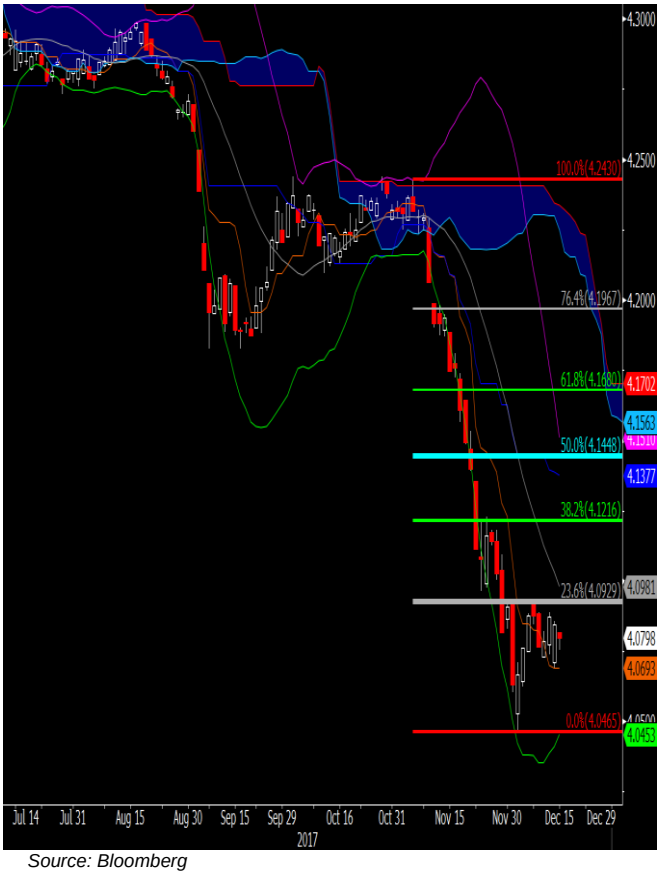
# Global Markets Research

## FX Strategy

## Daily Currency Outlook – 11am edition

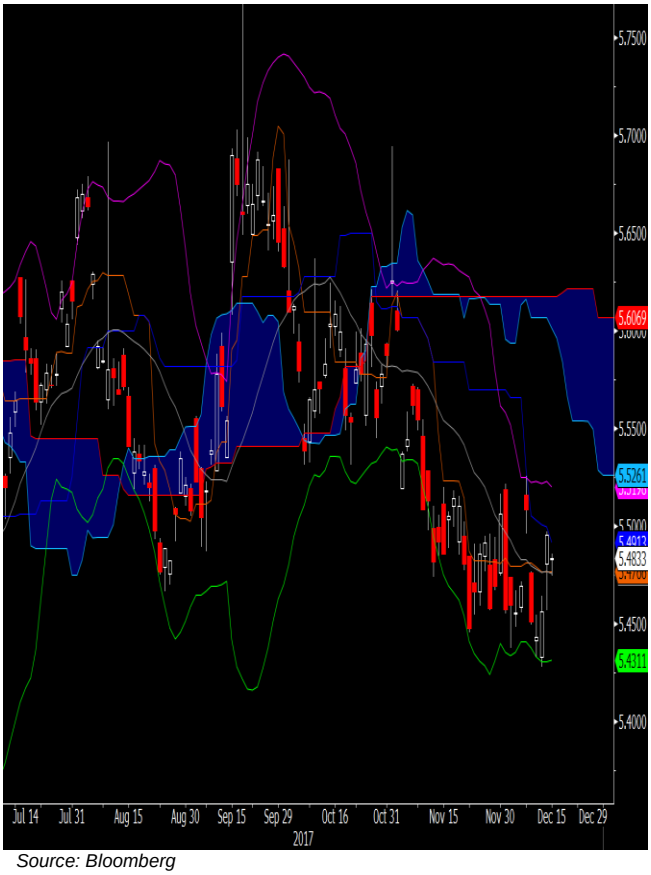
**Indicative USDMYR 4.0798**




*Source: Bloomberg*

- USDMYR opened lower today. **Daily outlook bearish** on the back of a weakened USD and support for MYR from revival in market risk appetite.
- **Weekly outlook bearish, monthly outlook neutral**.
- USDMYR negative technical outlook is receding; with pick-up in positive momentum, there is scope for the pair to re-test 4.0929 going forward. But caution that another failure here will result in a sharper decline, possibly to 4.0500.
- **USDMYR is unlikely to decline to 4.0600 in the near term**.
- **Key resistances:** 4.0800 (R1), 4.0817 (R2), 4.0833 (R3)
- **Key supports:** 4.0750 (S1), 4.0716 (S2), 4.0700 (S3)
- **Expected range for the day:** 4.0750 – 4.0880

**Indicative GBPMYR 5.4833**

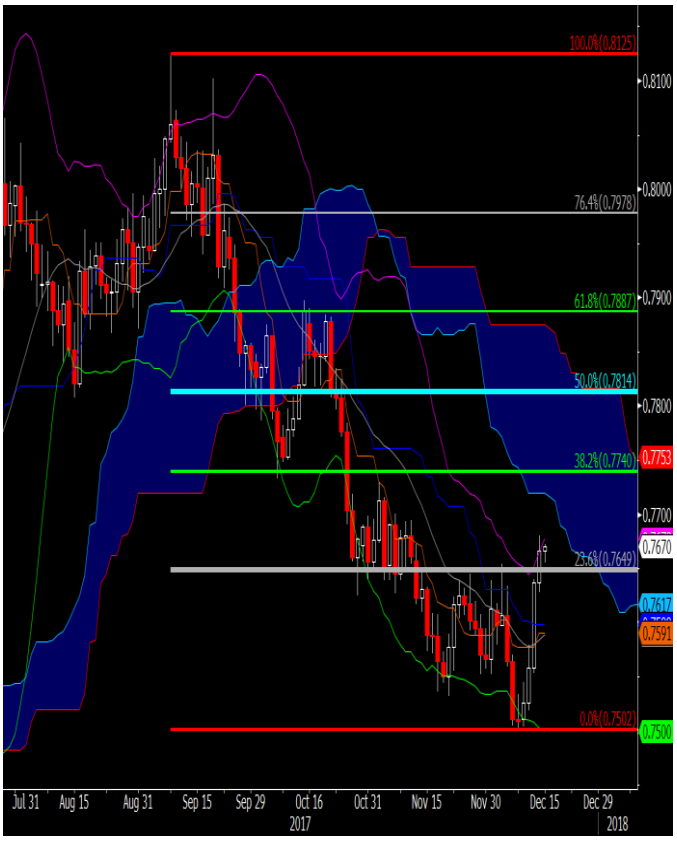



*Source: Bloomberg*

- GBPMYR opened 129pips lower at 5.4826. **Daily outlook slightly bearish**, weighed down by the sharply lower opening.
- **Weekly and monthly outlook bearish**.
- GBPMYR is likely to avoid closing below 5.4509, which will tilt the pair towards the upside. Even so, the pair must break above 5.4976 to sustain an upside bias.
- **Key resistances**: 5.4851 (R1), 5.4913 (R2), 5.4976 (R3)
- **Key supports**: 5.4800 (S1), 5.4766 (S2), 5.4700 (S3)
- **Expected range for the day:** 5.4740 – 5.4880

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

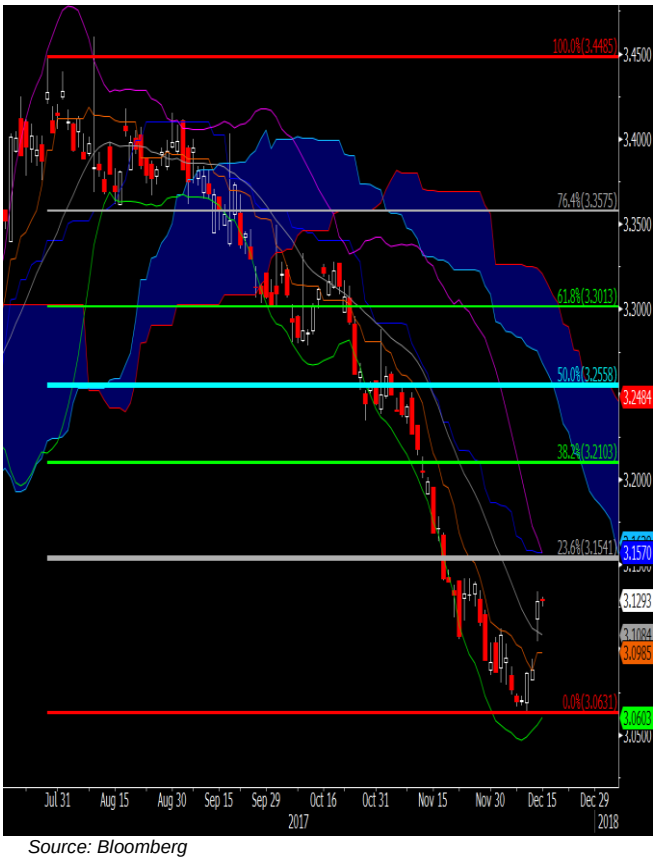
## Indicative AUDUSD 0.7670




*Source: Bloomberg*

- AUDUSD opened barely changed at 0.7666. **Daily outlook bullish** amid an overall firmer Australia growth outlook after recent data performance.
- **Weekly outlook bullish, monthly outlook neutral**.
- AUDUSD continues to break through firm resistances and is likely to teste 0.7700 soon. Do not rule out modest pullbacks after recent rally but as long as the pair holds above 0.7649, overall direction remains upwards going forward.
- **Expect a potential advance to 0.7740**, otherwise curbed by a close below 0.7649.
- **Key resistances:** 0.7677 (R1), 0.7700 (R2), 0.7720 (R3)
- **Key supports:** 0.7649 (S1), 0.7633 (S2), 0.7603 (S3)
- **Expected range for the day:** 0.7640 – 0.7700

## Indicative AUDMYR 3.1293

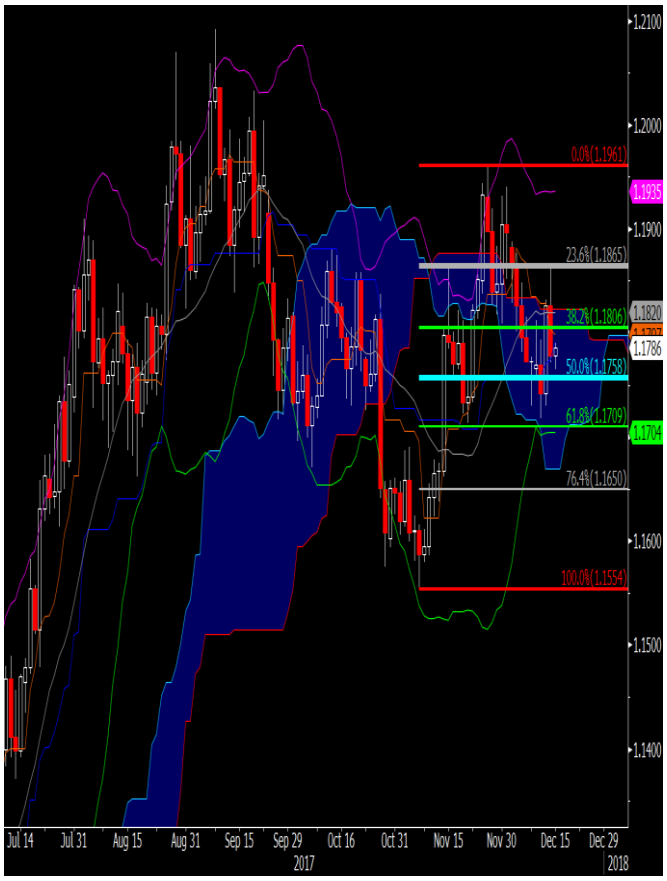



*Source: Bloomberg*

- AUDMYR opened 15pips higher at 3.1296. **Daily outlook slightly bullish** as upsides in AUD is likely to stay firm after recent positive data flow.
- **Weekly and monthly outlook bullish**.
- There is room for AUDMYR to climb higher to 3.1417 – 3.1541, but we caution that with trend still deep in negative territory, current rebound may be shallow.
- **Continue to expect a potential advance to 3.1417**, otherwise curbed by a close below 3.1170.
- **Key resistances:** 3.1323 (R1), 3.1381 (R2), 3.1417 (R3)
- **Key supports:** 3.1255 (S1), 3.1230 (S2), 3.1200 (S3)
- **Expected range for the day:** 3.1230 – 3.1380

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

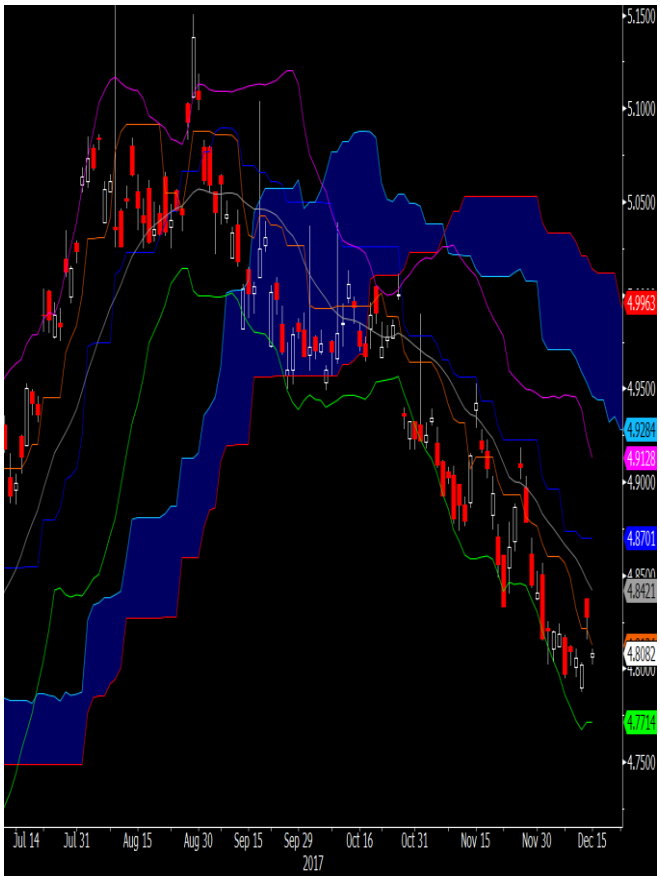
## Indicative EURUSD 1.1786




*Source: Bloomberg*

- EURUSD opened unchanged at 1.1778. **Daily outlook bullish** on the back of a soft USD.
- **Weekly outlook bullish, monthly outlook bearish**.
- EURUSD pulled back as expected and is likely to renew its recent attempt at rebound. The pair is targeting a climb to 1.1806; bypassing this exposes a move to 1.1823. Caution that a close below 1.1769 today, or failure to close above 1.1826 on Monday will end this rebound attempt.
- **Key resistances:** 1.1806 (R1), 1.1823 (R2), 1.1858 (R3)
- **Key supports:** 1.1769 (S1), 1.1758 (S2), 1.1730 (S3)
- **Expected range for the day:** 1.1750 – 1.1820

## Indicative EURMYR 4.8082




*Source: Bloomberg*

- EURMYR opened 210pips lower at 4.8067. **Daily outlook bearish**, pressured by the sharply lower opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- EURMYR's rebound was shallower that initially expected, faltering near 4.8380. Further rebounds from current level is to be expected given still positive momentum, but as previously mentioned, being in bearish trend limits gains going forward.
- **Continue to expect a potential decline to 4.7780**, otherwise curbed by a close above 4.8156.
- **Key resistances:** 4.8106 (R1), 4.8126 (R2), 4.8222 (R3)
- **Key supports:** 4.8050 (S1), 4.8035 (S2), 4.8000 (S3)
- **Expected range for the day:** 4.8120 – 4.8400

** 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 8, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
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.