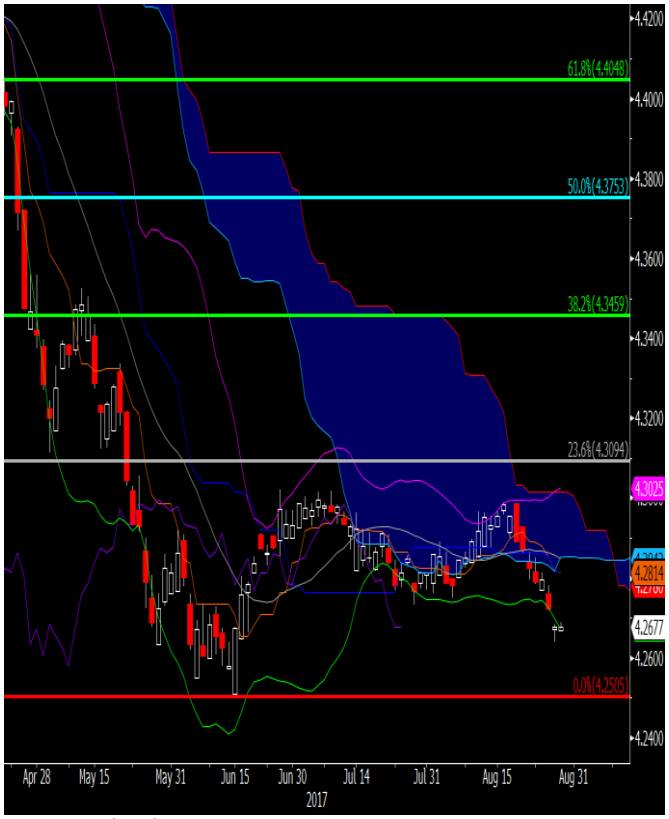
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FX Strategy

Daily Currency Outlook – 11am edition

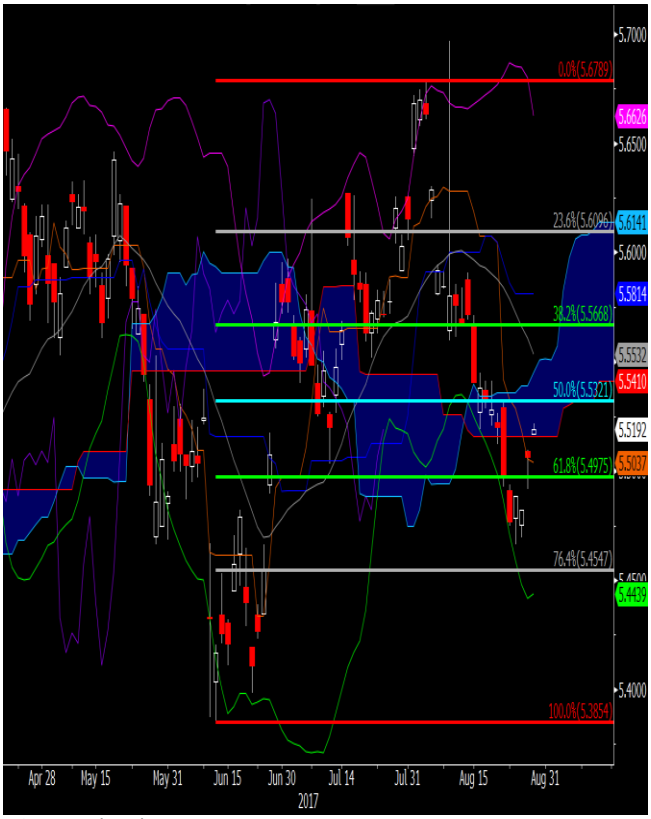
Indicative USDMYR 4.2677



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook slightly bearish** on the back of a soft USD but expect risk aversion in the markets to limit losses.
- **Weekly and monthly outlook bearish**.
- We continue to set sights on a potential test at 4.2600. However, note that reversion level exists at 4.2648, thus we caution that extended closings below this level could trigger a rebound above it going forward.
- **Key resistances:** 4.2700 (R1), 4.2717 (R2), 4.2759 (R3)
- **Key supports:** 4.2670 (S1), 4.2648 (S2), 4.2620 (S3)
- **Expected range for the day:** 4.2620 – 4.2700

Indicative GBPMYR 5.5192

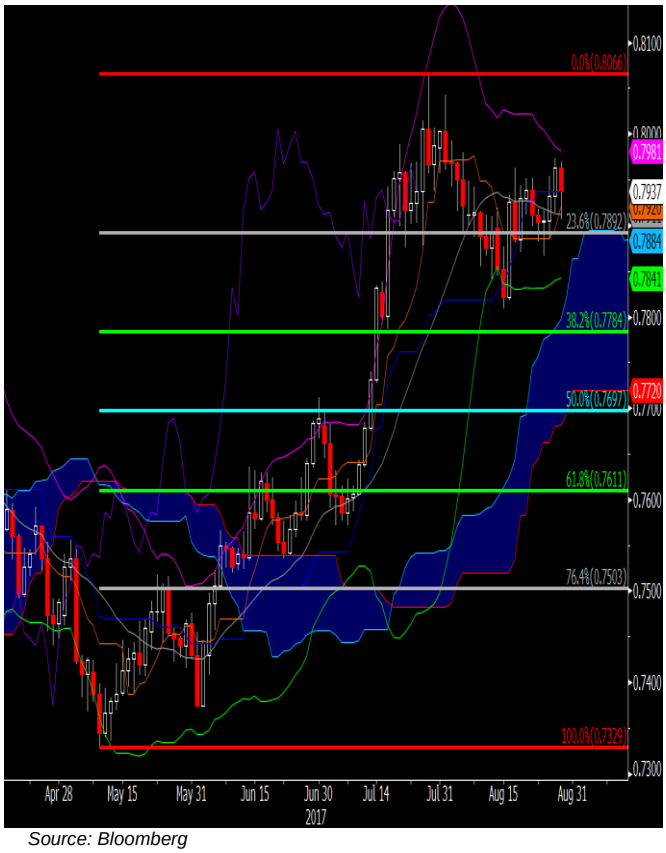


Source: Bloomberg

- GBPMYR opened 106pips higher at 5.5170. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- GBPMYR has bypassed both 5.5000 and 5.5159, thus negating the effects of current bearish bias. While above 5.5164, there is scope for a climb to 5.5475 but this level is crucial in determining if GBPMYR goes higher or is halted.
- Despite a bullish daily outlook, **we continue to expect a potential decline to 5.4550**, otherwise curbed by a close above 5.5475
- **Key resistances**: 5.5266 (R1), 5.5321 (R2), 5.5475 (R3)
- **Key supports**: 5.5164 (S1), 5.5037 (S2), 5.5000 (S3)
- **Expected range for the day:** 5.5120 – 5.5320

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

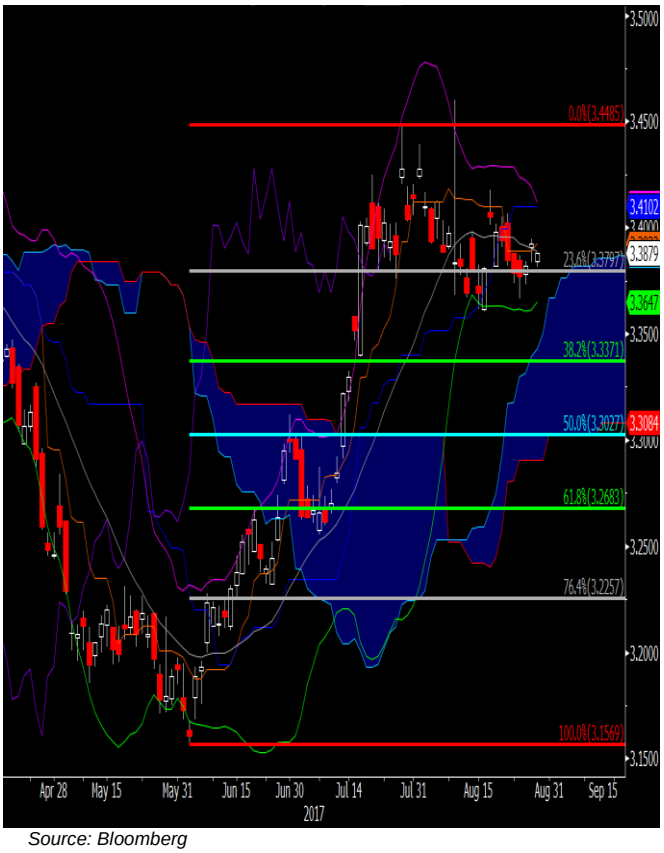
Indicative AUDUSD 0.7937



Source: Bloomberg

- AUDUSD opened unchanged at 0.7963. **Daily outlook slightly bearish**, pressured by renewed risk-off in the region but losses may be modest given a soft greenback.
- **Weekly outlook neutral, monthly outlook bearish**.
- AUDUSD appears to have retreated ahead of the crucial test at 0.7980; this is a sign of weakness and a drop below 0.7892 will likely put an end to current attempt to bounce higher and set a course for 0.7784.
- **Continue expect a potential decline to 0.7800**, otherwise curbed by a close above 0.8000.
- **Key resistances:** 0.7946 (R1), 0.7980 (R2), 0.8000 (R3)
- **Key supports:** 0.7911 (S1), 0.7892 (S2), 0.7876 (S3)
- **Expected range for the day:** 0.7880 – 0.7980

Indicative AUDMYR 3.3879

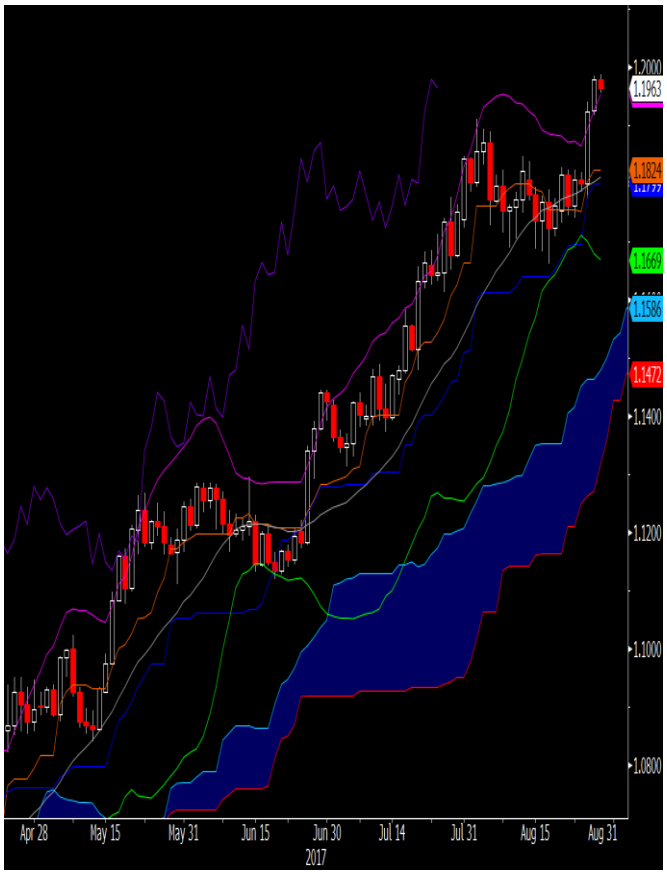


Source: Bloomberg

- AUDMYR opened 81pips lower at 3.3841. **Daily outlook slightly bearish** as AUD is likely more negatively impacted by heightened risk aversion in the markets compared to MYR.
- **Weekly and monthly outlook bearish**.
- A gap-down today and opening below 3.3883 are signs that AUDMYR could not sustain the recent upsides. We maintain a bearish view on this pair, anticipating a drop to below 3.3797.
- **Continue to expect a potential drop to 3.3371**, otherwise curbed by a close above 3.4080.
- **Key resistances:** 3.3881 (R1), 3.3923 (R2), 3.3980 (R3)
- **Key supports:** 3.3797 (S1), 3.3765 (S2), 3.3647 (S3)
- **Expected range for the day:** 3.3790 – 3.3880

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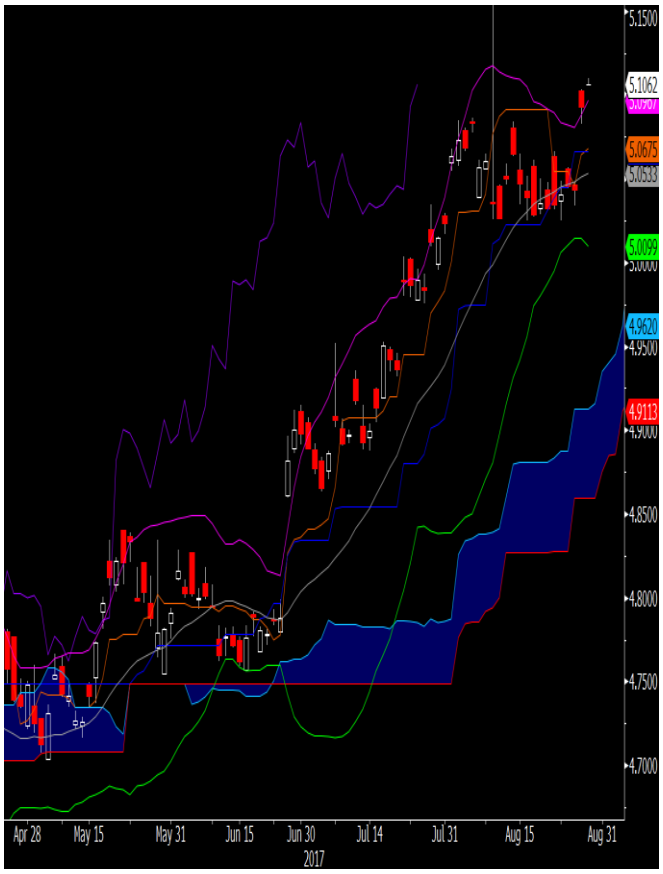
Indicative EURUSD 1.1963



Source: Bloomberg

- EURUSD opened unchanged at 1.1979. **Daily outlook slightly bullish** on the back of a soft USD but amid prevailing risk aversion in the markets on renewed geopolitical concerns, expects upsides to be limited.
- **Weekly and monthly outlook bullish**.
- We maintain that upside strength is likely firm while above 1.1900. EURUSD is poised to test 1.2000 next, but caution that a rejection here could cause sharp declines.
- **Key resistances:** 1.1980 (R1), 1.2000 (R2), 1.2020 (R3)
- **Key supports:** 1.1955 (S1), 1.1920 (S2), 1.1900 (S3)
- **Expected range for the day:** 1.1950 – 1.2000

Indicative EURMYR 5.1062



Source: Bloomberg

- EURMYR opened 132pips higher at 5.1061. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- Another gap-up at opening further tilts EURMYR to the upside, though we caution that such sharp gains are hardly sustainable in the longer-term. In the meantime, there is room to test 5.1250.
- **Key resistances:** 5.1100 (R1), 5.1150 (R2), 5.1200 (R3)
- **Key supports:** 5.0969 (S1), 5.0829 (S2), 5.0800 (S3)
- **Expected range for the day:** 5.1000 – 5.1150

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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

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