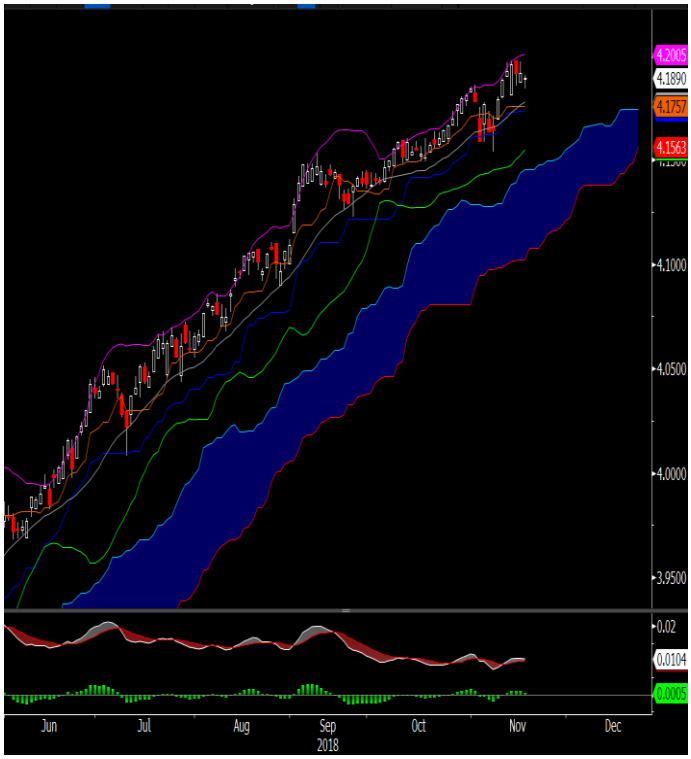
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1905



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook neutral with a slight bearish bias** on the back of a soft USD. Downside however will likely be capped by subdued buying interest ahead of Malaysian market closure tomorrow.
- **Weekly and monthly outlook bullish**.
- Price-momentum divergence is taking shape but Friday's closing above 4.1880 suggests USDMYR still has room to test higher levels before heading down to 4.1800 in the next leg lower.
- **Key resistances:** 4.1925 (R1), 4.1950 (R2), 4.1990 (R3)
- **Key supports:** 4.1880 (S1), 4.1855 (S2), 4.1820 (S3)
- **Expected range for the day:** 4.1842 – 4.1920

Indicative GBPMYR 5.3795

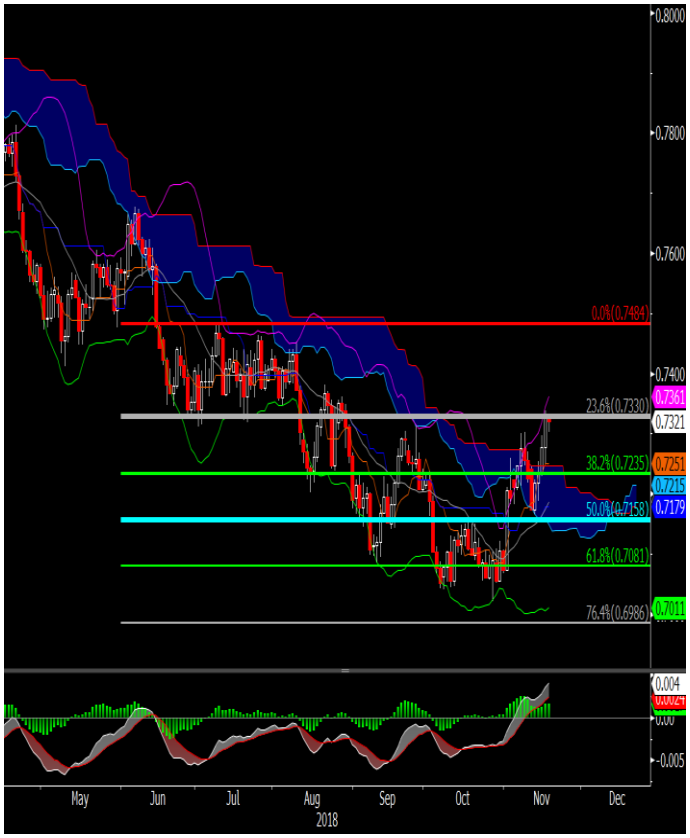


Source: Bloomberg

- GBPMYR opened 197pips higher at 5.3798 today. **Daily outlook bullish** lifted by a higher opening but expect gains to be narrowed going into European session in anticipation of extended GBP weakness.
- **Weekly outlook bearish, monthly outlook bullish**.
- GBPMYR remains technically bearish and negative momentum is increasing, reinforcing the case for further downward move.
- **Expect a potential decline to 5.3240**, otherwise curbed by a c lose above 5.3750
- **Key resistances**: 5.3813 (R1), 5.3855 (R2), 5.3917 (R3)
- **Key supports**: 5.3687 (S1), 5.3601 (S2), 5.3501 (S3)
- **Expected range for the day:** 5.3680 – 5.3850

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

Indicative AUDUSD 0.7318

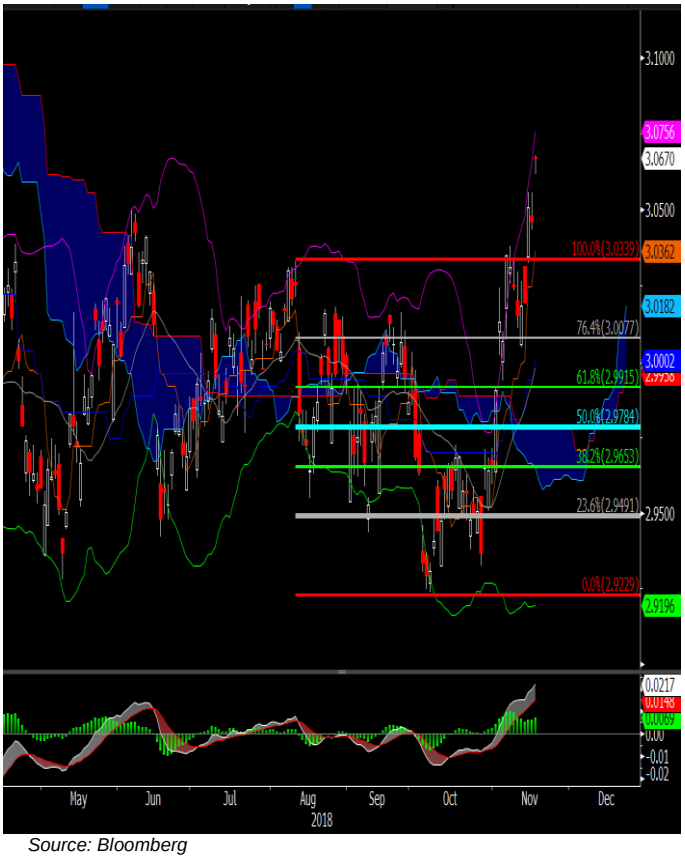


Source: Bloomberg

- AUDUSD opened 7pips lower at 0.7325 today. **Daily outlook slightly bullish**, boosted by improving risk sentiments in the market.
- **Weekly and monthly outlook bullish**.
- AUDUSD remains biased to the upside, back by a close above 0.7271 and firmer upward momentum. AUDUSD has breached our target of 0.7315, closing at 0.7332 last Friday. A close above 0.7330 today is expected to strengthen the case for further climb in the pair, to probably 0.7353. otherwise, expect a decline to 0.7254.
- **Key resistances:** 0.7338 (R1), 0.7351 (R2), 0.7365 (R3)
- **Key supports:** 0.7310 (S1), 0.7288 (S2), 0.7204 (S3)
- **Expected range for the day:** 0.7300 – 0.7340

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

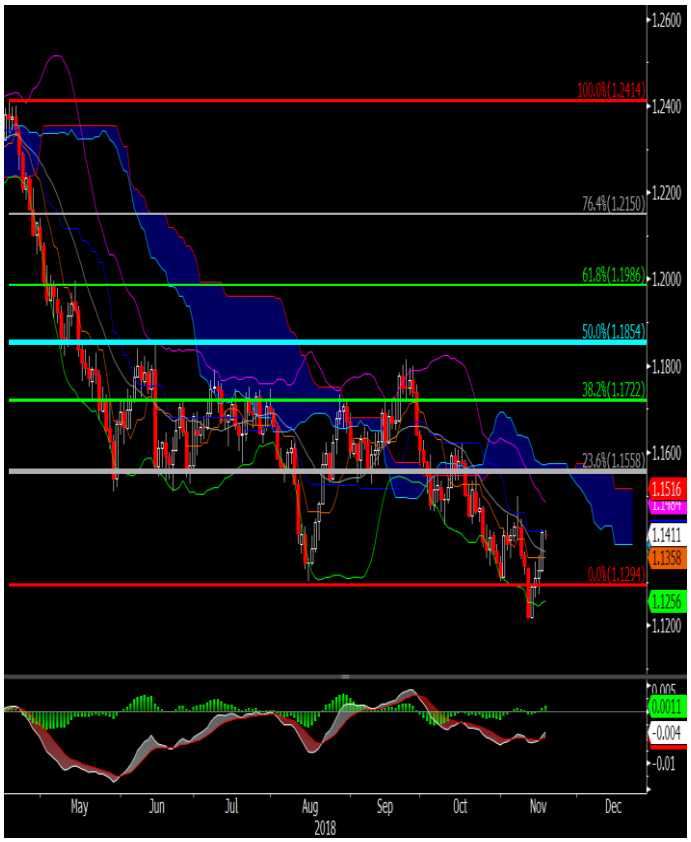
Indicative AUDMYR 3.0658



Source: Bloomberg

- AUDMYR opened 211pips higher at 3.0673 today. **Daily outlook bullish**, spurred by a much higher opening as well as bullishness in the Aussie amid better risk apeptite.
- **Weekly and monthly outlook bullish**.
- With a bearish pattern lingering (rising wedge), we continue to caution that AUDMYR is at risk over a reversal lower going forward, more so if it continues to shy away from upper Bollinger.
- **Expect a potential decline to 3.0246**, otherwise curbed by a close above 3.0661.
- **Key resistances:** 3.0676 (R1), 3.0713 (R2), 3.0750 (R3)
- **Key supports:** 3.0608 (S1), 3.0545 (S2), 3.0508 (S3)
- **Expected range for the day:** 3.0610 – 3.0700

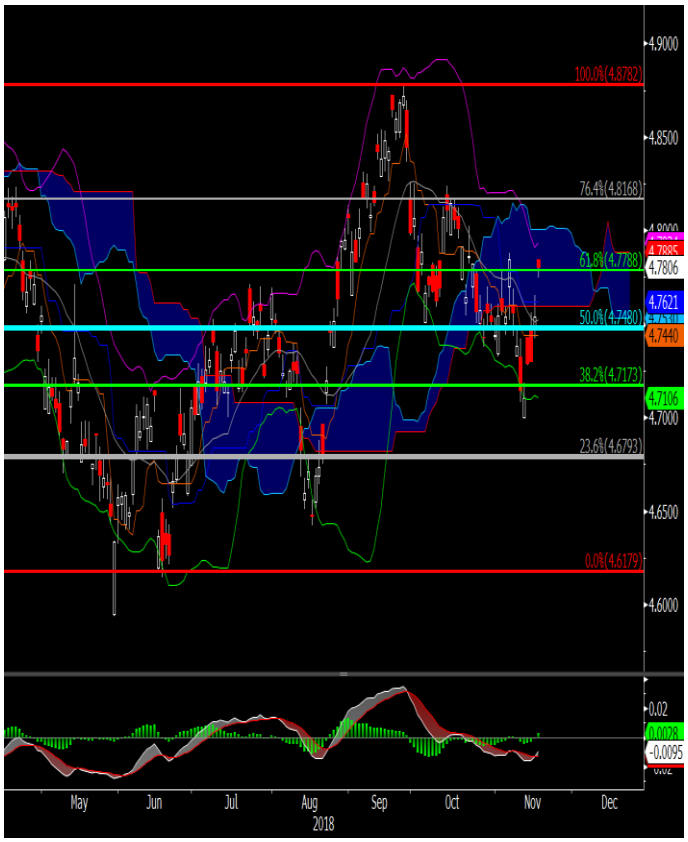
Indicative EURUSD 1.1409



Source: Bloomberg

- EURUSD opened slightly lower at 1.1411 today. **Daily outlook slightly bullish** on the back of a softer greenback, further supported by diverging comments from the Fed and ECB.
- **Weekly and monthly outlook bullish**.
- EURUSD has overturned its recent bearish trend and is on track to climb higher. Bullishness in the pair is gaining grounds and we expect the pair to target 1.1429 next.
- **Key resistances:** 1.1426 (R1), 1.1446 (R2), 1.1471 (R3)
- **Key supports:** 1.1374 (S1), 1.1347 (S2), 1.1327 (S3)
- **Expected range for the day:** 1.1380 – 1.1430

Indicative EURMYR 4.7815



Source: Bloomberg

- EURMYR opened 310pips higher at 4.7847 today. **Daily outlook bullish**, lifted by the sharply higher opening and potential for further EUR upsides.
- **Weekly and monthly outlook bullish**.
- EURMYR remains inclined to the upside, after surpassing our target of 4.7621 and breaching resistance at 4.7788 at time of wiring.
- **Continue to expect a potential advance to 4.7621**, otherwise curbed by a close below 4.7440.
- **Key resistances:** 4.7845 (R1), 4.7862 (R2), 4.7903 (R3)
- **Key supports:** 4.7788 (S1), 4.7758 (S2), 4.7700 (S3)
- **Expected range for the day:** 4.7720 – 4.7860

** 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.