FX Weekly

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Central Bank Rush

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All are Likely to be on Hold but Watch the Language. This week, a handful of central banks including BoC (Wed), RBNZ (Wed), BoT (Wed), ECB (Thu), BoK (Fri) and the MAS (Fri) will announce their policy decisions. All are expected to be on hold but watch the tone or their language. **ECB** is likely to acknowledge that inflation is returning to 2% objective but sticky services inflation at 4% and the near-term repercussion of higher oil prices may see ECB push back on easing expectations. EUR bears might be caught backfooted if ECB turns out to be less dovish than expected. For **RBNZ**, markets have gone ahead to price in first cut in Aug. Bear in mind, the quarterly MPS projection shows RBNZ is not projecting for any rate cut until sometime in 2025, citing concerns that record immigration will add to demand. Shadow board also highlighted that even as inflation was easing, there remains uncertainty over the pace of easing that would be enough to bring CPI back to RBNZ's 1 – 3% target range over the coming year. NZD bears may be caught off guard should the RBNZ not sound as dovish as expected. For **BoT**, our economist highlighted that latest growth-inflation prints suggest some stabilisation and that BoT will not want to front run Fed rate cuts especially given the recent THB underperformance relative to peers.

MAS, 1Q GDP on Fri. On MAS, we expect the central bank to maintain policy status quo again at the upcoming MPC meeting as prevailing appreciating path of the S$NEER policy band remains appropriate, given the core CPI profile. Looking on, we won't rule out MAS easing policy at some point in 2H if external sources of inflation are deemed to be more benign and core inflation (import cost pressures, tightness in labour market) in Singapore eases materially.

Will USD Continue to Behave Asymmetrically to Data? USD may continue to stay supported until US data starts to show more signs of softening and this puts greater focus on CPI report (Wed), FOMC minutes. We also watch if asymmetric response of the USD to data may continue this week when US CPI report is released. Recent round of oil price increase may also have near term implication on headline CPI reading. A higher-than-expected print would add modest support to the USD, but a downside surprise may see USD react more to the downside. That said the focus is on core CPI, which may continue to print lower. USD is expected to react more on core CPI data.

Bullish Gold Outlook but Cautious of Pullback Risk. Prospects of global monetary easing, central banks' continued purchases of gold, as well as geopolitical tensions are drivers underpinning gold's bullish outlook in the medium term. Historical evidence since 2001 showed that gold strengthened when Fed rate hike cycle ended and continued to extend its bullish run when Fed rate cut cycle gets underway. That said, we caution for the risk of a pullback, given the rapid run-up while long gold position looks stretched at extreme levels.

Bloomberg FX Forecast Ranking
(1Q 2024)

By Region:
No. 7 for 13 Major FX

By Currency:
No. 3 for EUR
No. 4 for TWD
No. 5 for GBP

(4Q 2023)

By Region:
No. 7 for 13 Major FX

By Currency:
No. 1 for TWD, PHP

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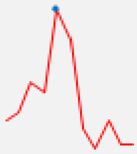
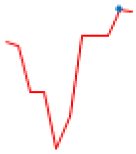
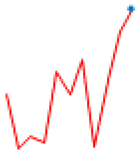
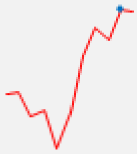
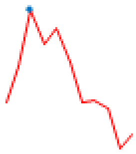
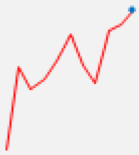
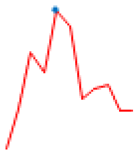
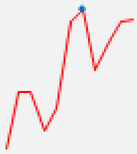
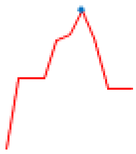
FX	Key Data and Events for the Week	14D Trend	Support/Resistance
Dollar	**Mon**: NY 1y inflation expectations (Mar); **Tue:** NFIB small business optimism (Mar); **Wed:** CPI (Mar); FoMC minutes; **Thu:** PPI (Mar); **Fri**: Uni of Michigan sentiment (Apr); export/ import price (Mar);		**S: 102.805; R: 105.10**
EURUSD	**Mon:** Sentix investor confidence (Apr); Germn IP (Feb); **Tue:** French trade (Feb); **Wed:** - Nil – **Thu: ECB meeting**, **Lagarde's press conference**; **Fri:** German, France CPI (Mar)		**S: 1.0750; R: 1.0930**
GBPUSD	**Mon:** - Nil – **Tue:** BRC Sales (Mar); **Wed:** - Nil – **Thu:** - Nil – **Fri:** GDP, trade, construction output, IP (Mar)		**S: 1.2550; R: 1.2880**
USDJPY	**Mon:** Labor cash earnings, current account (Feb); **Tue:** Consumer confidence (Mar); **Wed:** PPI (Mar); **Thu:** - Nil – **Fri:** Industrial production (Feb)		**S: 148.10; R: 152.00**
AUDUSD	**Mon:** FX reserves (Mar); **Tue:** Westpac consumer confidence (Apr); **Wed:** - Nil – **Thu:** - Nil – **Fri:** Inflation expectations (Apr)		**S: 0.6460; R: 0.6730**
USDCNH	**Mon**: - Nil – **Tue:** - Nil – **Wed:** - Nil – **Thu:** CPI, PPI (Mar); **Fri:** Trade (Mar)		**S: 7.2000; R: 7.2800**
USDKRW	**Mon**: Trade, Mfg PMI (Mar) **Tue:** CPI (Mar); **Wed:** FX reserves (Mar); **Thu:** - Nil – **Fri: BoK;** Unemployment rate (Mar)		**S: 1340; R: 1360**
USDSGD	**Mon:** FX reserves (Mar); **Tue:** - Nil – **Wed:** - Nil – **Thu:** - Nil – **Fri:** GDP (1Q), **MAS policy**		**S: 1.3390; R: 1.3530**
USDMYR	**Mon:** Industrial production (Feb) **Tue:** - Nil – **Wed:** - Nil – **Thu:** - Nil – **Fri:** FX reserves		**S: 4 7000; R: 4.7800**
USDIDR	**Mon:** - Nil – **Tue:** - Nil – **Wed:** - Nil – **Thu:** - Nil – **Fri:** - Nil –		**S: 15600; R: 15,900**

Source: Bloomberg, OCBC Research

Key Themes and Trades

CPI in Focus. USD continued to trade in recent range near the year's high on firmer US data and hawkish Fedspeaks. Blockbuster NFP print of +303k (vs. +214k expected) led markets to price in a delay on the timing of first Fed cut while the quantum of cuts for 2024 was also reduced. As of 8 Apr, 30d Fed fund futures showed that timing of first Fed cut has been delayed to Jul (with 88% probability) and quantum of cuts for 2024 has been reduced to 62bps (vs. 85bps cut 2 weeks ago). Upbeat data continued to contribute to the US exceptionalism narrative, alongside hawkish Fed rhetoric. At this point, USD still present a relative yield advantage and Fed has communicated that they are in no hurry to cut rates. USD may continue to stay supported until US data starts to show more signs of softening and this puts greater focus on CPI report (Wed), FOMC minutes, PPI (Thu). There is also a handful of Fedspeaks this week, including Williams on Thu.

That said, we observed some choppy, asymmetric price action last week. For instance, better than expected ADP employment and NFP data saw USD spiked but gains were retraced into the respective sessions' close. On the other hand, downside surprise to ISM services data saw the USD reacting more to the downside. We continue to watch if asymmetric response of the USD to data may continue this week when CPI report is released. Recent round of oil price increase may also have near term implication on CPI reading. A higher-than-expected print would add modest support to the USD, but a downside surprise may see USD react more to the downside.

DXY was last at 104.35 levels. Bullish momentum on daily chart faded but RSI rose. Consolidation likely. Support at 104 (23.6% fibo retracement of 2024 low to high), 103.40 levels (100 DMA, 38.2% fibo) Resistance at 104.50, 105 (double top).

Overall, we remain biased for a moderate and soft USD profile in the medium term as the Fed is done tightening and should embark on rate cut cycle in due course. Near term, markets' pushback on timing of first Fed cut will provide interim support for USD. US data will continue to play a key role and so far, upbeat data is supportive of USD. More entrenched disinflation trend and further easing of labour market tightness, activity data in US would be required for USD to trade on a backfoot. This should require patience. To add, USD remains an attractive carry play and is a safe-haven proxy. A scenario of global, China growth momentum sputtering, global risk-off or escalation in geopolitical tensions would still see USD finding intermittent support on dips.

ECB's Language in Focus. EUR drifted higher last week. Focus is on ECB meeting this Thu. We expect the ECB to acknowledge that inflation is returning to 2% objective but sticky services inflation at 4% and the near-term repercussion of higher oil prices may well see ECB push back on easing expectations. There is quite a fair bit of dovish hold bias going into ECB, and lately, German numbers have been showing up pretty well, including ZEW survey, IFO expectations and even industrial production. EUR bears might be caught backfooted if ECB turns out to be less dovish than expected.

EUR was last at 1.0860 levels. Daily momentum shows signs of turning mild bullish while RSI rose. Risks skewed to the upside. Resistance at 1.0876 (38.2% fibo retracement of Oct low to Jan high), 1.0930 levels. Support at 1.0830 (50, 200 DMAs), 1.0795 (50% fibo).

Broadly for 2024, we maintain a neutral outlook for the EUR. ECB is likely to lower rate in Jun and we are of the view that ECB will lower rates by 75bps (largely in line with market expectations of 80bps cut). While there was economic slowdown in the Euro-area, there are early signs to suggest some degree of stabilisation. We should continue to monitor if there are more sustained signs of turnaround as that may support EUR outlook. In addition, should China stabilisation story gather momentum in later part of the year, that can also boost Euro-area exports, growth outlook. A better growth story in Euro-area can push back against aggressive rate cut expectations and this can be supportive of EUR rebound.

Key downside risks to EUR's outlook are a materialisation of earlier ECB rate cut cycle and/or growth, inflation momentum in Euro-area continues to decelerate sharply. Meanwhile, elections in Euro-area are plenty with Belgium and European parliamentary election in Jun, Austria in Sep, and Lithuania in Oct. Dutch election (Far-Right Geert Wilders, known for anti-Islamic Euroskeptic views won most seats) and Portugal election outcome (Far Right Chega party won) is a reminder that far-right popularity may further gather traction in Europe and this may bring back fears of Euro break-up, referendum risks again. Election risk is worth keeping a close watch as the past decade has shown that rise in far-right sentiments can undermine EUR.

2-Way Trades. GBP continued to trade in recent range in absence of fresh catalyst. PMI readings were largely in line with estimates while there was little BoEspeaks to note. This week, UK activity data, including IP, monthly GDP, construction output and trade data is due on Fri. But the focus is still on labour market data (Tue); CPI (Wed) and retail sales (Fri), for influence on GBP.

GBP was last at 1.2655 levels. Mild bearish momentum on daily chart is fading while RSI rose. But moving averages saw bearish crossover (21, 50 DMAs crossed 100 DMA to the downside). Support at 1.2590 (50% fibo retracement of Jul high to Oct low), 1.2560 levels. Resistance at 1.2660 (21, 50, 100 DMAs), 1.2720 (61.8% fibo).

We still hold to a mild upward trajectory for GBP as BoE may still keep rates restrictive for a little longer as inflationary pressures remain (services inflation at over 6%) while Fed is still expected to cut rate earlier (our house view). Potential BoE-Fed policy divergence may be somewhat supportive of GBP. A combination of mild positives, including 1/ UK demand growth proving resilient owing to strong labour market; 2/ labour market remains tight alongside higher wages may keep GBP supported on dips. The 2 MPC voters who made the switch from voting for hike to hold were not as dovish as markets imagined them to be. For instance, Catherine Mann said markets are pricing in too many cuts and that BoE is unlikely to lead a global shift to cut rates, as wage dynamics and services dynamics in the UK are stronger and more persistent than in US or Euro area. Jonathan Haskel said that interest rate cuts should be "a long way off" and he favours a later start and a slower pace of monetary easing. Haskel voted to hold, partly because of better-than-expected inflation figures but stronger wage growth and stickier services inflation mean that the BoE is unlikely to pre-empt the Fed with an interest rate cut. In summary, both members do not seem to appear any dovish with their comments and have made reference to stickier than expected wage growth and services inflation. We are still of the view that BoE will not be one of the first central banks amongst the G3 to cut. Risk to our outlook: an earlier than expected BoE pivot; faster growth slowdown in UK, actual public finances turn out to be worse than expected and/or energy prices surge.

Heightened Intervention Risk. USDJPY attempted to test higher over the past couple of sessions, but the pair appeared to have met an invisible ceiling at 151.92. Finance Minister said he is watching currency moves with a high sense of urgency and won't rule out any steps to address excessive moves as needed. At the semi-annual review, Governor Ueda said that BoJ's monetary policy is not meant to control FX but may consider responding to FX if it affects inflation. He also said that the interest burden on debt is no barrier to rate increase and that the pace of changing rates depends on economy.

We remain cautious of intervention especially if moves are rapid or excessive. While it is of popular belief that 152 may be the line in the sand (given that it capped USDJPY from breaking higher on various occasions in the last 2 years), we think it is also more of the magnitude of the move that may matter, when it comes to intervention risks. Taking stock, Japan last intervened to buy JPY on 3 occasions in 2022: once in Sep and twice in Oct. USDJPY then was between 145 to 152. Subsequently USDJPY peaked at 151.95 in Oct 2022 and traded to a low of 127-ish in Jan-2023 (alongside Fed's calibration in pace of tightening from 75bps per hike to 25bps, which also resulted in USD easing). Recall then USDCNH was also near 7.35 peak in Oct-2022 and fell to trade lower at around 6.71 levels during the same period. To add, CFTC JPY positioning remains at record shorts and we reckon JPY bears maybe complacent and under-prepared for any policy surprises or actual intervention.

Pair was last at 151.90 levels. Mild bullish momentum on daily chart waned while RSI rose. Resistance remains at 152 (triple top). Decisive break out could trigger more buy flows. Support at 150.80, 150.15 (21 DMA) and 149.70 (50 DMA).

Looking on, there are multiple reports to suggest that this shunto wage negotiations should see wage growth higher than previous years. Local press has reported that JAL, Ajinomoto will offer 6% average pay increase while Nippon Steel will offer an average of 14.2% increase. Major car manufacturers including Toyota, Honda and Mazda has also matched demands from labour unions. Labour unions in Japan are targeting above 6% wage increase this year, much higher than the average of 4% in 2023. With wage growth a done deal, the next set of triggers for faster BoJ moves will be how sustained inflationary pressures may be in Japan. Feb headline JP CPI had re-accelerated, coming in at 2.8%. Another 2-3 more hotter than expected inflation prints in coming months should force a re-think on BoJ's gradual policy normalisation. By then, if Fed starts rate cut cycle, USDJPY should then start to ease more materially.

Looking out, we still expect USDJPY to trade lower on the back of a moderate-to-soft USD profile (as Fed is likely to embark on rate cut in 2Q) and on expectation that BoJ has room to further pursue policy normalisation amid higher services inflation and wage pressures in Japan. But near term, USDJPY may remain elevated as Fed is in no hurry to cut and markets still perceive BoJ to undertake a very gradual pace of policy normalisation.

***Commodity Driven*.** AUD extended its rise, driven by higher commodity prices including copper and gold. Pair was last seen at 0.66. Daily momentum is turning bullish while RSI is flat. Consolidation likely in the interim. Resistance at 0.66 (100 DMA), 0.6640 (38.2% fibo), and 0.67 levels. Support at 0.65 (61.8% fibo retracement of Oct low to Dec high), 0.6460 and 0.6410 (76.4% fibo).

We remain broadly constructive on AUD outlook on the back of: 1) RBA likely to be on hold for longer (possibly one of the last major central banks to cut rates), given still sticky inflation, stronger consumer confidence, retail sales and tight labour market; 2) a more moderate-to-soft USD profile into 2024 (as Fed gets closer to embark on rate cut cycle in 2Q 2024); 3) higher commodity prices; 4) potential case for China stabilisation story on hopes of stimulus measures.

Key downside risk factors that may affect AUD outlook are 1) extent of CNH swings; 2) if Fed keeps restrictive environment for longer than expected; 3) global growth outlook – if DM's slowdown deteriorates; 4) any market risk-off event (i.e., escalation in Israel-Hamas conflict, Red Sea developments).

RBNZ in Focus. NZD extended its rise further this week amid USD pullback. Focus this week on RBNZ MPC (Wed). Markets have gone ahead to price in first cut in Aug. Bear in mind, the last quarterly MPS shows RBNZ is not projecting for any rate cut until sometime in 2025, citing concerns that record immigration will add to demand. Shadow board also highlighted that even as inflation was easing, there remains uncertainty over the pace of easing that would be enough to bring CPI back to RBNZ's 1 – 3% target range over the coming year. NZD bears may be caught off guard should the RBNZ not sound as dovish as expected.

Pair was last at 0.6040. Momentum turned mild bullish while RSI rose. Risk skewed to the upside in the near term. Resistance at 0.6070/90 levels (50% fibo, 50, 200 DMAs), 0.6140 (100 DMA, 38.2% fibo). Support at 0.60 (61.8% fibo), 0.5940 and 0.5910 (76.4% fibo retracement of Oct low to Jan high).

While markets rushed to price in earlier RBNZ pivot, NZD remains attractive, given relative yield appeal. And we opined RBNZ is not likely to be amongst the first few DM central banks to cut rates. Some degree of policy divergence with Fed is possible in 2H 2024 and eventual stabilisation in China economy should also be supportive of NZD.

Buying Time. USDCNH continued to trade in subdued manner. Daily fix was set at 7.0956 (very close to last fix of 7.0947), and this means the upper bound on the onshore USDCNY was at 7.2373 for today. The move to fix it around 7.0947 (its last fix) comes as no major surprise as policymakers are after relative stability. Such a move to keep the fix steady should dampen any form of imagination that markets may have on RMB policy especially given the lingering speculations of further weakening in RMB. Policymakers will not want to send out such a message. We expect policymakers to stick to the same play book of using daily fix to anchor RMB expectations – in a way buying time waiting for the USD to turn lower.

USDCNH was last at 7.2435. Momentum is turning mild bearish bias though the decline in RSI moderated. Support at 7.2320 (21, 200 DMAs), 7.22 (50 DMA). Resistance at 7.25.

MAS policy decision on tap (12 Apr, 8am). Re-acceleration in Singapore CPI reflected the effects of Lunar New Year and was well within the guidance of policymakers that core CPI is expected to rise in the first quarter. This should dampen market chatters that a potential MAS easing is round the corner. We expect MAS to maintain policy status quo again at the upcoming MPC meeting as prevailing appreciating path of the S$NEER policy band remains appropriate, given the core CPI profile. History shows that MAS did not rush into easing after inflation peaked at previous cycles in 2010s. Instead, the MAS maintained its appreciating policy stance on hold for a while. S$NEER strength may continue to persist in the interim and likely only fade at some point later this year when core inflation in Singapore start to ease more materially. Our model shows that S$NEER has been fluctuating in the range of +1.5% to +1.9% above our-model implied mid, and this may continue so.

USDSGD drifted lower this week. Last at 1.3470 levels. Daily momentum is mild bullish, but RSI shows signs of easing. Range-bound trade not ruled out. Support at 1.3460/70 levels (200 DMA, 50% fibo), 1.3430 (50 DMA) and 1.3390/1.34 (38.2% fibo retracement of Oct high to Dec low, 21, 100 DMAs). Resistance at 1.3530 (61.8% fibo, interim double top).

Looking out into our forecast horizon, we still expect a mild downward trajectory for USDSGD, premised on our view for a moderate-to-soft USD outlook, on expectations that Fed is likely to embark on rate cut cycle in 2Q 2024 and on expectations that China economy may find some stabilisation.

Tactically, we had entered into short EURSGD (29 Jan) at 1.4535 on the back of potential ECB-MAS policy divergence play. Target to TP at 1.4130. SL at 1.4720. Cross was last seen at 1.4630 levels. We hold to our tactical trade on potential earlier ECB pivot while S$NEER strength may persist on expectations that MAS policy is likely to be on an extended pause into Apr MPC, given sticky core CPI outlook.

Trade Ideas

Entry Date	Trade	Entry	Close	Profit/ Loss (%)	Remarks	Exit Date
08-Nov-23	Long 3m put spread USDTWD 31.5 vs 31. Pay 0.35%			Rec +1% on unwind. Net gain +0.65%	Position for potential change in political climate towards one that may bode well for cross-straits relations, exports recovery momentum and lower yields, softer USD. [Trade TP]	12 Jan 2024 (before elections)
29-Jan-24	Short EURSGD	1.4535			Risk of an earlier ECB cut, alongside still contractionary PMI readings in Europe suggest that EUR may be biased to the downside for now. MAS policy is likely to be on an extended pause into Apr MPC, given sticky core CPI outlook. ECB-MAS policy divergence to favor downside play tactically. Entered short at 1.4535. TP at 1.4130. SL at 1.4720. [LIVE]	
29-Jan-24	Short USDJPY	148.1			BOJ paving way for a move, sooner rather than later. Potentially, an earlier move in Mar/ Apr should not be ruled out. Retain bias to sell USDJPY on rallies on potential Fed-BoJ policy divergence. Entered short at 148.10. TP 141. SL at 152. [LIVE]	
13-Feb-24	Long AUDUSD	0.6480			Expect AUD to recover following the recent washout as: 1) Fed gets closer to embark on rate cuts in 2Q 2024; 2) potential case for China stabilisation on hopes of stimulus support measures; 3) uptick in commodity prices; 4) while RBA could remain on hold for longer. SL 0.6340. TP 0.6870 [LIVE]	
28-Feb-24	Short EURJPY	163.05	161.35	1.04	Based on the view of technical retracement for EUR and that BoJ may move earlier in Mar (JPY positive). Technically, the pair looks stretched with RSI easing from overbought conditions while bullish momentum on daily chart is fading. Room for downside to play out. Tactical opportunity to go short EURJPY targeting a move lower towards 161.35. SL at 163.65. [Trade TP]	07-Mar-24

Note: Close level is average of 1st, 2nd and 3rd objectives for take profit scenario; TP refers to take profit; SL refers to stop-loss

Selected SGD Crosses

SGDMYR Daily Chart: Bullish Trend Channel Intact

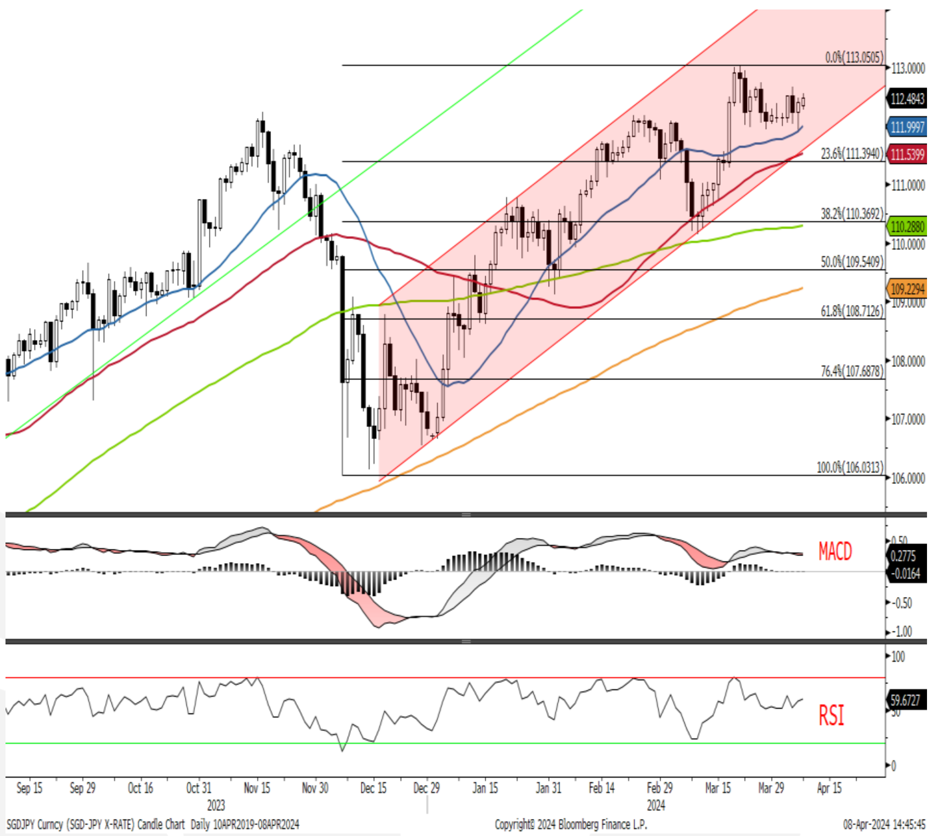
SGDMYR rebounded last week amid MYR's relative resilience. Cross was last at 3.5260 levels.

Daily momentum turned bullish while RSI rose. Risks now skewed to the upside within the bullish trend channel.

Resistance at 3.5290/3.5300 (23.6% fibo, 50 DMA).

Immediate support at 3.5145/50 (21, 100 DMAs), 3.50 (38.2% fibo retracement of Jul low to Feb high, lower bound of bullish trend channel.

SGDJPY Daily Chart: Sideways



SGDJPY traded range-bound near recent highs. Cross was last at 112.48 levels.

Daily momentum is not showing a clear bias while RSI is flat. Sideways trade likely in the interim.

Resistance at 113.05 (recent high).

Support at 112 levels (21 DMA), 111.40/55 levels (23.6% fibo retracement of Dec to Mar, 50 DMA).

Note: blue line – 21SMA; red line – 50 SMA; green line - 100 SMA; yellow line - 200 SMA

SGDCNH Daily Chart: Upside Risk

SGDCNH was last at 5.3700 levels.

Daily momentum is not showing a clear bias while RSI fell. Compression of moving averages observed, and this typically precedes a breakout. We continue to watch price action. Near term risks slightly skewed to the upside.

Support at 5.3680 (23.6% fibo retracement of 2023 low to high), 5.3450 levels.

Resistance at 5.40, 5.4150 levels.

EURSGD Daily Chart: Range-Bound

EURSGD traded a touch firmer last week but well within recent range. Cross was last at 1.4615 levels.

Daily momentum is mild bullish while RSI was flat. Range-bound trade likely.

Resistance at 1.4650 and 1.4720 levels (23.6% fibo).

Support at 1.4590/1.46 (200 DMA, 38.2% fibo), 1.4510/20 levels (50% fibo retracement 2023 low to high, 21DMA) and 1.4420 levels (61.8% fibo).

GBPSGD Daily Chart: Consolidate

GBPSGD traded range-bound last week. Cross was last 1.7035 levels. Daily momentum is not showing a clear bias while RSI fell. Consolidation likely in the interim.

Key resistance at 1.7060 (61.8% fibo) before 1.7090 (previous high).

Support at 1.6960 levels (50% fibo retracement of Jul high to Oct low), and 1.6870 (38.2% fibo).

AUDSGD Daily Chart: Bullish Crossover

AUDSGD traded higher last week amid AUD outperformance. Cross was last at 0.8880 levels.

Mild bullish momentum on daily chart intact while RSI rose. Bullish crossover observed as 21DMA cuts 200DMA to the upside. Slight risk to the upside.

Resistance at 0.8920 (50% fibo), 0.90 (61.8% fibo).

Support at 0.8840/45 levels (38.2% fibo retracement of Jun high to Oct low, 100 DMA), 0.8810 (21, 200 DMAs) and 0.8750 (23.6% fibo).

Note: blue line – 21SMA; red line – 50 SMA; green line - 100SMA; yellow line - 200 SMA

Gold Daily Chart: Cautious of Pullback Risk

Gold printed fresh highs in early trade this morning (8 Apr) but has since eased lower. Last seen at 2335 levels.

Bullish momentum on daily chart intact but RSI is in overbought conditions.

We remain cautious of how a bearish divergence setup may potentially emerge in the near term, contrary to our bullish bias in the medium term.

Support at 2305 (150% fibo extension of 2020 high to 2022 low), 2270 levels.

Resistance at 2360 (161.8 fibo) and 2535 (200% fibo).

Silver Daily Chart: Bullish but Overbought

Silver tracked the rise in gold and traded higher. Last seen at 27.81 levels.

Mild bullish momentum on daily chart intact while RSI rose into overbought conditions. Risk still skewed towards the upside.

Resistance at 28.80 before 30.1 (2021 high).

Support at 27.15 (76.4% fibo), 26.2

Note: blue line – 21SMA; red line – 50 SMA; green line - 100 SMA; yellow line - 200 SMA

Medium Term FX Forecasts

Currency Pair	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
USD-JPY	149.00	147.00	146.00	145.00	142.00
EUR-USD	1.0850	1.0950	1.1000	1.1100	1.1200
GBP-USD	1.2700	1.2750	1.2850	1.2950	1.3000
AUD-USD	0.6700	0.6800	0.6900	0.6950	0.7000
NZD-USD	0.6100	0.6200	0.6300	0.6350	0.6350
USD-CAD	1.3500	1.3400	1.3300	1.3200	1.3100
USD-CHF	0.9200	0.9200	0.9100	0.9000	0.9000
USD-SEK	10.30	10.24	10.14	9.98	9.80
DXY	103.78	102.90	102.29	101.39	100.39
USD-SGD	1.3350	1.3320	1.3340	1.3300	1.3260
USD-CNY	7.2000	7.1800	7.1500	7.1000	7.0700
USD-CNH	7.2400	7.1800	7.1500	7.1000	7.0700
USD-THB	36.20	36.00	35.60	35.60	35.50
USD-IDR	15730	15630	15530	15500	15450
USD-MYR	4.6900	4.6500	4.6200	4.6000	4.5800
USD-KRW	1310	1300	1285	1280	1275
USD-TWD	31.70	31.60	31.35	31.25	31.25
USD-HKD	7.8000	7.7900	7.7900	7.7900	7.7800
USD-PHP	55.70	55.30	55.10	54.70	54.30
USD-INR	83.30	83.00	82.50	82.50	82.50
USD-VND	24650	24450	24350	24150	24100
EUR-JPY	161.67	160.97	160.60	160.95	159.04
EUR-GBP	0.8543	0.8588	0.8560	0.8571	0.8615
EUR-CHF	0.9982	1.0074	1.0010	0.9990	1.0080
EUR-SGD	1.4485	1.4585	1.4674	1.4763	1.4851
GBP-SGD	1.6955	1.6983	1.7142	1.7224	1.7238
AUD-SGD	0.8945	0.9058	0.9205	0.9244	0.9282
NZD-SGD	0.8144	0.8258	0.8404	0.8446	0.8420
CHF-SGD	1.4511	1.4478	1.4659	1.4778	1.4733
JPY-SGD	0.8960	0.9061	0.9137	0.9172	0.9338
SGD-MYR	3.5131	3.4910	3.4633	3.4586	3.4540
SGD-CNY	5.3933	5.3904	5.3598	5.3383	5.3318
SGD-IDR	11783	11734	11642	11654	11652
SGD-THB	27.12	27.03	26.69	26.77	26.77
SGD-PHP	41.72	41.52	41.30	41.13	40.95
SGD-VND	18464	18356	18253	18158	18175
SGD-CNH	5.42	5.39	5.36	5.34	5.33
SGD-TWD	23.75	23.72	23.50	23.50	23.57
SGD-KRW	981.27	975.98	963.27	962.41	961.54
SGD-HKD	5.8427	5.8483	5.8396	5.8571	5.8673
SGD-JPY	111.61	110.36	109.45	109.02	107.09
Gold $/oz	2285	2350	2380	2410	2435
Silver $/oz	26.26	27.01	27.36	27.70	27.99

Source: OCBC Research (Latest Forecast Update: 9th April 2024)

Note: These are not meant to serve as point forecast for the quarter-end but meant as trajectory bias of the currency pair

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