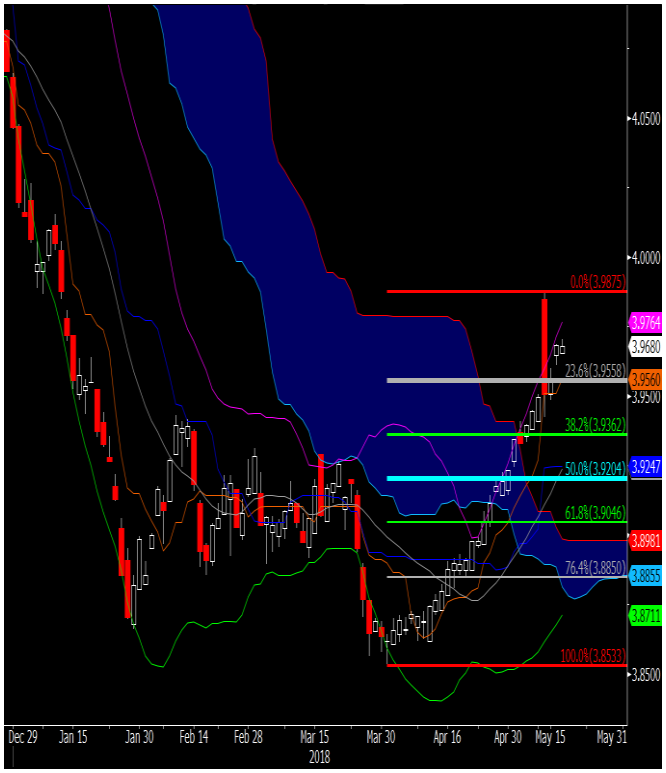
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

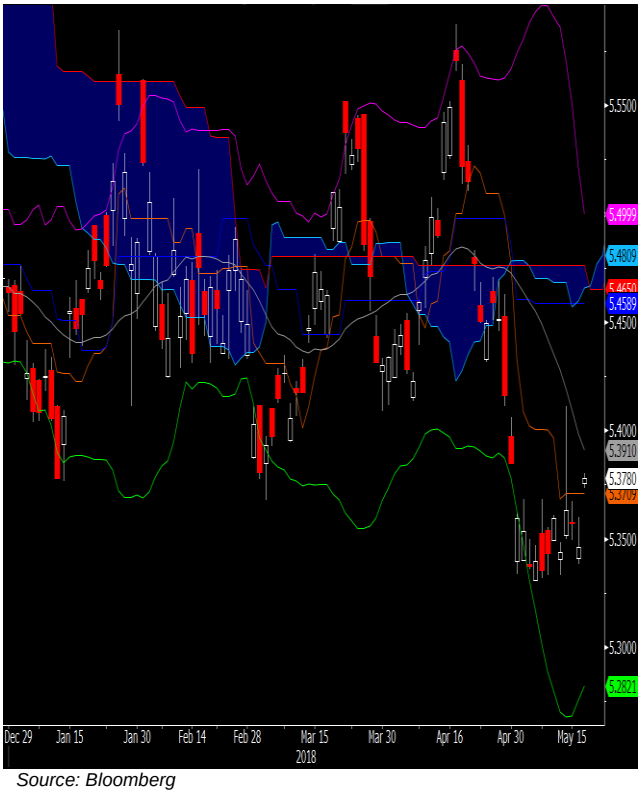
Indicative USDMYR 3.9680



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook neutral** with marginal losses as we anticipate a softer USD going into European trade.
- **Weekly outlook bearish, monthly outlook bullish**.
- We maintain the view that continued failure to break the upper Bollinger (now at 3.9767) is to us a sign that bulls could not sustain further gains, thus, a reversal is likely going forward.
- **Key resistances:** 3.9700 (R1), 3.9720 (R2), 3.9750 (R3)
- **Key supports:** 3.9665 (S1), 3.9620 (S2), 3.9600 (S3)
- **Expected range for the day:** 3.9610 – 3.9705

Indicative GBPMYR 5.3780

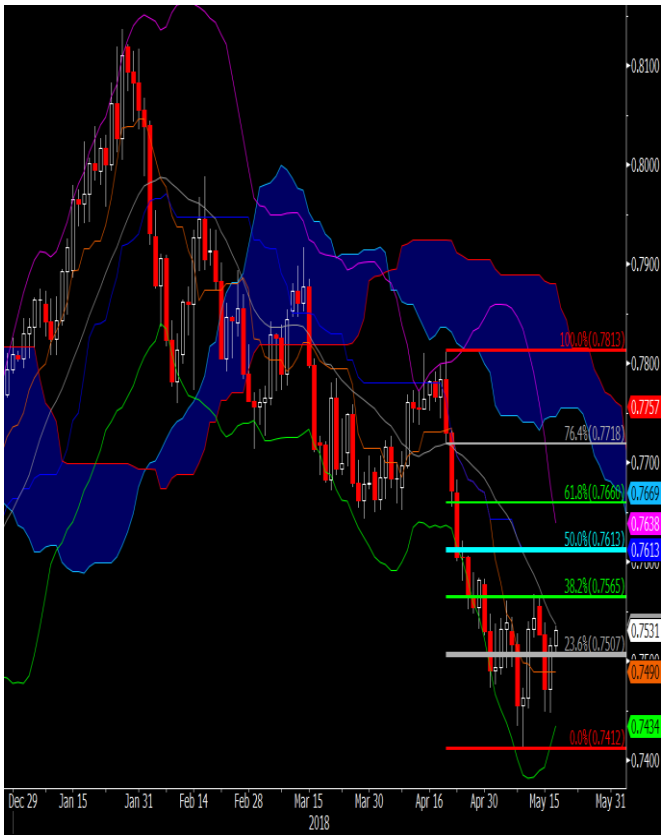


Source: Bloomberg

- GBPMYR opened 296pips higher at 5.3756 today. **Daily outlook bullish**, lifted by the sharply higher opening and potentially firmer GBP in European session.
- **Weekly and monthly outlook bullish**.
- A mild upside momentum has emerged, providing a lift to GBPMYR. Expect the pair to test 5.3910 next, above which there may be increased bullish strength to challenge 5.4369.
- **Continue to expect a potential advance to 5.3947**, otherwise curbed by a close below 5.3675.
- **Key resistances**: 5.3800 (R1), 5.3843 (R2), 5.3909 (R3)
- **Key supports**: 5.3709 (S1), 5.3675 (S2), 5.3602 (S3)
- **Expected range for the day:** 5.3710 – 5.3910

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

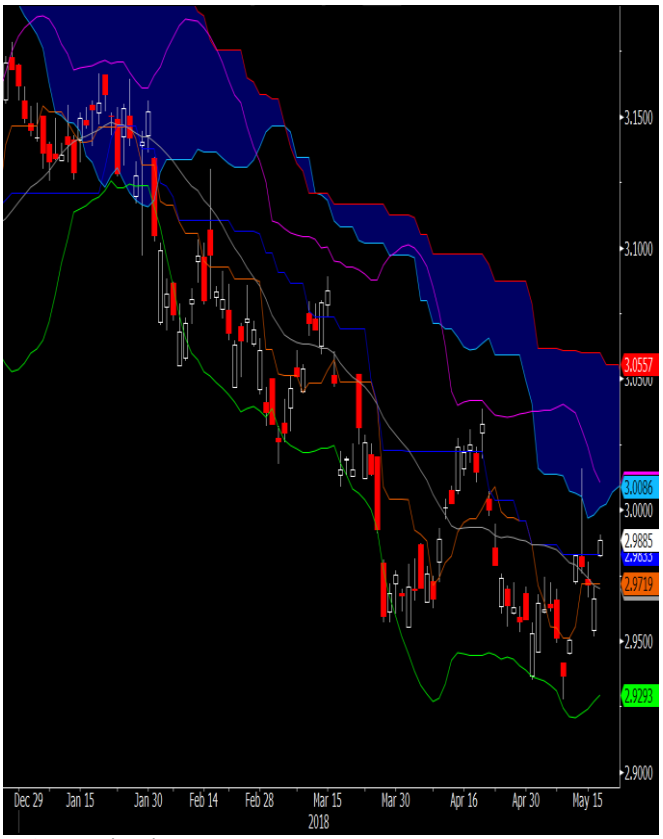
Indicative AUDUSD 0.7531



Source: Bloomberg

- AUDUSD opened unchanged at 0.7516. **Daily outlook bullish**, supported by firmer Australia labour market data and improved risk appetite in the markets.
- **Weekly and monthly outlook bullish**.
- Caution that a dismal set of Australia labour market data will quickly eliminate overnight gains. Recapturing 0.7507 helps the bulls but unless 0.7565 can be broken, AUDUSD remains vulnerable to the downside and could potentially close below 0.7472 by early next week.
- **Key resistances:** 0.7550 (R1), 0.7565 (R2), 0.7588 (R3)
- **Key supports:** 0.7507 (S1), 0.7500 (S2), 0.7490 (S3)
- **Expected range for the day:** 0.7500 – 0.7565

Indicative AUDMYR 2.9885

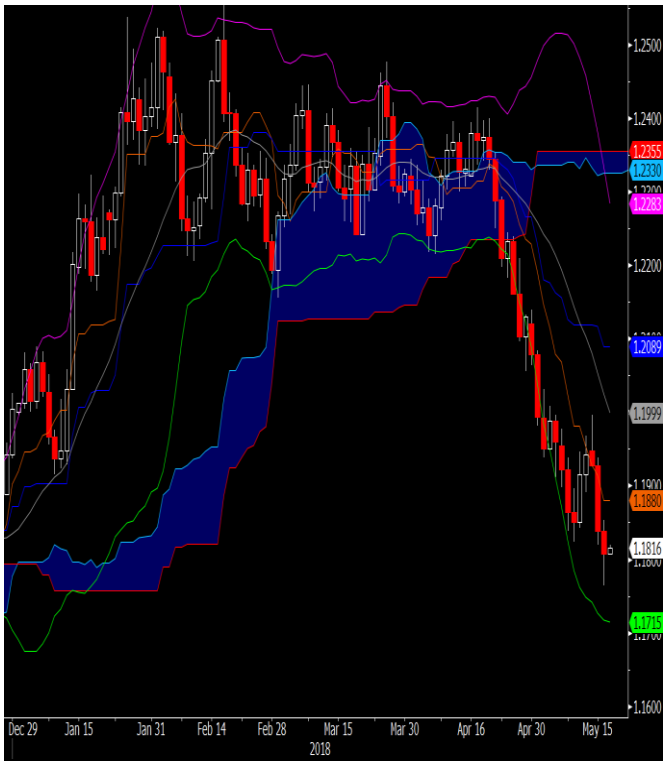


Source: Bloomberg

- AUDMYR opened 164pips higher at 2.9827. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- With upside momentum rising, we maintain that direction going forward remains up, and now has scope to test 3.0010 in the next leg higher.
- **Continue to expect a potential climb to 2.9959**.
- **Key resistances:** 2.9900 (R1), 2.9941 (R2), 3.0010 (R3)
- **Key supports:** 2.9850 (S1), 2.9833 (S2), 2.9800 (S3)
- **Expected range for the day:** 2.9810 – 2.9980

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

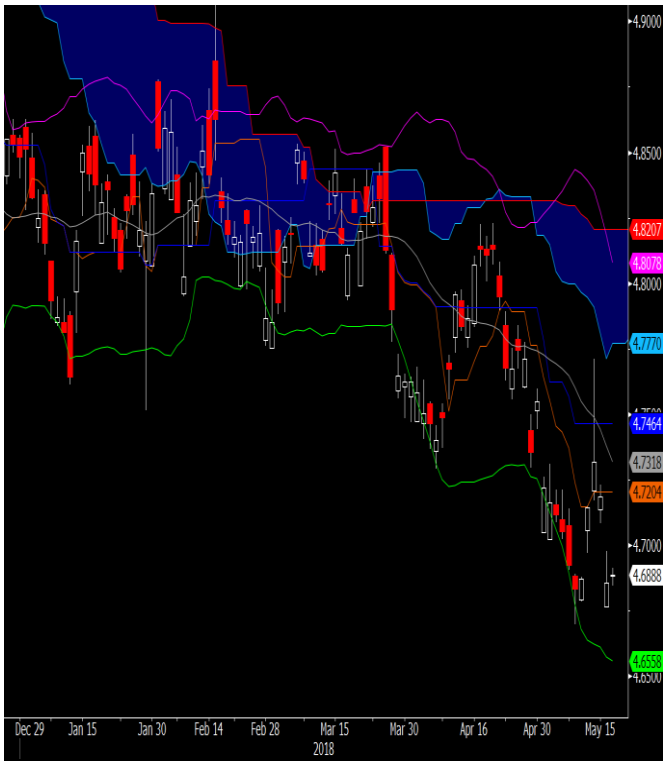
Indicative EURUSD 1.1816



Source: Bloomberg

- EURUSD opened unchanged at 1.1807. **Daily outlook slightly bullish** as we suspect a mild rebound to form after recent losses.
- **Weekly outlook bearish, monthly outlook bullish**.
- EURUSD is still in a minor bearish trend, but seeing how 1.1800 was recaptured despite after making early losses overnight, we suspect a mild rebound could be in the works today. Gains are likely limited to below 1.1856.
- **Key resistances:** 1.1858 (R1), 1.1880 (R2), 1.1907 (R3)
- **Key supports:** 1.1800 (S1), 1.1785 (S2), 1.1764 (S3)
- **Expected range for the day:** 1.1790 – 1.1850

Indicative EURMYR 4.6888



Source: Bloomberg

- EURMYR opened 28pips higher at 4.6883. **Daily outlook slightly bullish** in anticipation of potentially firmer EUR in European session.
- **Weekly outlook bearish, monthly outlook bullish**.
- Technical signals remain contradictory; resistance to further declines was met with firmer downside momentum and sustained minor bullish trend. We still opine that the immediate direction is down, unless EURMYR manages to recapture above 4.7144 today, which at this juncture looks very difficult.
- **Key resistances:** 4.6909 (R1), 4.6938 (R2), 4.6980 (R3)
- **Key supports:** 4.6855 (S1), 4.6832 (S2), 4.6800 (S3)
- **Expected range for the day:** 4.6840 – 4.6980

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

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.