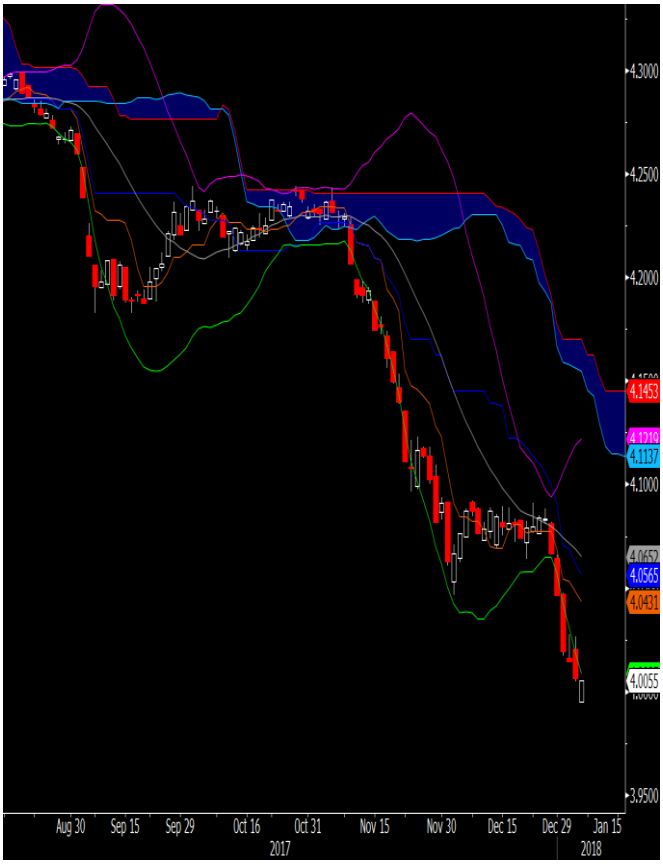
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

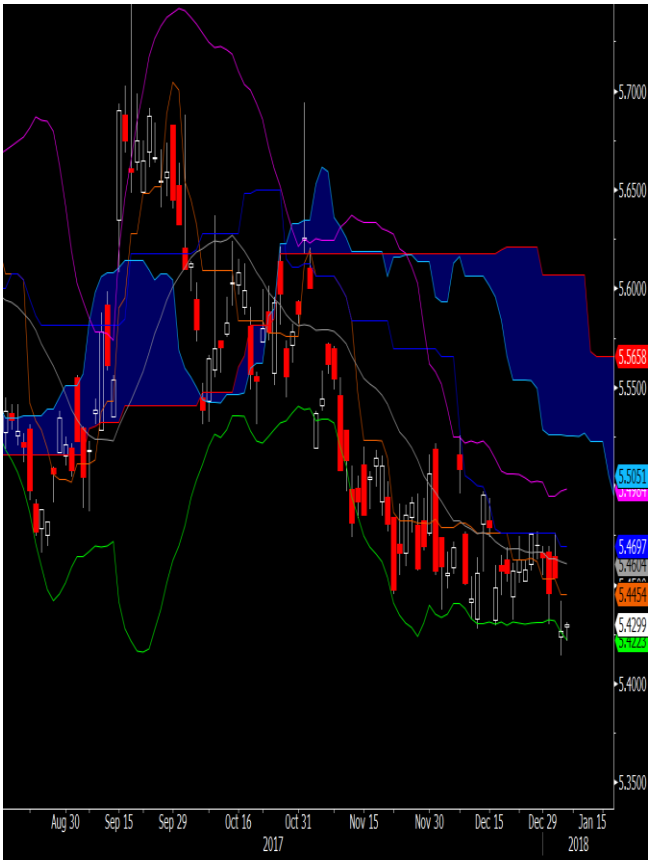
Indicative USDMYR 4.0055



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook bearish**, supported by firmer risk appetite and oil prices, though gains may be narrowed going into Asian close.
- **Weekly and monthly outlook bearish**.
- Technical outlook remains negative for USDMYR; losing 4.0100 has increased the pair's downside bias, not to mention rising downside momentum. A break at 4.00 cannot be ruled out.
- **USDMYR expectedly declined to 4.0100**.
- **Key resistances:** 4.0075 (R1), 4.0100 (R2), 4.0120 (R3)
- **Key supports:** 4.0050 (S1), 4.0000 (S2), 3.9985 (S3)
- **Expected range for the day:** 3.9950 – 4.0085

Indicative GBPMYR 5.4299

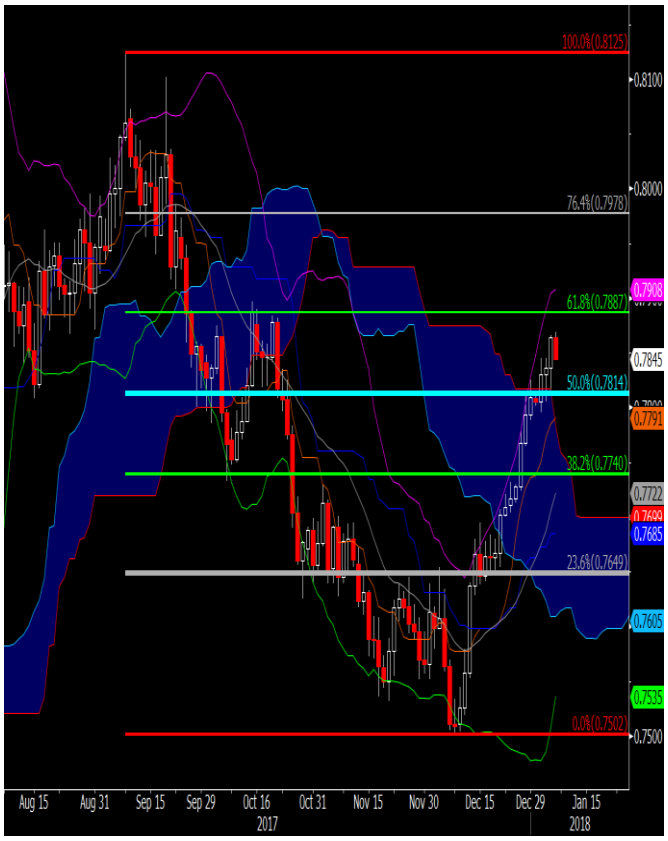


Source: Bloomberg

- GBPMYR opened 22pips higher at 5.4288. **Daily outlook bearish**, weighed down by a firmer MYR.
- **Weekly and monthly outlook bearish**.
- Bearish bias has emerged, thus GBPMYR remains tilted to the downside, and is exposed to 5.4061 in the next leg lower.
- **Expect a potential decline to 5.4061**, otherwise curbed by a close above 5.4400.
- **Key resistances**: 5.4321 (R1), 5.4409 (R2), 5.4454 (R3)
- **Key supports**: 5.4216 (S1), 5.4141 (S2), 5.4056 (S3)
- **Expected range for the day:** 5.4180 – 5.4310

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

Indicative AUDUSD 0.7845

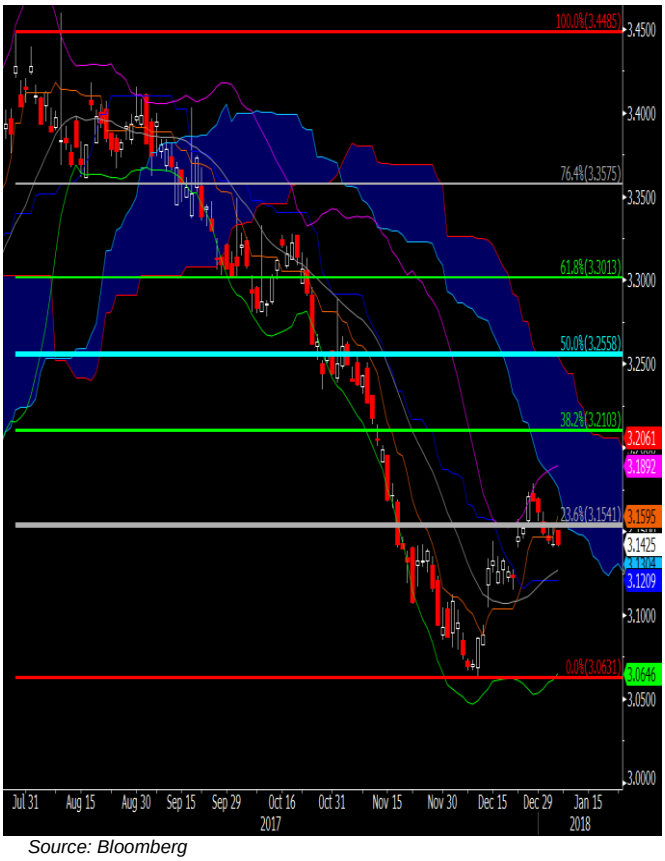


Source: Bloomberg

- AUDUSD opened unchanged at 0.7864. **Daily outlook bearish**, anticipating retreat in risk appetite ahead of US data to curb gains.
- **Weekly outlook bullish, monthly outlook bearish**.
- Given continued ease in upside momentum, we maintain that AUDUSD has peaked and will likely have less room to climb than it has to decline. A test at 0.7887 could potentially spark a rejection back to circa 0.7814.
- **Continue to expect a potential decline to 0.7740**, otherwise curbed by a close above 0.7880.
- **Key resistances:** 0.7887 (R1), 0.7900 (R2), 0.7908 (R3)
- **Key supports:** 0.7814 (S1), 0.7800 (S2), 0.7791 (S3)
- **Expected range for the day:** 0.7810 – 0.7880

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

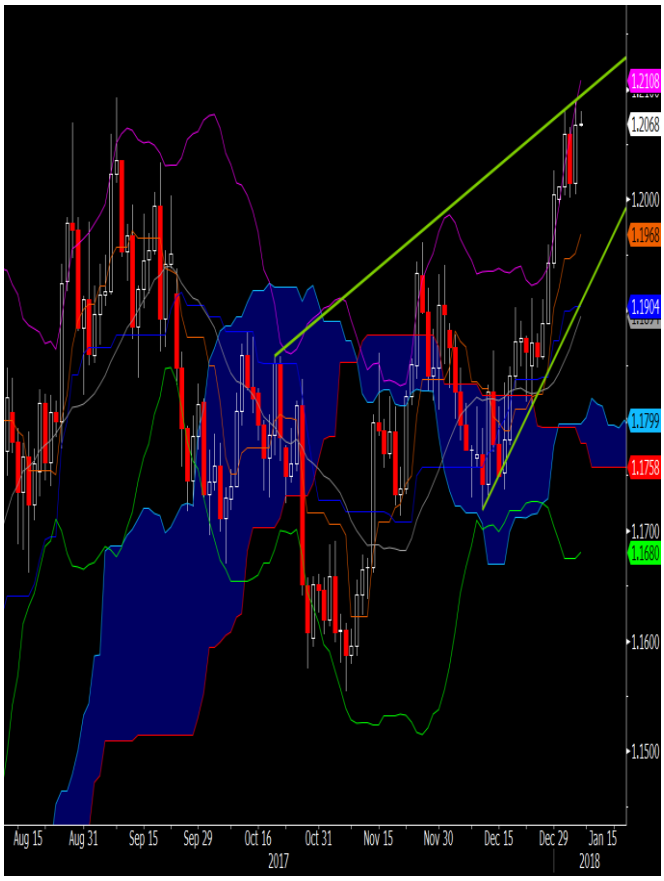
Indicative AUDMYR 3.1425



Source: Bloomberg

- AUDMYR opened 84pips higher at 3.1505. **Daily outlook bearish** on the back of a firmer MYR.
- **Weekly and monthly outlook bearish**.
- Technical outlook continues to grow more pessimistic. AUDMYR is now pointing to 3.1209 so long as it fails to recapture 3.1541.
- **Continue to expect a potential decline to 3.1209**, otherwise curbed by a close above 3.1541.
- **Key resistances:** 3.1452 (R1), 3.1475 (R2), 3.1541 (R3)
- **Key supports:** 3.1400 (S1), 3.1385 (S2), 3.1268 (S3)
- **Expected range for the day:** 3.1340 – 3.1505

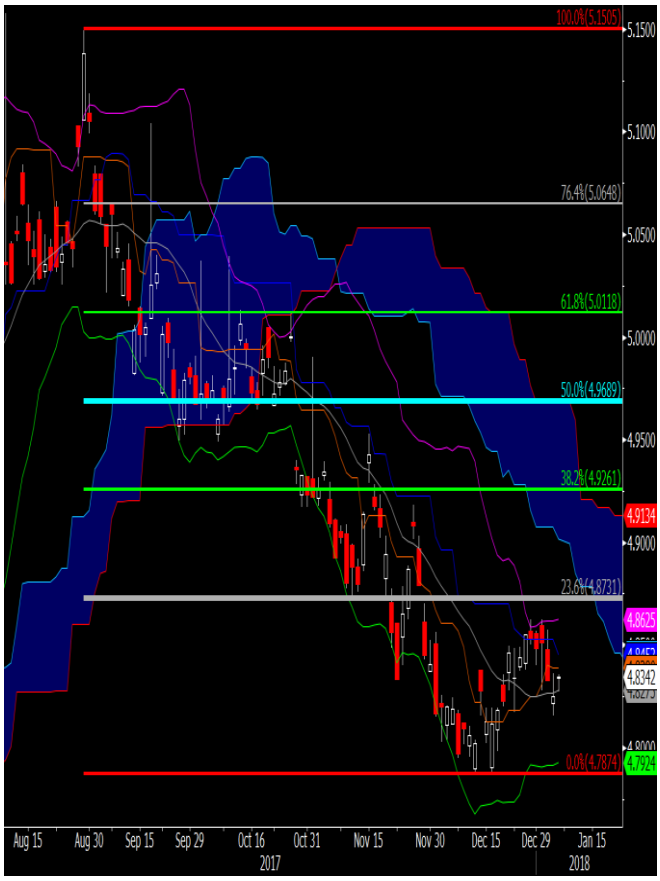
Indicative EURUSD 1.2068



Source: Bloomberg

- EURUSD opened unchanged at 1.2068. **Daily outlook bullish** on the back of a weak USD, but caution on a potential decline after recent strong gains or if US data outperforms.
- **Weekly outlook bullish, monthly outlook bearish**.
- EURUSD is still liable to close above 1.2059 in the coming days, but we note that as upside momentum tapers off, gains are likely more modest going forward.
- **Expect a potential decline to 1.2000**, otherwise curbed by a close above 1.2110.
- **Key resistances:** 1.2080 (R1), 1.2110 (R2), 1.2125 (R3)
- **Key supports:** 1.2066 (S1), 1.2050 (S2), 1.2026 (S3)
- **Expected range for the day:** 1.2040 – 1.2090

Indicative EURMYR 4.8342



Source: Bloomberg

- EURMYR opened 91pips lower at 4.8341. **Daily outlook slightly bearish**, weighed down by a firm MYR and by the lower opening.
- **Weekly and monthly outlook bearish**.
- Staying below 4.8269 as well as diminishing upside momentum are likely to keep EURMYR bearish. There is now room to slide lower to circa 4.7921 – 4.8000.
- **Expect a potential drop to 4.7921**, otherwise curbed by a close above 4.8390.
- **Key resistances:** 4.8364 (R1), 4.8390 (R2), 4.8444 (R3)
- **Key supports:** 4.8269 (S1), 4.8200 (S2), 4.8155 (S3)
- **Expected range for the day:** 4.8150 – 4.8360

** 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.