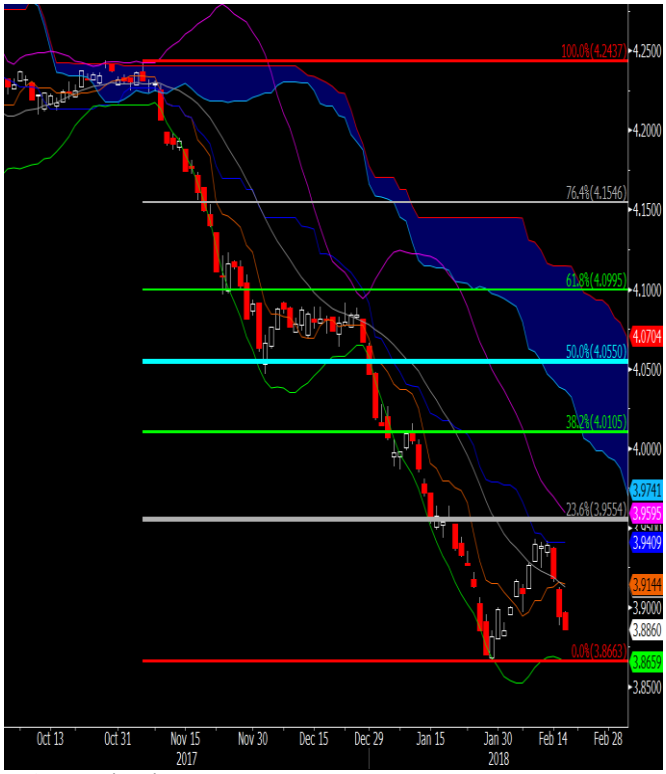
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

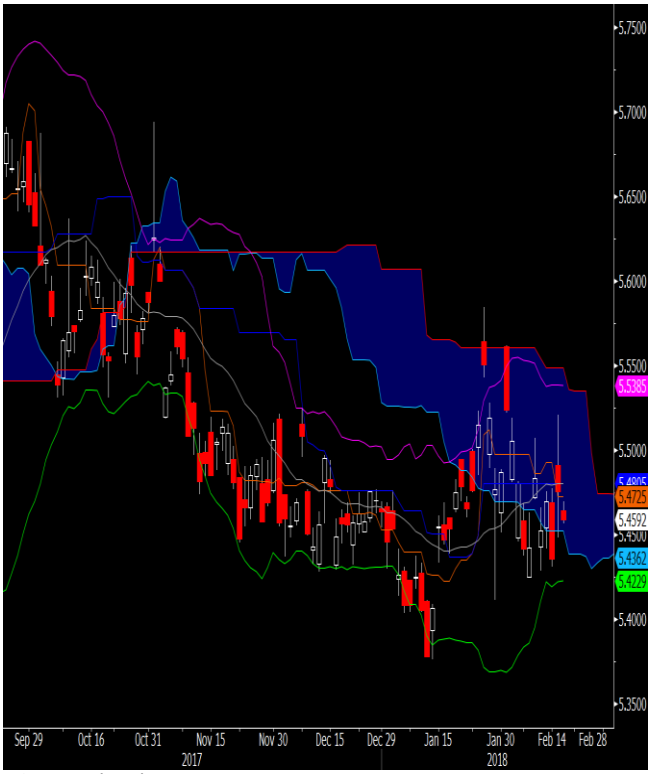
Indicative USDMYR 3.8860



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook bearish** as we anticipate renewed buying interest in MYR as Malaysia market reopens.
- **Weekly outlook bearish, monthly outlook neutral**.
- USDMYR remains weighed down by continued retreat in momentum. There is room for the pair to slide to 3.8663 going forward, below which 3.8471 will be targeted. Caution that continued failure to beat 3.8663 will likely encourage a rebound.
- **USDMYR is now unlikely to climb to 3.9554**.
- **Key resistances:** 3.8896 (R1), 3.8950 (R2), 3.8972 (R3)
- **Key supports:** 3.8855 (S1), 3.8820 (S2), 3.8800 (S3)
- **Expected range for the day:** 3.8800 – 3.8980

Indicative GBPMYR 5.4592

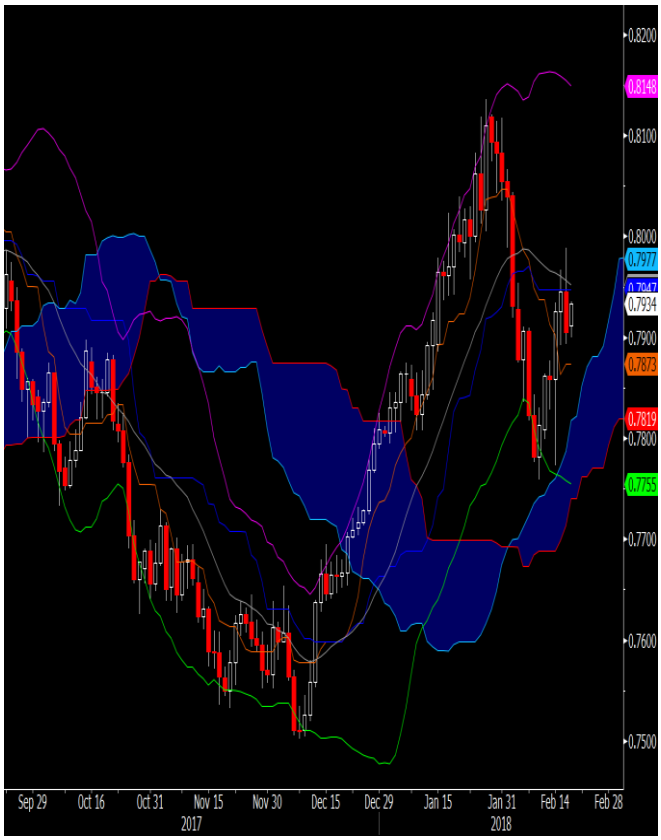


Source: Bloomberg

- GBPMYR opened 112pips lower at 5.4643. **Daily outlook slightly bearish**, weighed down by the sharply lower opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- GBPMYR remains technically bearish after dropping below 5.4807 in the previous trading session. Weakness will accelerate if GBPMYR closes below 5.4524, which will push the pair towards 5.4068 going forward.
- **Continue to expect potential decline to 5.4068**, unless the pair closes above 5.4805.
- **Key resistances**: 5.4633 (R1), 5.4683 (R2), 5.4725 (R3)
- **Key supports**: 5.4550 (S1), 5.4515 (S2), 5.4500 (S3)
- **Expected range for the day:** 5.4550 – 5.4700

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

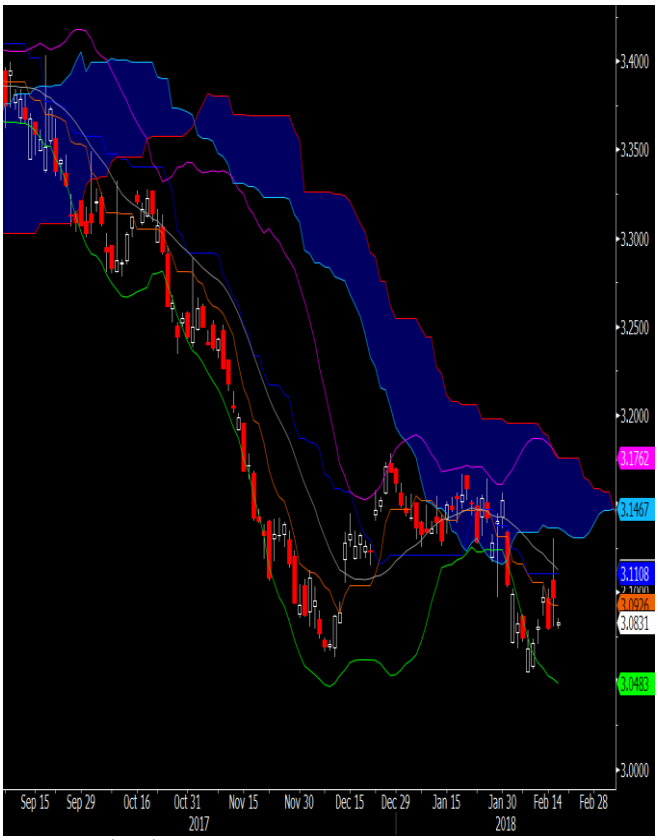
Indicative AUDUSD 0.7934



Source: Bloomberg

- AUDUSD opened 7pips higher at 0.7912. **Daily outlook bullish** on the back of a soft USD.
- **Weekly outlook bullish, monthly outlook bearish**.
- AUDUSD looks likely to close above 0.7945 going forward but we caution that another rejection at 0.7986 will send the pair back to 0.7894 or even below.
- **Key resistances:** 0.7945 (R1), 0.7967 (R2), 0.7988 (R3)
- **Key supports:** 0.7900 (S1), 0.7891 (S2), 0.7884 (S3)
- **Expected range for the day:** 0.7900 – 0.7960

Indicative AUDMYR 3.0831

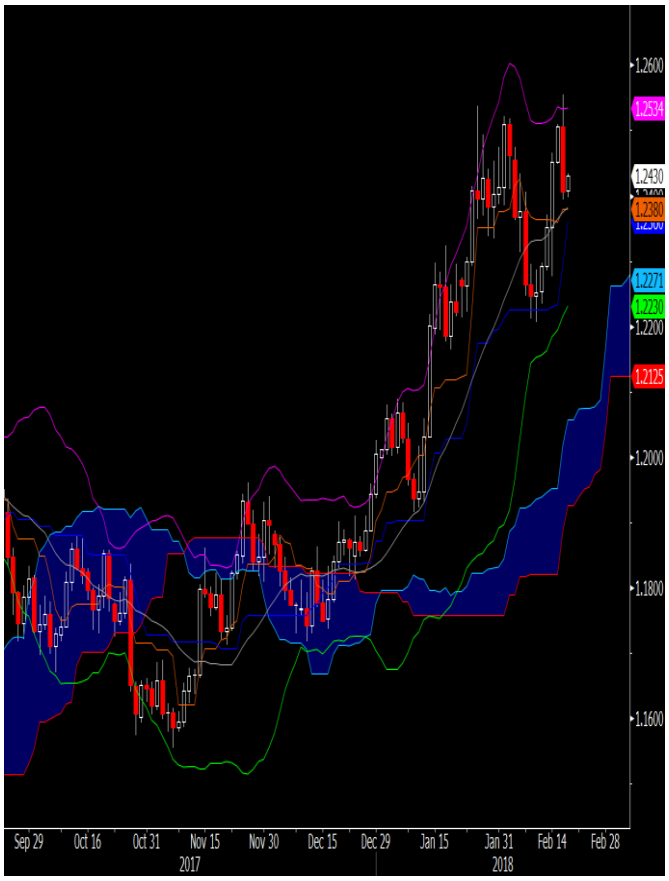


Source: Bloomberg

- AUDMYR opened 159pips lower at 3.0814. **Daily outlook slightly bullish**, in anticipation of a rebound in AUD amid firmer risk appetite.
- **Weekly outlook bullish, monthly outlook bearish**.
- AUDMYR has recently initiated a minor uptrend pattern, suggesting a potential close above 3.0973 in the coming days. But unless the pair closes above 3.1108, we maintain that current upsides are unlikely to sustain.
- **Continue to expect a potential decline to 3.0631**, otherwise curbed by a close above 3.1056.
- **Key resistances:** 3.0865 (R1), 3.0926 (R2), 3.1056 (R3)
- **Key supports:** 3.0800 (S1), 3.0734 (S2), 3.0684 (S3)
- **Expected range for the day:** 3.0750 – 3.1000

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

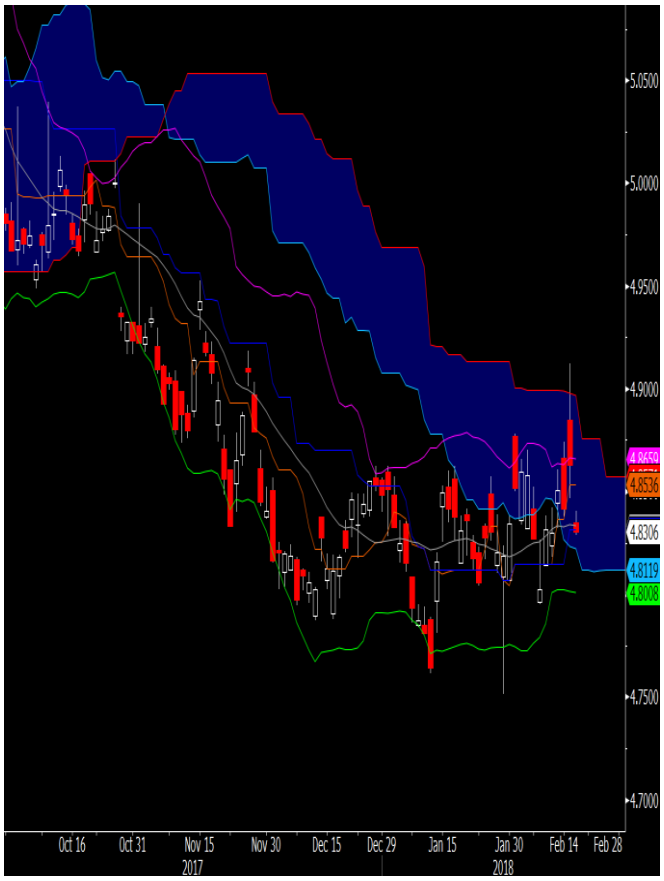
Indicative EURUSD 1.2430



Source: Bloomberg

- EURUSD opened slightly higher at 1.2408. **Daily outlook bullish** on the back of a soft USD.
- **Weekly outlook bullish, weekly outlook bearish**.
- EURUSD could potentially climb above 1.2506 in the next couple of days but upsides thereafter may be more subdued unless it manages to close above 1.2555.
- **Key resistances:** 1.2457 (R1), 1.2485 (R2), 1.2500 (R3)
- **Key supports:** 1.2400 (S1), 1.2380 (S2), 1.2360 (S3)
- **Expected range for the day:** 1.2400 – 1.2475

Indicative EURMYR 4.8306



Source: Bloomberg

- EURMYR opened 278pips lower at 4.8350. **Daily outlook bearish**, weighed down the sharply lower opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- Upside momentum has diminished, limiting EURMYR's advances going forward. Failure to close above 4.8333 today will add further pressure on EURMYR, potentially pushing it lower to 4.8170.
- **Key resistances:** 4.8334 (R1), 4.8386 (R2), 4.8400 (R3)
- **Key supports:** 4.8265 (S1), 4.8218 (S2), 4.8170 (S3)
- **Expected range for the day:** 4.8260 – 4.8405

** 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, 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.