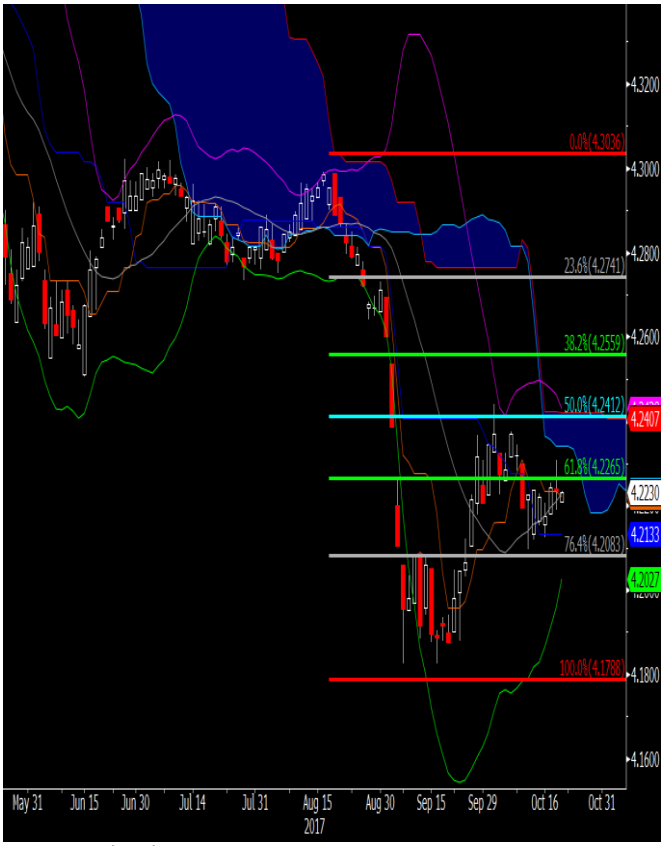
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FX Strategy

Daily Currency Outlook – 11am edition

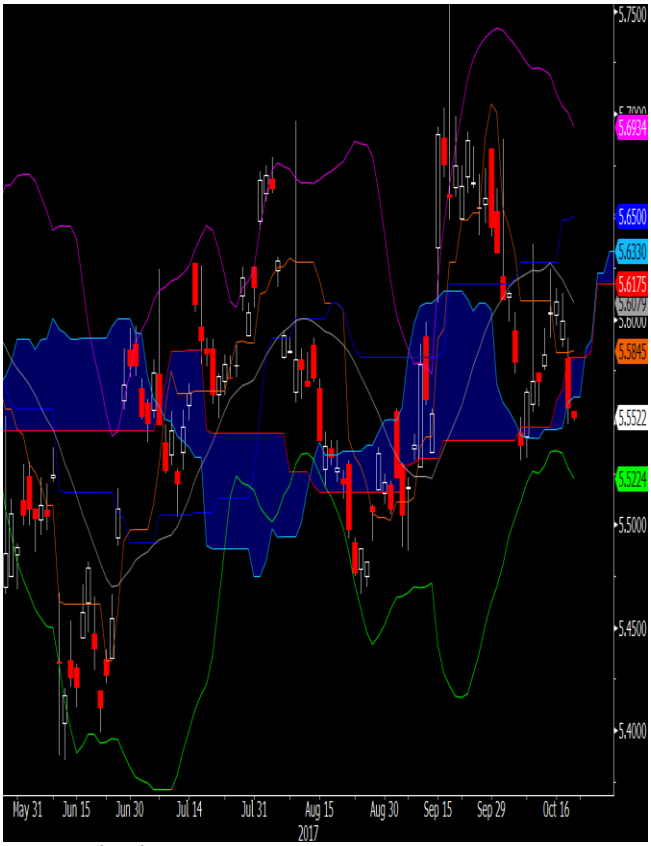
Indicative USDMYR 4.2230



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** on technical reasons.
- **Weekly outlook bearish, monthly outlook neutral**.
- USDMYR gains were rejected and fell below crucial levels 4.2265 and 4.2227. Indicators remain bearish with retreating momentum, suggesting that USDMYR is tilted towards the downside.
- **Key resistances:** 4.2265 (R1), 4.2305 (R2), 4.2330 (R3)
- **Key supports:** 4.2227 (S1), 4.2200 (S2), 4.2190 (S3)
- **Expected range for the day:** 4.2180 – 4.2260

Indicative GBPMYR 5.5522

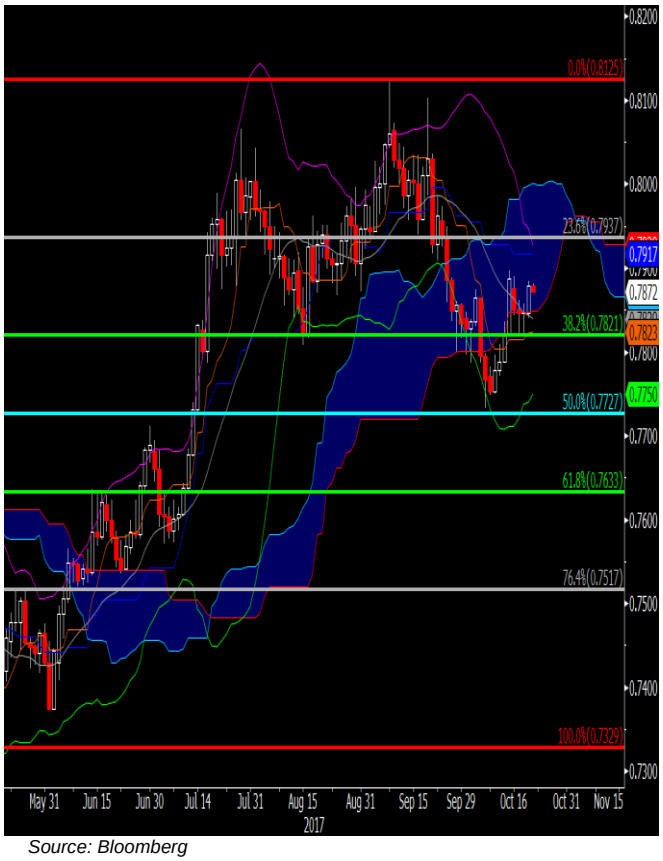


Source: Bloomberg

- GBPMYR opened 13pips lower at 5.5554. **Daily outlook bearish**, weighed down by risk aversion in GBP ahead of Brexit talks.
- **Weekly and monthly outlook bearish**.
- Closing below 5.5594 yesterday was a confirmation that GBPMYR is likely to remain weak going forward. Losses are likely to build, with scope to slide to as low as 5.5218, or lower.
- **GBPMYR is now unlikely to climb to 5.6250** – expect a potential decline to 5.5230, invalidated by a close above 5.5649.
- **Key resistances**: 5.5580 (R1), 5.5622 (R2), 5.5652 (R3)
- **Key supports**: 5.5500 (S1), 5.5486 (S2), 5.5441 (S3)
- **Expected range for the day:** 5.5350 – 5.5575

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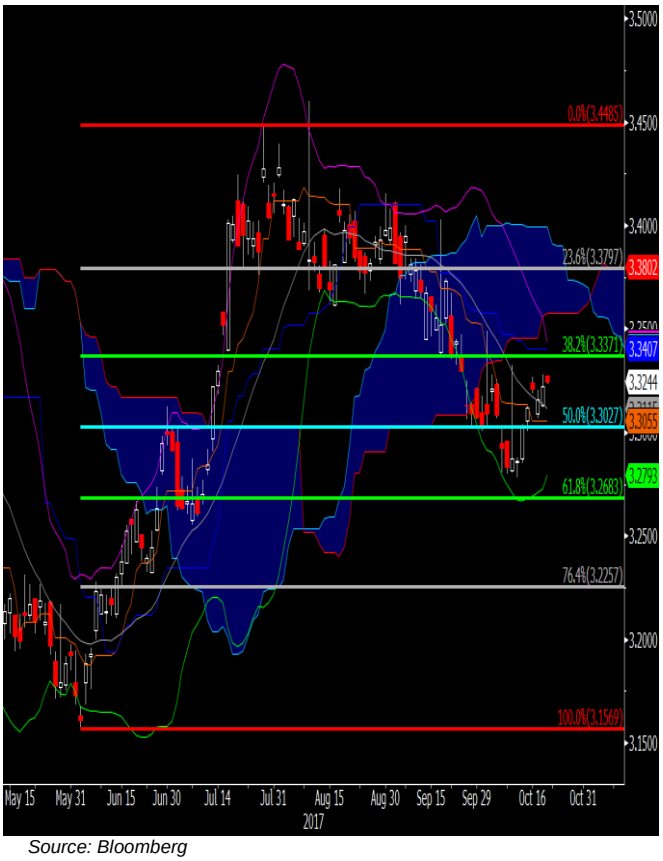
Indicative AUDUSD 0.7872



Source: Bloomberg

- AUDUSD opened unchanged at 0.7878. **Daily outlook bearish** amid build-up in risk aversion in the markets going in to various risk events.
- **Weekly and monthly outlook bearish**.
- AUDUSD is technically bullish but we reckon that overnight advance appears stretched, which could lead to a brief, modest pullback first before attempting to climb f further. Losses are likely stemmed near 0.7849.
- **Key resistances:** 0.7883 (R1), 0.7900 (R2), 0.7917 (R3)
- **Key supports:** 0.7861 (S1), 0.7849 (S2), 0.7821 (S3)
- **Expected range for the day:** 0.7830 – 0.7910

Indicative AUDMYR 3.3244

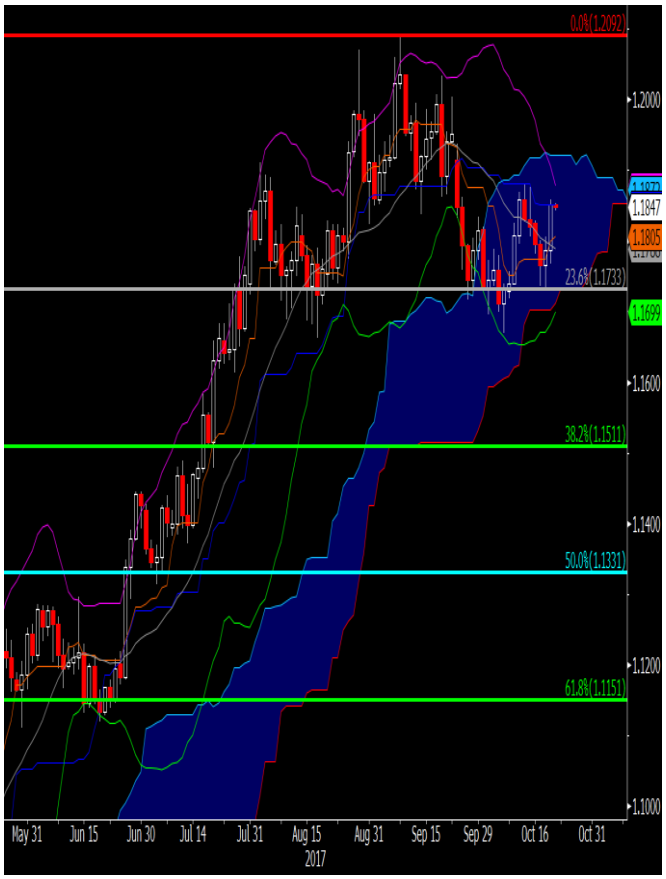


Source: Bloomberg

- AUDMYR opened 47pips higher at 3.3271. **Daily outlook slightly bullish** on technical reasons.
- **Weekly outlook bullish, monthly outlook bearish**.
- Momentum indicator continues to firm up, reaffirming that the pair is on track to test 3.3370 in the next leg higher. A close below 3.3119 will invalidate the current build-up in momentum.
- **Continue to expect a potential climb to 3.3370**, otherwise invalidated by a close below 3.3119.
- **Key resistances:** 3.3276 (R1), 3.3300 (R2), 3.3347 (R3)
- **Key supports:** 3.3216 (S1), 3.3189 (S2), 3.3119 (S3)
- **Expected range for the day:** 3.3110 – 3.3280

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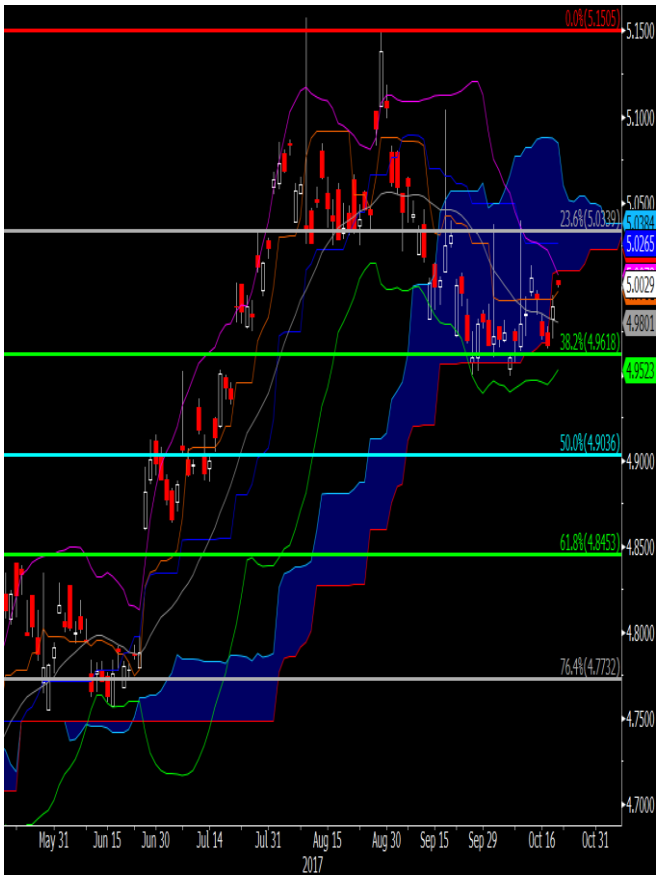
Indicative EURUSD 1.1847



Source: Bloomberg

- EURUSD opened unchanged at 1.1852. **Daily outlook bearish** as risk aversion is likely to prevail ahead of EU-UK Brexit talks as well as on jitters from unabated political risk of Catalonia's call for independence.
- **Weekly and monthly outlook bearish**.
- EURUSD closing above 1.1820 has invalidated the potential move lower, but this has led only to uncertainties going forward. We currently view EURUSD's upside is likely to peak near 1.1900 before reversing. Otherwise, a path to 1.1980 will be exposed.
- **Key resistances:** 1.1866 (R1), 1.1878 (R2), 1.1900 (R3)
- **Key supports:** 1.1833 (S1), 1.1805 (S2), 1.1787 (S3)
- **Expected range for the day:** 1.1780 – 1.1870

Indicative EURMYR 5.0029



Source: Bloomberg

- EURMYR opened 155pips higher at 5.0049. **Daily outlook bullish**, supported by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- Despite a higher opening and slightly bullish bias, signs are gradually pointing to renewed weakness that could see EURMYR slide lower before bouncing off 4.9618.
- **Continue to expect a potential decline to 4.9620**, otherwise curbed by a close above 4.9980.
- **Key resistances:** 5.0076 (R1), 5.0106 (R2), 5.0265 (R3)
- **Key supports:** 5.0000 (S1), 4.9981 (S2), 4.9796 (S3)
- **Expected range for the day:** 4.9900 – 5.0050

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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

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