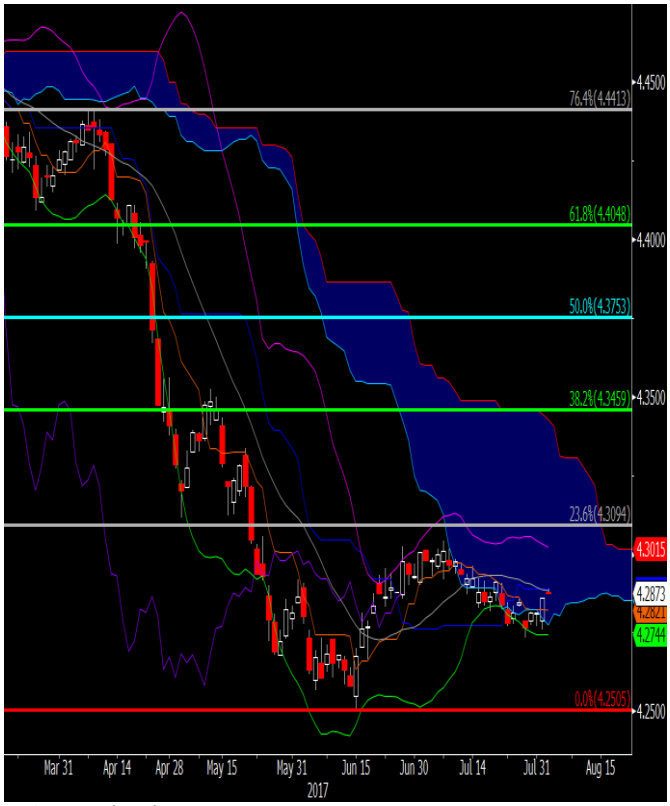
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

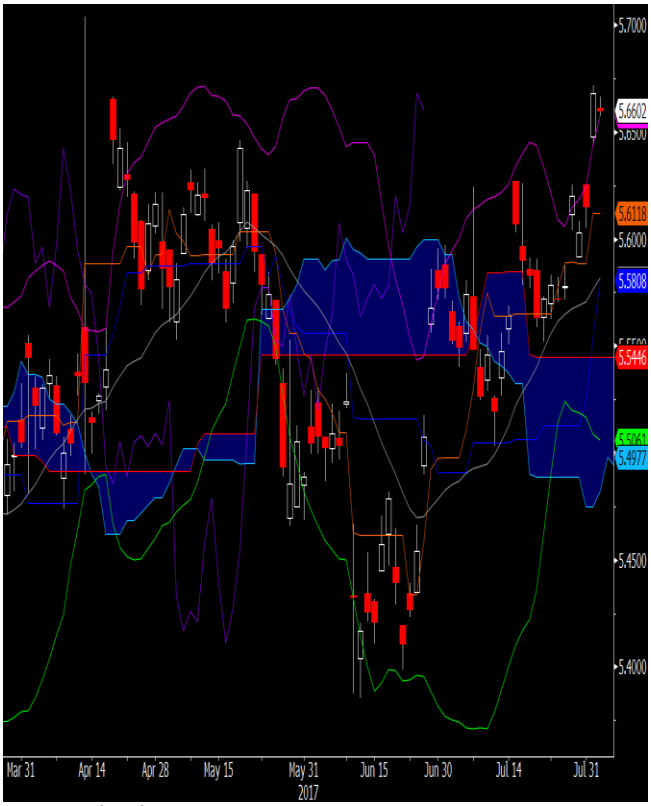
Indicative USDMYR 4.2873



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook bullish** on the back of a rebounding USD and risk aversion in the markets weighing down MYR.
- **Weekly outlook bullish, monthly outlook bearish**.
- Yesterday's close above 4.2815 has tilted USDMYR towards the upsides and further climbs are expected, potentially testing 4.2948.
- **Expect a potential climb to 4.2977**, otherwise curbed by a close above 4.2821.
- **Key resistances:** 4.2881 (R1), 4.2914 (R2), 4.2948 (R3)
- **Key supports:** 4.2841 (S1), 4.2815 (S2), 4.2800 (S3)
- **Expected range for the day:** 4.2800 – 4.2920

Indicative GBPMYR 5.6602

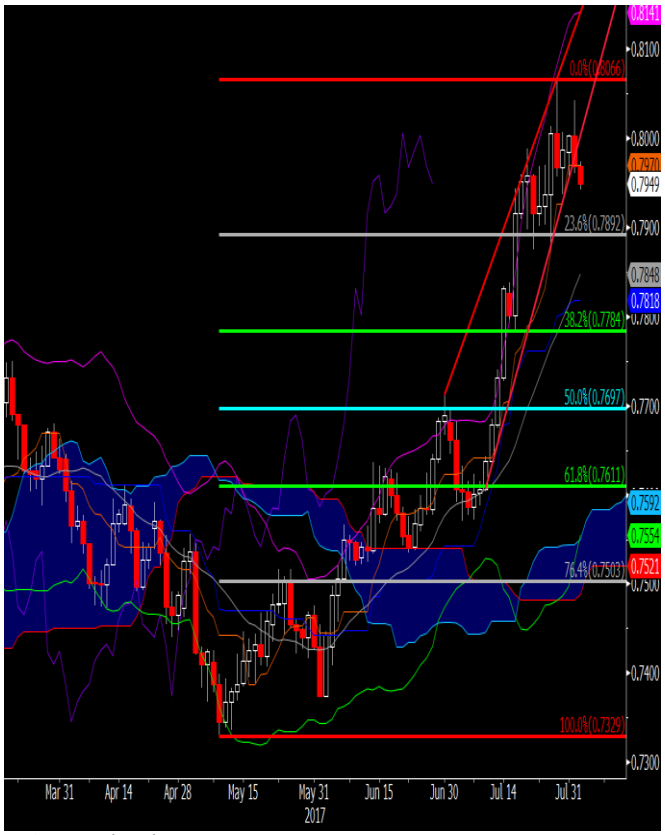


Source: Bloomberg

- GBPMYR opened 70pips lower at 5.6610. **Daily outlook slightly bullish** in anticipation of firmer bids in GBP as refuge demand increases going into European trade.
- **Weekly outlook bullish, monthly outlook bearish**.
- GBPMYR remains inclined towards gains, backed by firmer bullish bias. The pair remains poised to test 5.6800 next. However, in view of strong recent gains, we caution that a reversal to lower levels may be on the horizon.
- **Key resistances**: 5.6680 (R1), 5.6720 (R2), 5.6750 (R3)
- **Key supports**: 5.6592 (S1), 5.6500 (S2), 5.6437 (S3)
- **Expected range for the day:** 5.6500 – 5.6720

** levels are quoted based on spot prices at the time of writing, bid/ask prices may vary*

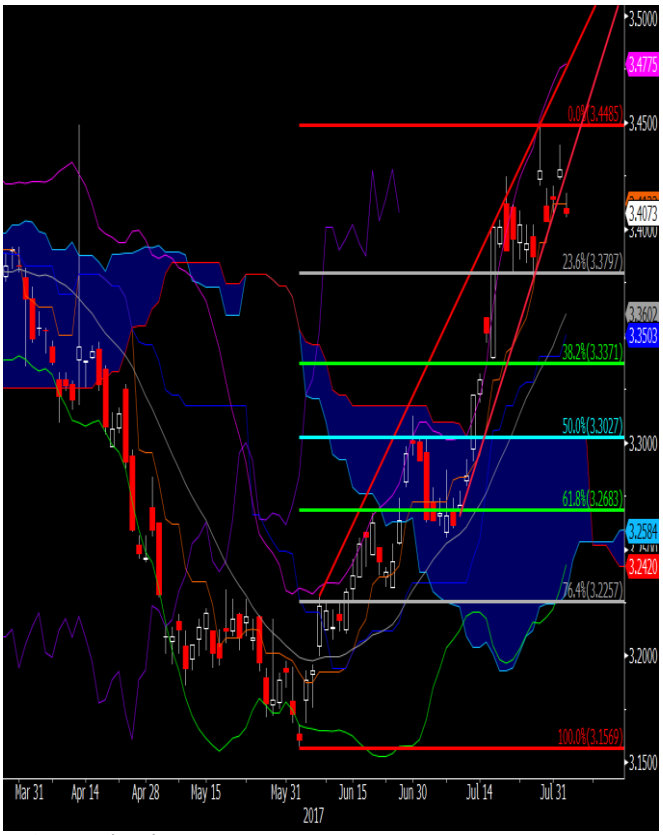
Indicative AUDUSD 0.7949



Source: Bloomberg

- AUDUSD opened unchanged at 0.7969. **Daily outlook bearish** on the back of risk-off sentiment.
- **Weekly and monthly outlook bearish**.
- Technical viewpoint suggests that a breakdown from reversal pattern has occurred, tilting AUDUSD further to the downside. We continue to set sights on a drop to 0.7914, before moving lower to 0.7818.
- **Continue to expect a potential decline to 0.7914**.
- **Key resistances:** 0.7950 (R1), 0.7970 (R2), 0.7996 (R3)
- **Key supports:** 0.7946 (S1), 0.7937 (S2), 0.7909 (S3)
- **Expected range for the day:** 0.7900 – 0.7980

Indicative AUDMYR 3.4073

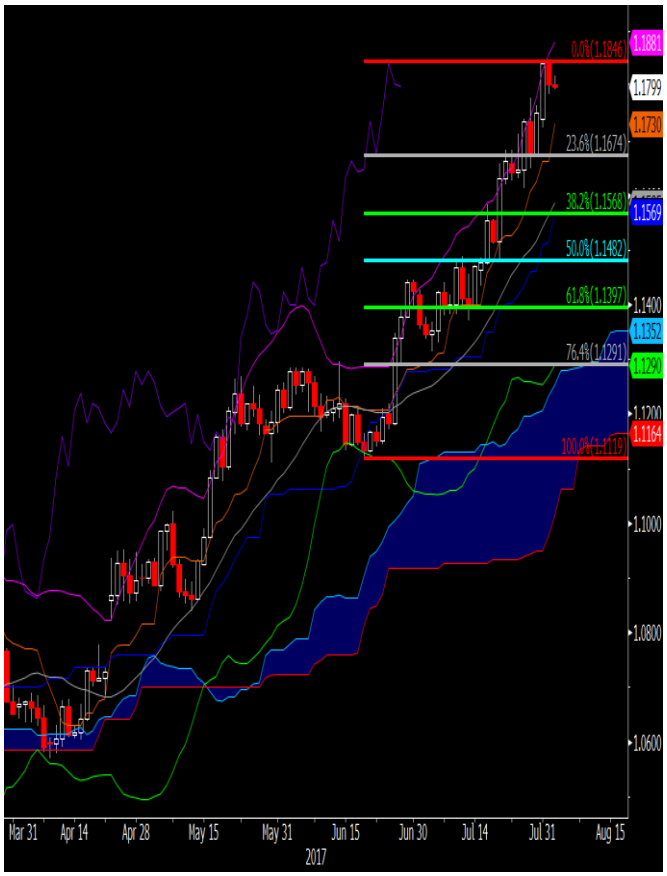


Source: Bloomberg

- AUDMYR opened 182pips higher at 3.4097. **Daily outlook bearish**, weighed down by the sharply lower opening.
- **Weekly and monthly outlook bearish**.
- We maintain that AUDMYR has peaked near 3.4485 – 3.4500. Do not rule out a last-ditch attempt to break higher, though anything below 3.4679 sustains our view that current upside strength is unlikely to last.
- **Continue to expect a potential decline to 3.3797**, otherwise curbed by a close above 3.4250.
- **Key resistances:** 3.4122 (R1), 3.4197 (R2), 3.4228 (R3)
- **Key supports:** 3.4009 (S1), 3.3950 (S2), 3.3913 (S3)
- **Expected range for the day:** 3.4020 – 3.4180

** levels are quoted based on spot prices at the time of writing, bid/ask prices may vary*

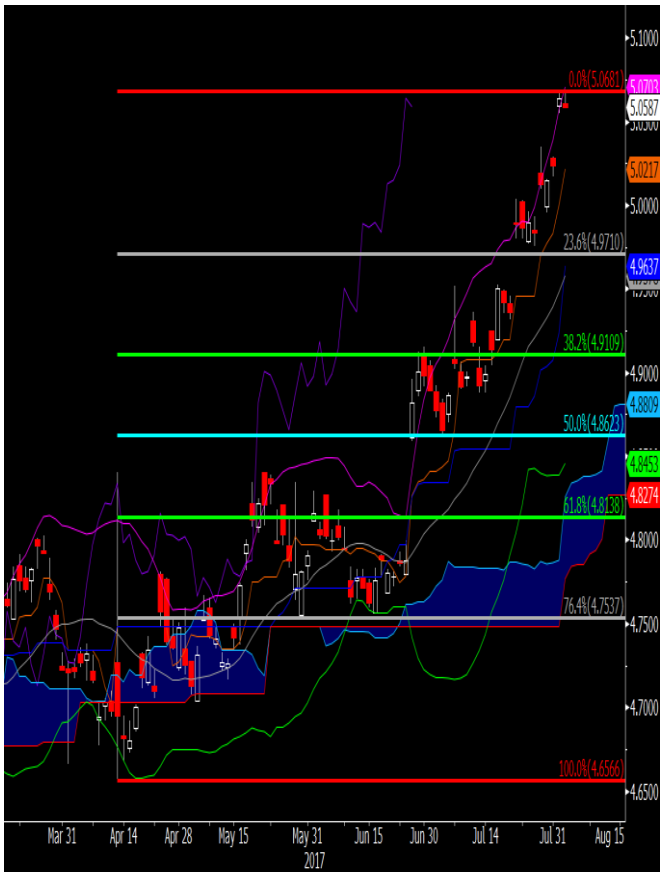
Indicative EURUSD 1.1799



Source: Bloomberg

- EURUSD opened unchanged at 1.1802. **Daily outlook slightly bearish** amid potential extended rebound in USD.
- **Weekly outlook bullish, monthly outlook bearish**.
- Sign of softer upside momentum limits the scope of EURUSD gains, but current bullish bias still points EURUSD overall higher. Losing 1.1735 would tilt this pair lower, otherwise, 1.1884 remains under threat.
- **Key resistances:** 1.1846 (R1), 1.1884 (R2), 1.1900 (R3)
- **Key supports:** 1.1777 (S1), 1.1730 (S2), 1.1700 (S3)
- **Expected range for the day:** 1.1750 – 1.1850

Indicative EURMYR 5.0587



Source: Bloomberg

- EURMYR opened 26pips lower at 5.0611. **Daily outlook slightly bullish** as we anticipate MYR to be weighed down by risk aversion ahead of US data tonight.
- **Weekly outlook bullish, monthly outlook bearish**.
- Bullish bias has strengthen though this did little to improve upside momentum. Gains are likely to prevail but at a softer pace. We cannot rule out 5.0800 being threatened, but expect upside strength to fizzle out approaching this level.
- **Key resistances:** 5.0600 (R1), 5.0681 (R2), 5.0720 (R3)
- **Key supports:** 5.0550 (S1), 5.0500 (S2), 5.0420 (S3)
- **Expected range for the day:** 5.0550 – 5.0700

** levels are quoted based on spot prices at the time of writing, bid/ask prices may vary*

Hong Leong Bank Berhad
Fixed Income & Economic Research, Global Markets
Level 6, Wisma Hong Leong
18, Jalan Perak
50450 Kuala Lumpur
Tel: 603-2773 0469
Fax: 603-2164 9305
Email: HLMarkets@hlbb.hongleong.com.my

DISCLAIMER

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter. HLBB may, to the extent permitted by law, buy, sell or hold significantly long or short positions; act as investment and/or commercial bankers; be represented on the board of the issuers; and/or engage in 'market making' of securities mentioned herein. The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.