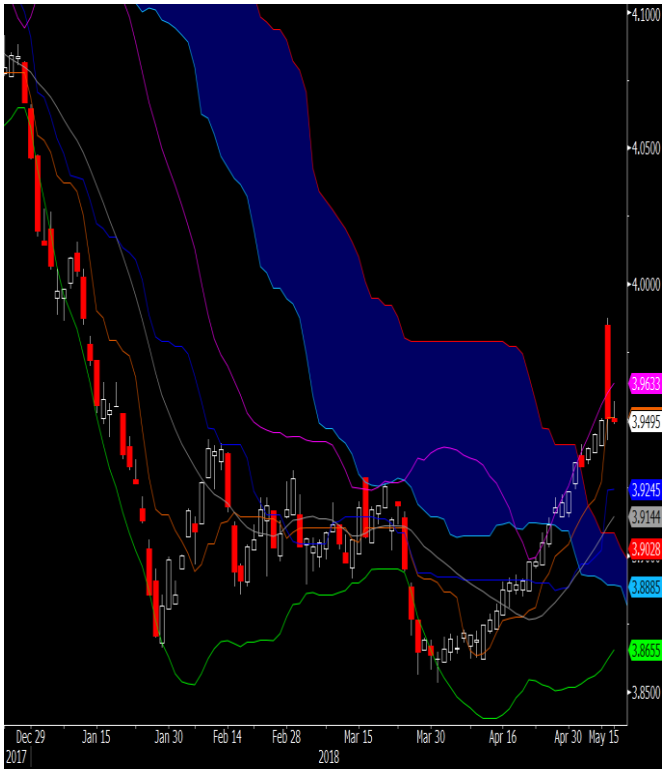
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

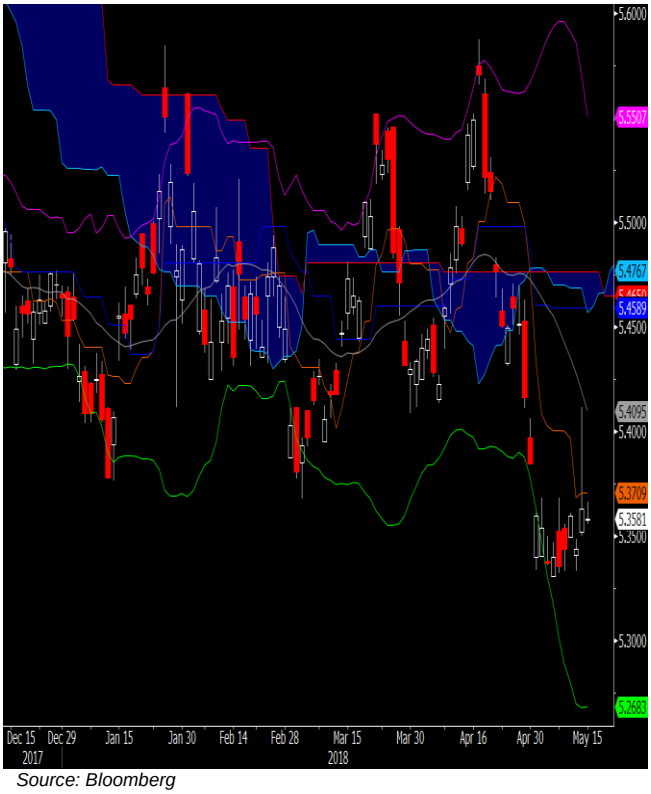
Indicative USDMYR 3.9495



Source: Bloomberg

- USDMYR opened barely changed today. **Daily outlook bearish**, supported by firm market sentiment.
- **Weekly outlook bearish, monthly outlook bullish**.
- We note that upside momentum has softened after the strong rejection at 3.9875 yesterday. Continued failure to break 3.9637 is to us a sign that bulls could not sustain further gains, and thus, we expect a reversal lower going forward.
- **Key resistances:** 3.9509 (R1), 3.9550 (R2), 3.9570 (R3)
- **Key supports:** 3.9485 (S1), 3.9450 (S2), 3.9410 (S3)
- **Expected range for the day:** 3.9450 – 3.9570

Indicative GBPMYR 5.3581

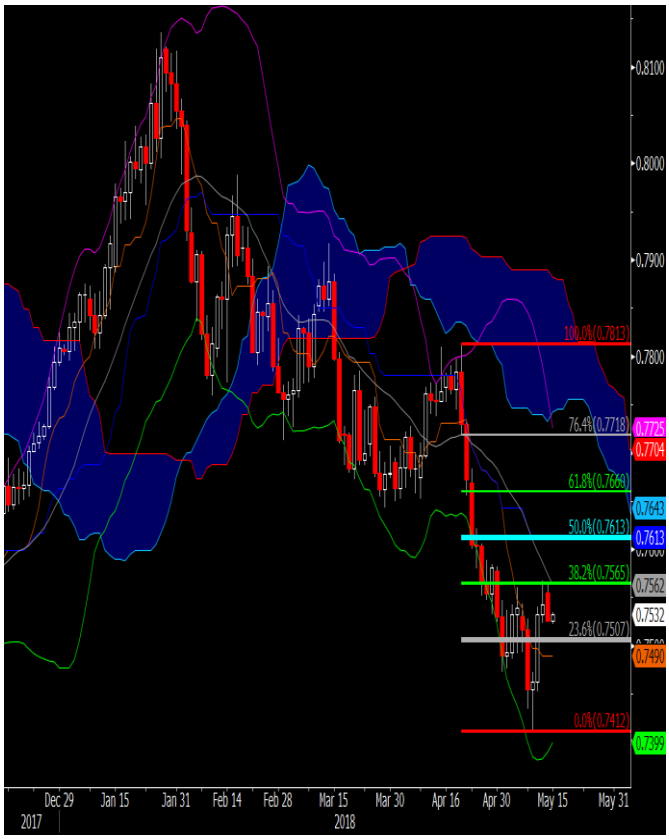


Source: Bloomberg

- GBPMYR opened 55pips lower at 5.3575 today. **Daily outlook slightly bullish**, in anticipation of a firmer GBP going into European session.
- **Weekly and monthly outlook bullish**.
- A minor bullish trend sustains, on top of retreating downside momentum, suggesting further gains going forward. There is room to test 5.3709, above which GBPMYR would make a challenge at 5.3947.
- **Expect a potential advance to 5.3947**, otherwise curbed by a close below 5.3437.
- **Key resistances**: 5.3611 (R1), 5.3653 (R2), 5.3709 (R3)
- **Key supports**: 5.3555 (S1), 5.3500 (S2), 5.3489 (S3)
- **Expected range for the day:** 5.3500 – 5.3680

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

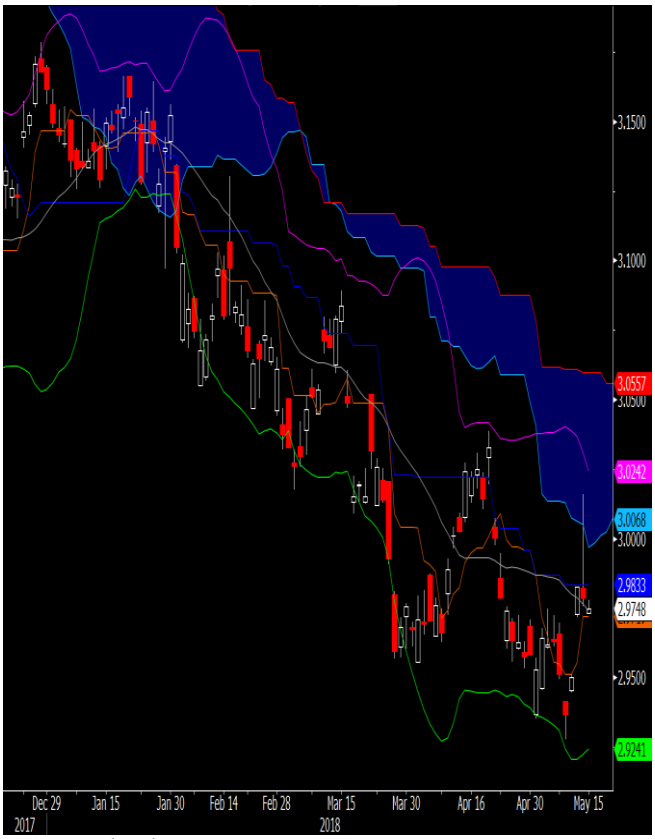
Indicative AUDUSD 0.7532



Source: Bloomberg

- AUDUSD opened unchanged at 0.7526. **Daily outlook bullish** in anticipation of a softer USD, further supported by continued recovery in market risk sentiment.
- **Weekly and monthly outlook bullish**.
- Expect AUDUSD is likely to extend its recent rebound, with scope to test 0.7565. A break here exposes a move to 0.7613.
- **Continue to expect a potential advance to 0.7613**, otherwise curbed by a close below 0.7507.
- **Key resistances:** 0.7544 (R1), 0.7565 (R2), 0.7580 (R3)
- **Key supports:** 0.7518 (S1), 0.7507 (S2), 0.7500 (S3)
- **Expected range for the day:** 0.7510 – 0.7570

Indicative AUDMYR 2.9748

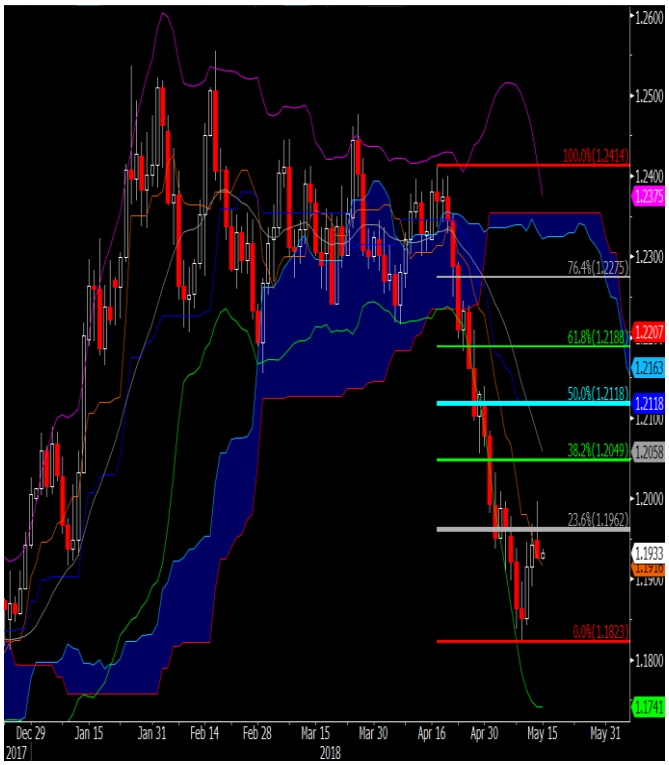


Source: Bloomberg

- AUDMYR opened 52pips lower at 2.9734. **Daily outlook slightly bearish**, weighed down by a firmer MYR on the back of improved market sentiment.
- **Weekly and monthly outlook bullish**.
- We maintain that direction going forward remains up, with scope to test 2.9833. Above this, bullish bias will strength and lift AUDMYR further to test 2.9959.
- **Expect a potential climb to 2.9959**, otherwise curbed by a close below 2.9700.
- **Key resistances:** 2.9788 (R1), 2.9833 (R2), 2.9868 (R3)
- **Key supports:** 2.9742 (S1), 2.9719 (S2), 2.9700 (S3)
- **Expected range for the day:** 2.9700 – 2.9820

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

Indicative EURUSD 1.1933

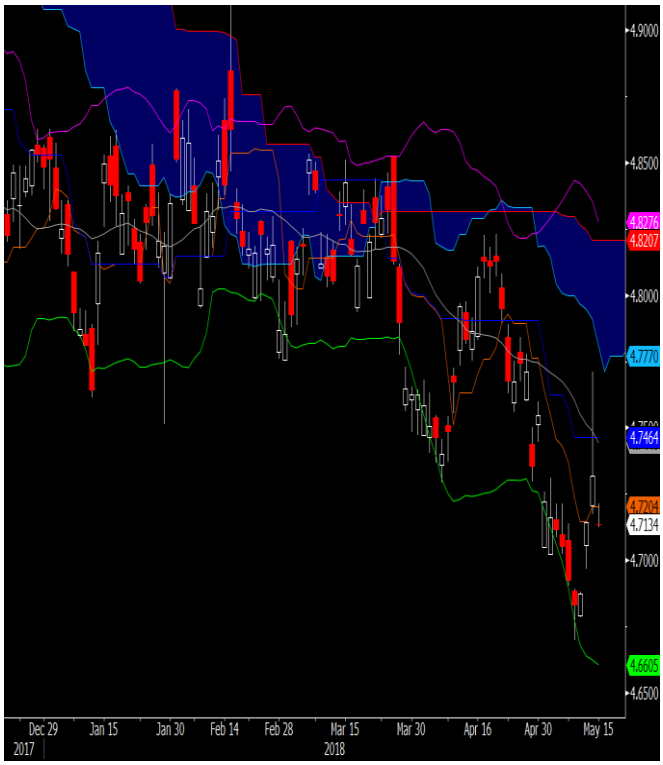


Source: Bloomberg

- EURUSD opened unchanged at 1.1927. **Daily outlook bullish**, anticipating a softer USD; upside surprises in Eurozone data will drive firmer gains.
- **Weekly and monthly outlook bullish**.
- We continue to eye a technical rebound in EURUSD, looking for a climb above 1.1962 and target 1.2049. Direction thereafter will depend on whether 1.2049 is firmly broken.
- **Continue to expect a potential advance to 1.2049**, otherwise curbed by a close below 1.1914.
- **Key resistances:** 1.1950 (R1), 1.1962 (R2), 1.2000 (R3)
- **Key supports:** 1.1916 (S1), 1.1900 (S2), 1.1885 (S3)
- **Expected range for the day:** 1.1910 – 1.1990

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

Indicative EURMYR 4.7134



Source: Bloomberg

- EURMYR opened barely changed at 4.7136. **Daily outlook slightly bullish** in anticipation of a firmer EUR going into European trade.
- **Weekly and monthly outlook bullish**.
- A minor bullish trend continues to prevail, suggesting a close above 4.7319 going forward. There is room to test 4.7442, above which EURMYR will be looking to mount a challenge at 4.7808.
- **Expect a potential climb to 4.7442**, otherwise curbed by a close above 4.7026.
- **Key resistances:** 4.7204 (R1), 4.7319 (R2), 4.7464 (R3)
- **Key supports:** 4.7100 (S1), 4.7086 (S2), 4.7025 (S3)
- **Expected range for the day:** 4.7090 – 4.7360

Hong Leong Bank Berhad
Fixed Income & Economic Research, Global Markets
Level 8, Hong Leong Tower
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.