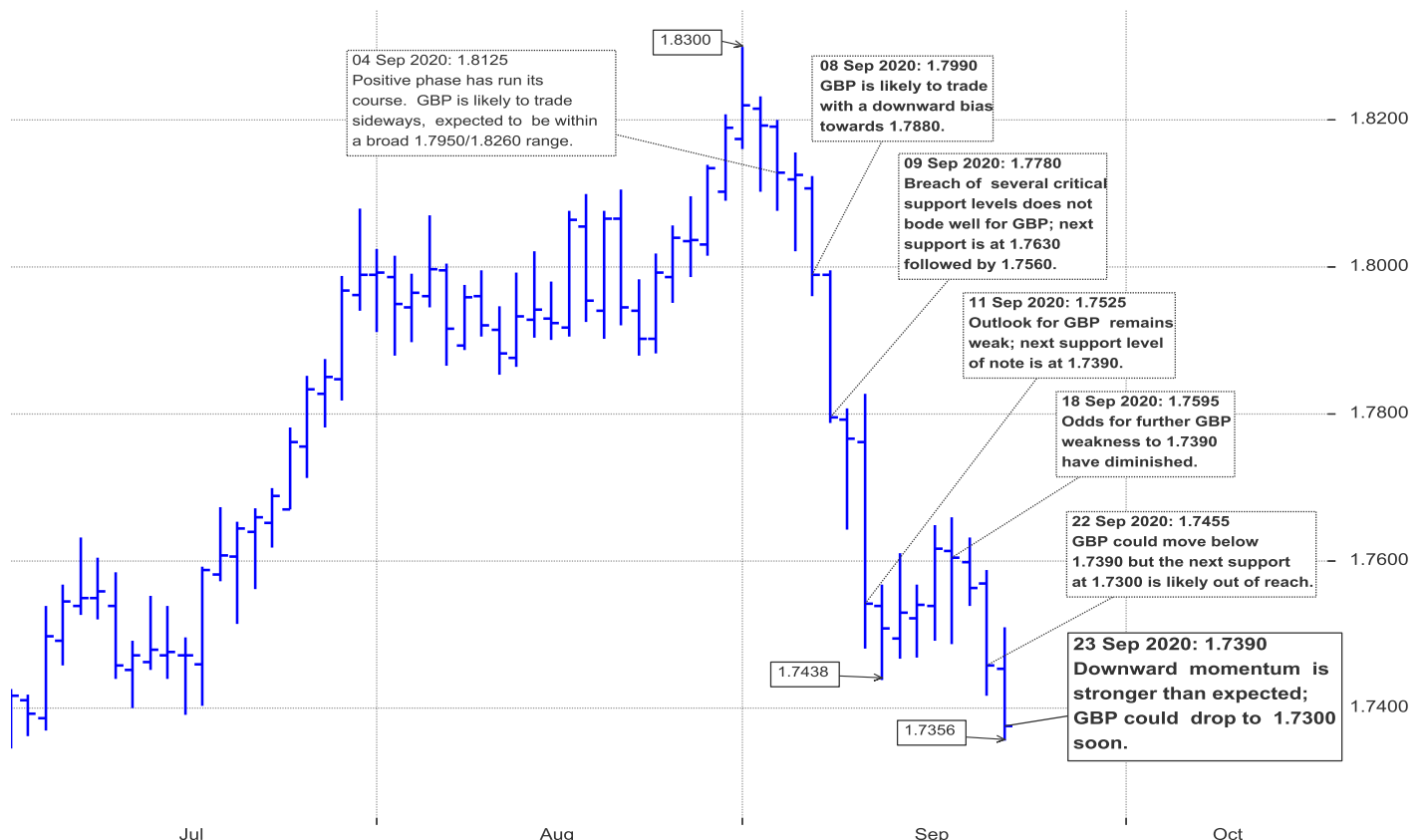
After multiple attempts, the prospect for GBP/SGD to break the major 1.8290/1.8317 resistance zone is on the high side. The next resistance level of note is at the 2018 peak of 1.8815 (dated 02 Sep 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.7340 S2: 1.7300	R1: 1.7460 R2: 1.7530	1.7458	1.7509	1.7356	1.7370	-0.48%	-0.94%	-3.17%	-2.61%

Sep 22, 2020: 1.7376,

### GBP/SGD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## AUD/SGD: 0.9750

### 24-HOUR VIEW

**AUD could weaken further but in view of severely oversold conditions, a sustained decline below 0.9690 is unlikely.**

We highlighted yesterday that “further AUD weakness is likely but oversold conditions could “limit” any further decline to 0.9780”. The subsequent weakness exceeded our expectation as AUD dropped to a low of 0.9773 before extending its decline after opening this morning. From here, AUD could weaken further but in view of the severely oversold conditions, a sustained decline below the major support at 0.9690 is unlikely (next support is at 0.9650). Resistance is at 0.9785 followed by 0.9820.

### 1-3 WEEKS VIEW

**Outlook for AUD remains weak; next support is at 0.9650.**

We turned negative on AUD yesterday (22 Sep, spot at 0.9825) but we held the view that “0.9750 may not come into the picture so soon”. The pace of decline exceeded our expectation as AUD cracked 0.9750 earlier this morning. The outlook remains weak and the next support level is at 0.9650. Overall, AUD is expected to remain weak unless it can move above 0.9860 (‘strong resistance’ was at 0.9910 yesterday). On a shorter-term note, 0.9820 is already quite a strong level.

### 1-3 MONTHS VIEW

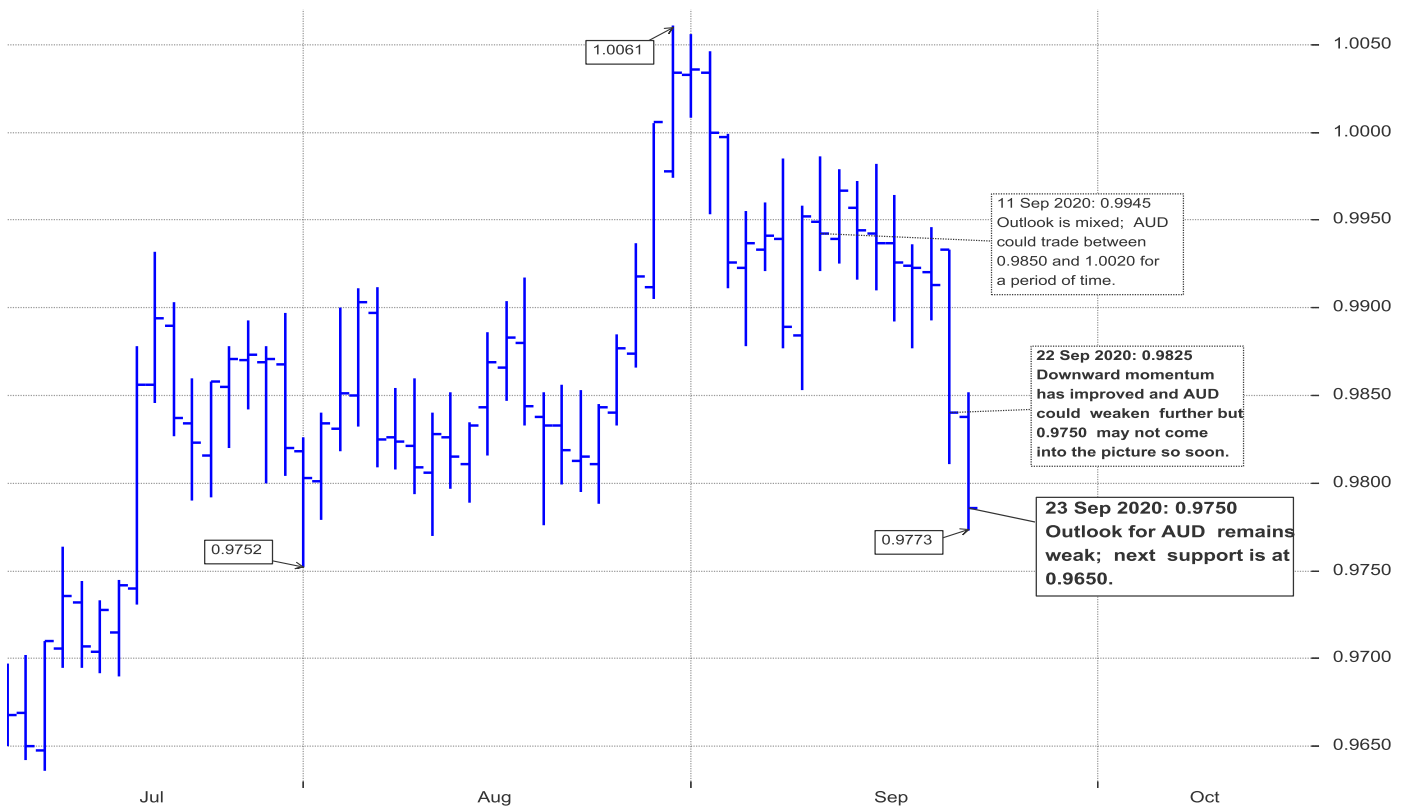
AUD/SGD could move nearer to the 1.0000 level but prospect for a sustained advance above this long term resistance is not high. (dated 19 Jun 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 0.9690 S2: 0.9650	R1: 0.9820 R2: 0.9860	0.9839	0.9852	0.9773	0.9781	-0.58%	-1.54%	-0.36%	+3.62%

Sep 22, 2020: 0.9786

AUD/SGD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## JPY/SGD: 1.3000

### 24-HOUR VIEW

**Pull-back in JPY has room to extend lower but the strong support at 1.2940 is not expected come under threat.**

Yesterday, we held the view that “*there is chance for JPY to retest 1.3075 before a more sustained pull-back can be expected*”. However, JPY only touched 1.3052 before easing off. The pull-back has room to extend lower but the strong support at 1.2940 is not expected to come under threat (1.2970 is already quite a strong level). Resistance is at 1.3025 followed by 1.3050.

### 1-3 WEEKS VIEW

**Upward momentum has improved but the next resistance at 1.3100 may not come into the picture so soon.**

No change in view from yesterday, see reproduced update below.

Yesterday (21 Sep, spot at 1.2990), we highlighted that “*while overbought short-term conditions could lead to 1 to 2 days of consolidation first, JPY could strengthen further 1.3060 as long as it does not move below 1.2910*”. However, instead of consolidating, JPY soared above 1.3060 and touched 1.3075. Upward momentum has improved further but shorter-term conditions remain overbought and the next resistance at 1.3100 may not come into the picture so soon. On the downside, the ‘strong support’ level has moved higher to 1.2940 from 1.2910.

### 1-3 MONTHS VIEW

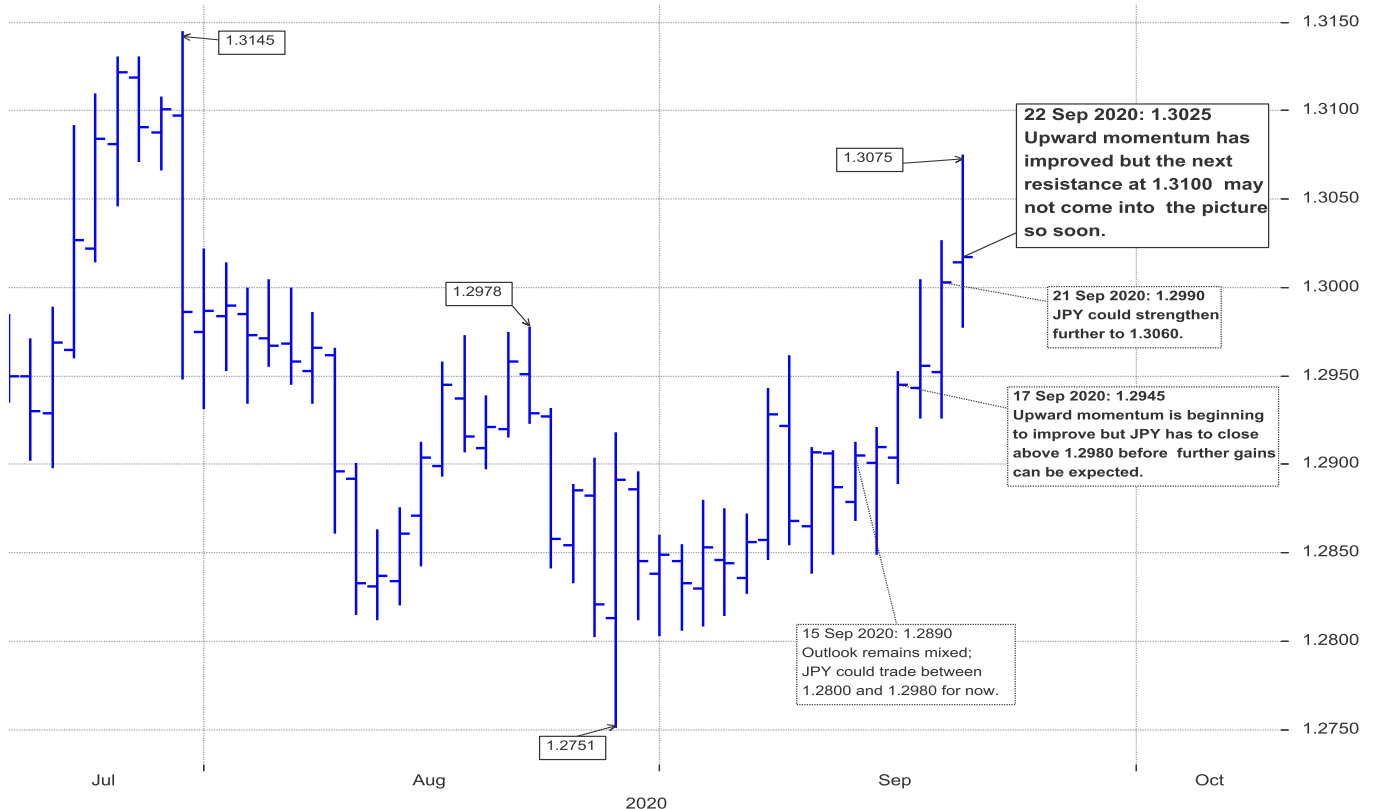
JPY/SGD could continue to trade in an erratic manner; likely holding between 1.2600 and 1.3200. (dated 19 Jun 2020) [Read more](#)

### LEVELS

Support	Resistance	Ranges 22 Sep 20				Percentage change			
		Open	High	Low	Close	1D	1W	1M	YTD
S1: 1.2970 S2: 1.2940	R1: 1.3075 R2: 1.3100	1.3007	1.3052	1.2989	1.3003	-0.08%	+0.75%	+0.38%	+5.07%

Sep 21, 2020: 1.3017,

JPY/SGD Daily Chart



Source: Refinitiv Datastream/UOB Global Economics & Market Research

## UOB FX & Interest Rate Outlook

FX Outlook	3Q20	4Q20	1Q21	2Q21	Rates Outlook	3Q20	4Q20	1Q21	2Q21
EUR/USD	1.20	1.21	1.22	1.22	EU	0.00%	0.00%	0.00%	0.00%
GBP/USD	1.32	1.32	1.30	1.30	UK	0.10%	0.10%	0.10%	0.10%
AUD/USD	0.74	0.75	0.76	0.76	AU	0.25%	0.25%	0.25%	0.25%
NZD/USD	0.67	0.68	0.69	0.69	NZ	0.25%	0.25%	0.25%	0.25%
USD/JPY	105	104	103	103	JP	-0.10%	-0.10%	-0.10%	-0.10%
USD/SGD	1.36	1.35	1.34	1.34	SG (3M SOR)	0.25%	0.25%	0.25%	0.25%
USD/MYR	4.15	4.13	4.10	4.10	MY	1.75%	1.75%	1.75%	1.75%
USD/THB	31.00	31.30	31.50	31.50	TH	0.50%	0.25%	0.25%	0.50%
USD/CNY	6.83	6.78	6.75	6.75	CN	3.85%	3.85%	3.85%	3.85%
USD/IDR	14,600	14,800	14,700	14,500	ID	4.00%	3.75%	3.50%	3.50%
USD/PHP	48.50	48.50	48.00	48.00	PH	2.25%	2.25%	2.25%	2.25%
USD/INR	74.00	74.50	75.00	75.50	IN	3.50%	3.50%	3.50%	3.50%
USD/TWD	29.30	29.10	29.00	29.00	TW	1.125%	1.125%	1.125%	1.125%
USD/HKD	7.75	7.78	7.80	7.80	HK	0.50%	0.50%	0.50%	0.50%
USD/KRW	1,180	1,170	1,160	1,160	KR	0.50%	0.50%	0.50%	0.50%
					US	0.25%	0.25%	0.25%	0.25%

Last updated on 01 Sep 20: [FED's New "Fuzzy" Inflation Targeting Reinforces USD Weakness](#)

Last updated on 03 Aug 20: [USD Weakness Accelerates As COVID-19 Crisis Worsens And Drags On](#)

Last updated on 19 Jun 20: [Financial Markets Look Forward To Post COVID Recovery](#)

## Central Bank Meetings 2020

Central Bank	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Federal Reserve (FOMC)	29	-	18*	29	1	10*	29	-	16*	-	05	16*
European Central Bank (ECB)	23	-	12	30	-	04	16	-	10	29	-	10
Bank of England (BOE)	30#	-	26	-	07#	18	-	06#	17	-	05#	17
Reserve Bank of Australia (RBA)	-	04	03	07	1	02	07	04	01	06	03	01
Reserve Bank of New Zealand (RBNZ)	-	12^	25	-	13^	24	-	12^	23	-	11^	-
Bank of Japan (BOJ)	21**	-	19	27**	-	16	15**	-	17	29**	-	18**
Monetary Authority of Singapore (MAS)	-	-	30	-	-	-	-	-	-	tba	-	-
Bank Negara Malaysia (BNM)	22	-	03	-	05	-	07	-	10	-	03	-
Bank of Thailand (BOT)	-	05	25	-	20	24	-	05	23	-	18	23
Bank Indonesia (BI)	23	20	19	14	19	18	16	19	17	24	21	19
Bangko Sentral ng Pilipinas (BSP)	-	06	19	16	-	25	-	20	-	01	19	17
Bank of Korea (BOK)	17	27	-	09	28	-	16	27	-	14	26	-
Taiwan Central Bank (CBC)	-	-	19	-	-	18	-	-	17	-	-	17
Reserve Bank of India (RBI)	-	06	27	-	-	-	-	06	-	01	-	04

\*Meetings associated with a Summary of Economic Projections.

#Meetings associated with release of Monetary Policy Report.

^Meetings associated with release of Monetary Policy Statement.

\*\*Meetings associated with release of Outlook Report.

## Disclaimer

This publication is strictly for informational purposes only and shall not be transmitted, disclosed, copied or relied upon by any person for whatever purpose, and is also not intended for distribution to, or use by, any person in any country where such distribution or use would be contrary to its laws or regulations. This publication is not an offer, recommendation, solicitation or advice to buy or sell any investment product/securities/instruments. Nothing in this publication constitutes accounting, legal, regulatory, tax, financial or other advice. Please consult your own professional advisors about the suitability of any investment product/securities/ instruments for your investment objectives, financial situation and particular needs.

The information contained in this publication is based on certain assumptions and analysis of publicly available information and reflects prevailing conditions as of the date of the publication. Any opinions, projections and other forward-looking statements regarding future events or performance of, including but not limited to, countries, markets or companies are not necessarily indicative of, and may differ from actual events or results. The views expressed within this publication are solely those of the author's and are independent of the actual trading positions of United Overseas Bank Limited, its subsidiaries, affiliates, directors, officers and employees ("UOB Group"). Views expressed reflect the author's judgment as at the date of this publication and are subject to change.

UOB Group may have positions or other interests in, and may effect transactions in the securities/instruments mentioned in the publication. UOB Group may have also issued other reports, publications or documents expressing views which are different from those stated in this publication. Although every reasonable care has been taken to ensure the accuracy, completeness and objectivity of the information contained in this publication, UOB Group makes no representation or warranty, whether express or implied, as to its accuracy, completeness and objectivity and accept no responsibility or liability relating to any losses or damages howsoever suffered by any person arising from any reliance on the views expressed or information in this publication.