

The Singaporean Dollar Continues Rallying Versus The Greenback

2:57pm today

The US Dollar has been losing ground today versus the Singaporean Dollar amid the uncertainty surrounding the future plans of the FED and a flight of capital to more risky assets. We have been expecting for the USD/SGD pair to visit its latest support around the 1.2454 and today we can see that the price has reached that level, as shown on the 4 hour chart below, courtesy of ActivTrades. At the moment, the pair is trying to bounce from the 1.2454 level to the upside and if we do get a bounce from here, it should happen on the first candle visiting the zone, because those are the cases where we get the best bounces from support or resistance areas. On the second or following visits of the price to that support zone; the probabilities of a breakout or consolidation rise.

If we see prices consolidating around this support and no clear intention of a bounce or a breakdown, then the price may head in any direction; even with the probabilities of a breakout to the downside rising as the main trend on the pair remains bearish for now. Since anything can happen in the markets, one may consider, in the case that such a breakout occurs, to wait for confirmation of that breakout and then the pullback to the same 1.2454 level, which could act as a resistance by then, for a possible short entry.



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** Leveraged products carry a high degree of risk to your capital.

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