

# Weekly FX Technicals

Monday, 02 June 2014

02 – 06 June 2014

Quek Ser Leang [Quek.SerLeang@uobgroup.com](mailto:Quek.SerLeang@uobgroup.com)  
 Jimmy Koh [Jimmy.KohCT@uobgroup.com](mailto:Jimmy.KohCT@uobgroup.com)

## EUR/USD – 1.3620

Waning downward momentum but outlook is bearish as long as below 1.3675



The strong support at 1.3563 is still intact as EUR only managed to make a low of 1.3587 last week. While the downward momentum is waning, the mid-term outlook is still considered as bearish as long as the key resistant at 1.3675 is intact. The direction of EUR is likely going to be determined by ECB's meeting this Thursday. However, as there are hardly any supports below 1.3563 until 1.3477, the potential of a bigger move is on the downside. Otherwise, a move back above 1.3675 could lead to extension towards 1.3735 but a break above this level appears unlikely. In the meanwhile, expect quiet trading in the early part of the week as market awaits ECB's decision.

Supports: 1.3563, 1.3477

Resistants: 1.3675, 1.3735

## GBP/USD – 1.6752

Expect further GBP weakness this week towards 1.6660.



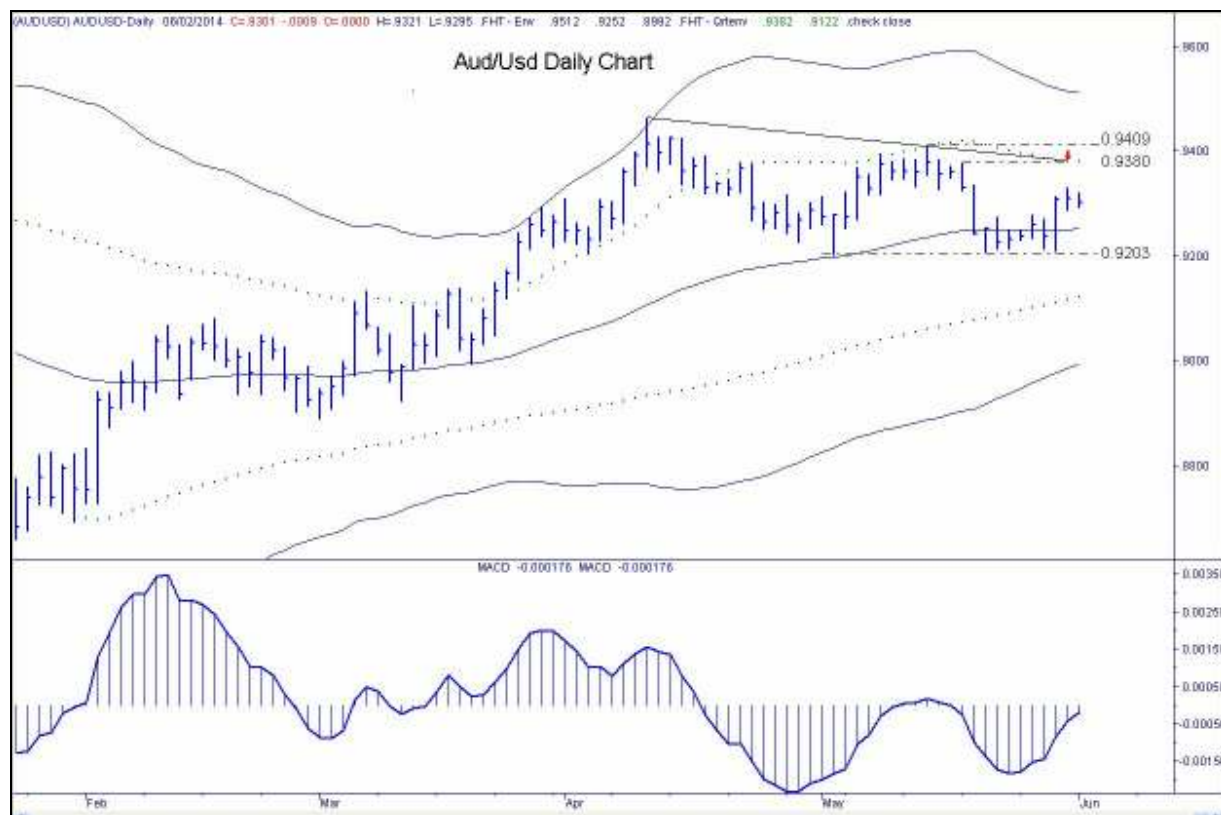
The rebound from the low of 1.6693 appears corrective in nature and further GBP weakness is expected this week. As long as the key resistant at 1.6815 is intact, a break below 1.6693 could lead to a quick move towards the bottom of the channel near 1.6660. The next support below that is at 1.6605.

Supports: 1.6693, 1.6660

Resistants: 1.6815, 1.6882

## AUD/USD – 0.9300

Improving momentum suggests a move higher towards the strong resistant at 0.9380.



Upward momentum continues to improve and further AUD strength is likely this week. However, 0.9380 is a strong resistant and a sustained break above this level is unlikely (the next resistant is at 0.9409). Only an unexpected move back below the key support at 0.9235 will nullify the bullish view and lead to a retest of the strong support 0.9200/05.

Supports: 0.9235, 0.9203

Resistants: 0.9330, 0.9380

## NZD/USD – 0.8485

Rebound from the low is likely part of a short-term consolidation phase, further NZD weakness is still likely.



The low of 0.8452 came close to the target highlighted at 0.8445 last week. The rebound from the low is likely part of a short-term consolidation phase and further NZD weakness is still expected for this week. Only a move above the top of the falling channel at 0.8570 would indicate that the current bearish phase is over. Otherwise, a clear break below 0.8445 could lead to a quick drop towards the next support at 0.8400.

Supports: 0.8445, 0.8400

Resistants: 0.8515, 0.8570

## USD/JPY – 101.95

Improving momentum but only a break above 102.15 will indicate further USD strength.



Despite improving upward momentum, only a break above 102.15 will shift the current neutral outlook to bullish (targeting a move towards 102.65). Otherwise, expect this pair to continue to trade between 101.35 and 102.15.

Supports: 101.50, 101.35

Resistants: 102.15, 102.65

## USD/SGD – 1.2550

Continue to expect USD strength this week albeit with a lower target of 1.2595/1.2625.



Despite the overall bullish indications, USD has failed to move beyond the immediate resistant at 1.2570. However, unless there is break below the key support at 1.2515, we continue to believe that USD will move higher albeit with a lower target at 1.2595/1.2625 instead of 1.2630/50 highlighted previously.

Supports: 1.2515, 1.2490

Resistants: 1.2570, 1.2595



### USD/MYR – 3.2205

Upward momentum continues to improve and a clear break above 3.2250 will target 3.2380 followed by 3.2430.

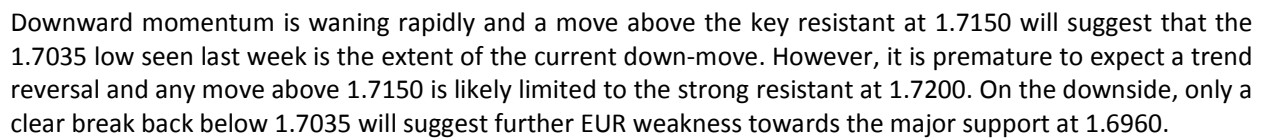


The upward momentum continues to improve and a clear break above 3.2250 would indicate further up-move this week towards 3.2380 followed by the strong resistant at 3.2430 (falling trend-line). Strong support is 3.2100 but even a move below this level will likely struggle near the next support at 3.2000.

Supports: 3.2100, 3.2000

Resistants: 3.2380, 3.2430

Downward momentum is waning and a move above 1.7150 will suggest that the recent low at 1.7035 is the extent of the current down-move.

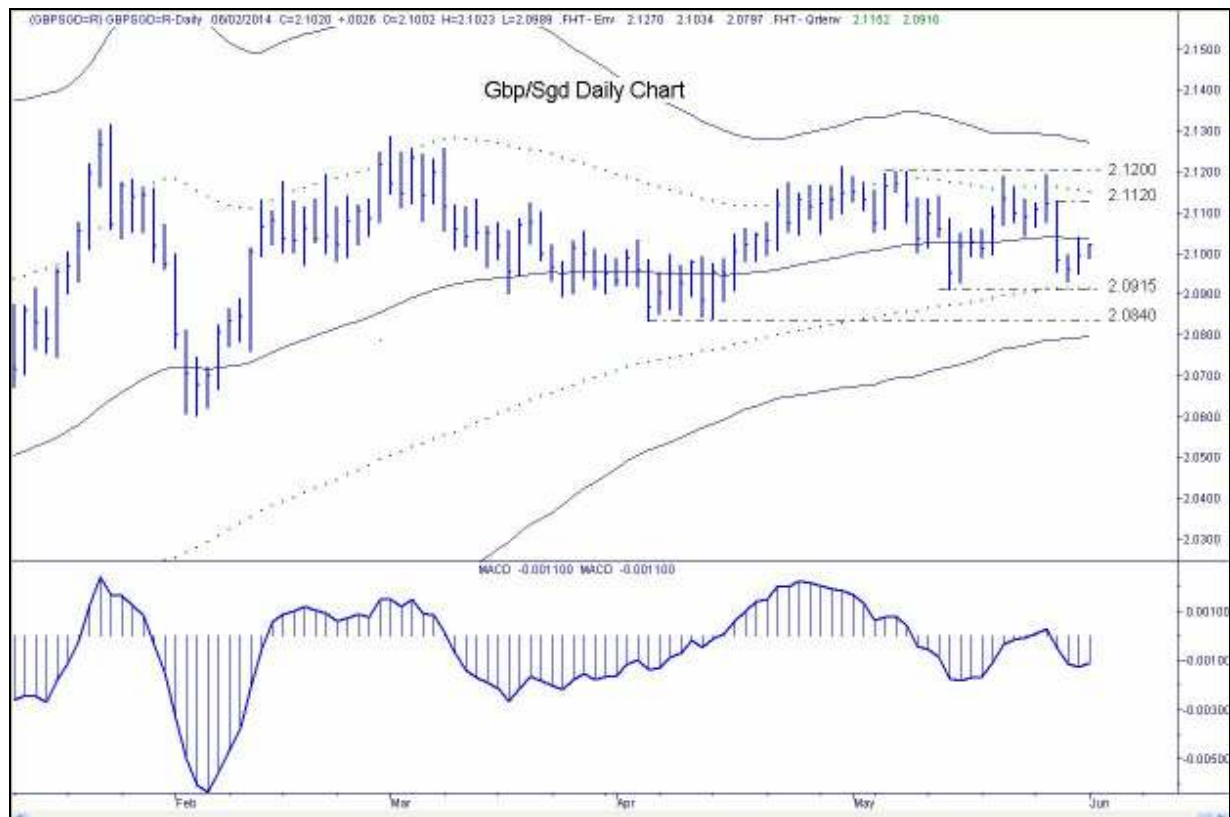


Supports: 1.7035, 1.6960  
Resistants: 1.7150, 1.7200



## GBP/SGD – 2.1030

Expect 2.1120 to limit any short-term up-move.



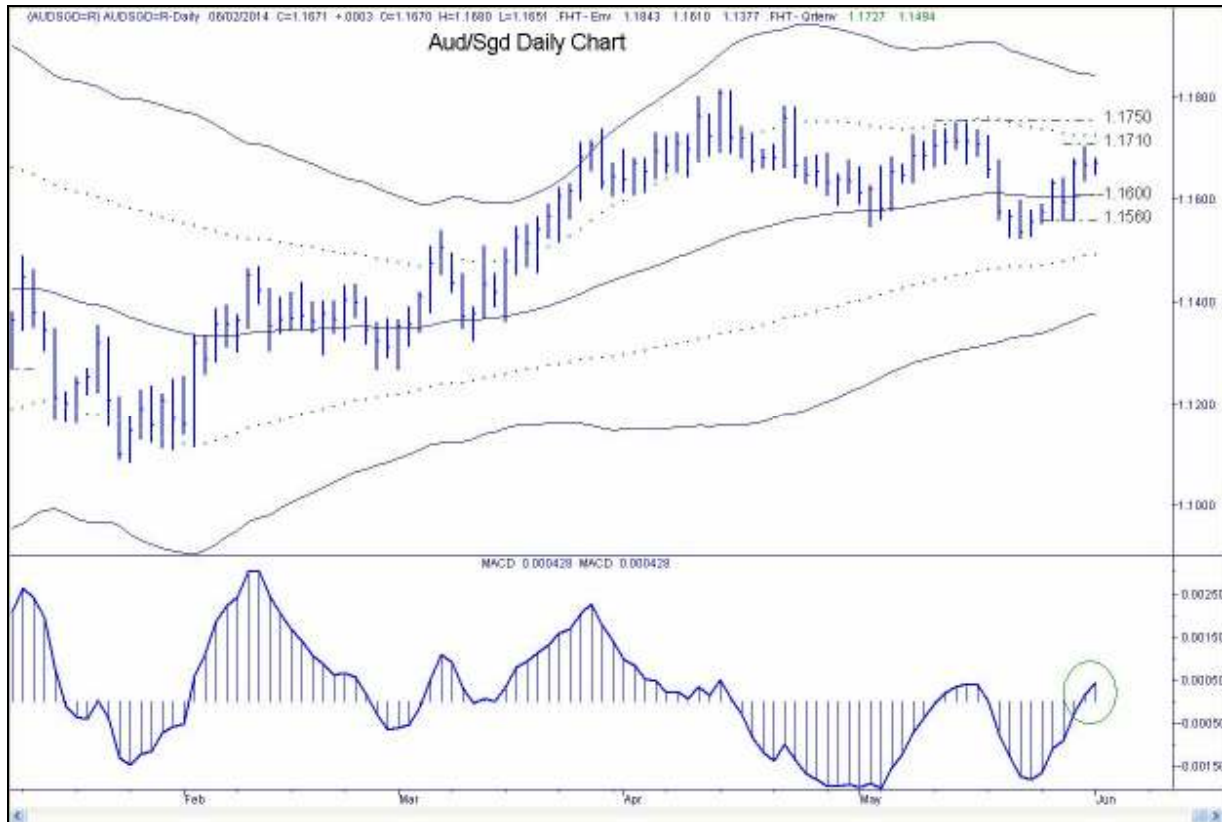
Despite the sharp drop from the high of 2.1120 middle of last week, the subsequent down-move has been rather muted with a low of 2.0930/35 (missing our target at 2.0915). The current recovery from the low appears to be corrective and the key resistant at 2.1120 is expected to cap any further up-move. However, 2.0915/30 is a strong support now and only a clear break below this zone will lead to further down-move towards the next major support at 2.0840.

Supports: 2.0915, 2.0840

Resistants: 2.1120, 2.1200

## AUD/SGD – 1.1650

Expect a move above 1.1710 towards 1.1750.



The overall outlook for AUD is positive and we continue to expect a move above 1.1710 towards the strong resistant at 1.1750. The key support at 1.1600 is expected to hold any short-term pullback.

Supports: 1.1600, 1.1560

Resistants: 1.1710, 1.1750

## JPY/SGD – 1.2310

Continue to expect neutral sideways trading between 1.2240 and 1.2370.



Not much has changed since last week, the outlook remains mixed for now. We continue to expect neutral sideways trading range between 1.2240 and 1.2370 this week.

Supports: 1.2240, 1.2200

Resistants: 1.2370, 1.2430

Disclaimer: This analysis is based on information available to the public. Although the information contained herein is believed to be reliable, UOB Group makes no representation as to the accuracy or completeness. Also, opinions and predictions contained herein reflect our opinion as of date of the analysis and are subject to change without notice. UOB Group may have positions in, and may effect transactions in, currencies and financial products mentioned herein. Prior to entering into any proposed transaction, without reliance upon UOB Group or its affiliates, the reader should determine, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences, of the transaction and that the reader is able to assume these risks. This document and its contents are proprietary information and products of UOB Group and may not be reproduced or otherwise.