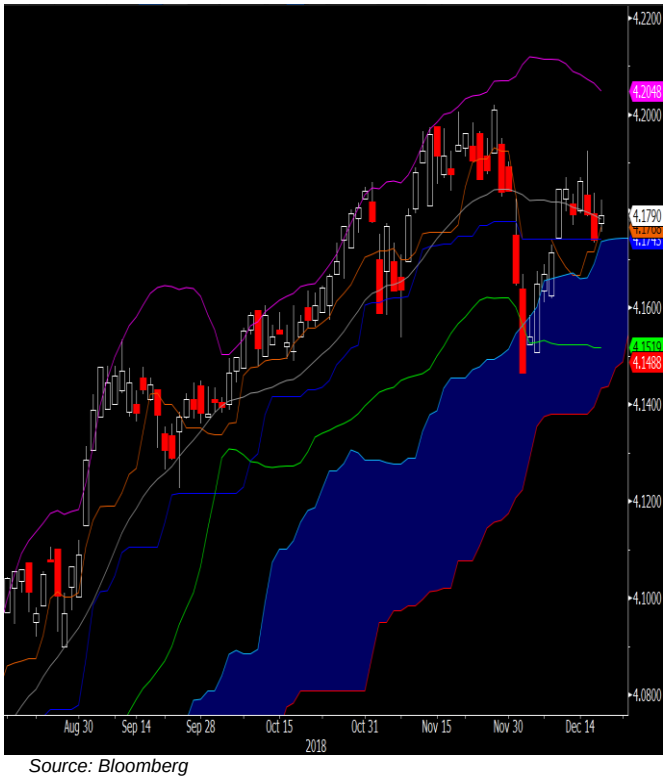
HongLeong Bank

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

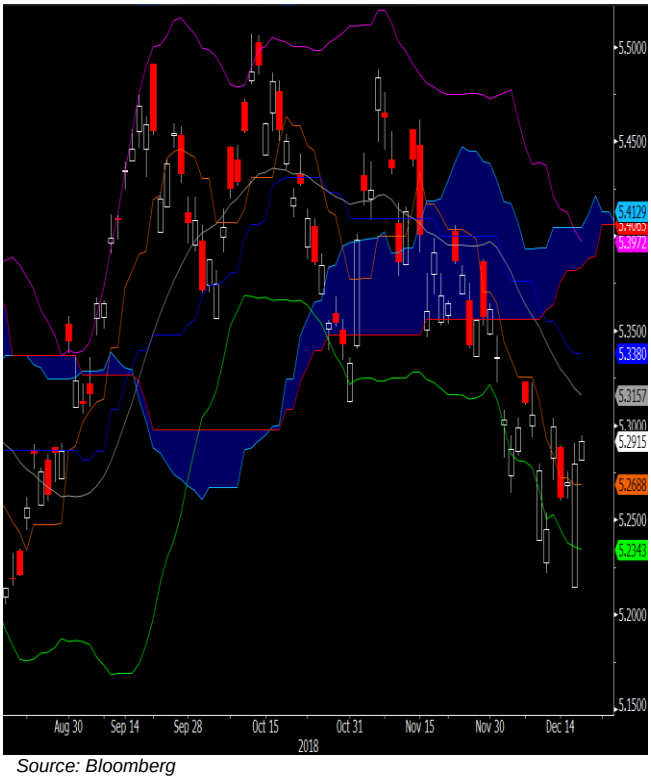
Indicative USDMYR 4.1790



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook neutral**, with room for slight losses as USD is likely to retreat heading into FOMC policy decision.
- **Weekly and monthly outlook bearish**.
- Technically, we note that upside bias continues to weaken and caution that USDMYR could be on its way to completing a bearish chart pattern. Expect a potential test at 4.1690 – 4.1700 soon.
- **Key resistances:** 4.1800 (R1), 4.1825 (R2), 4.1845 (R3)
- **Key supports:** 4.1770 (S1), 4.1740 (S2), 4.1725 (S3)
- **Expected range for the day:** 4.1720 – 4.1820

Indicative GBPMYR 5.2915

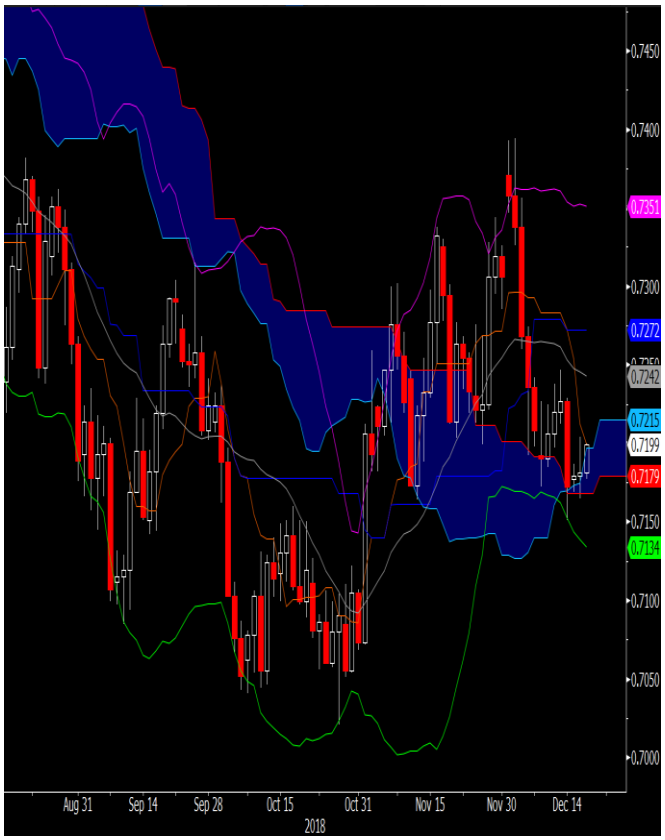


Source: Bloomberg

- GBPMYR opened 19pips higher at 5.2818 today. **Daily outlook bullish** as we expect a firmer GBP going into European session.
- **Weekly and monthly outlook bullish**.
- We maintain that GBPMYR has completed a bullish chart pattern, while downward momentum continues to recede. There is room for a reversal higher going forward.
- **Continue to expect a potential advance to 5.3000**.
- **Key resistances**: 5.2950 (R1), 5.3000 (R2), 5.3040 (R3)
- **Key supports**: 5.2898 (S1), 5.2836 (S2), 5.2800 (S3)
- **Expected range for the day:** 5.2815 – 5.3000

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

Indicative AUDUSD 0.7199

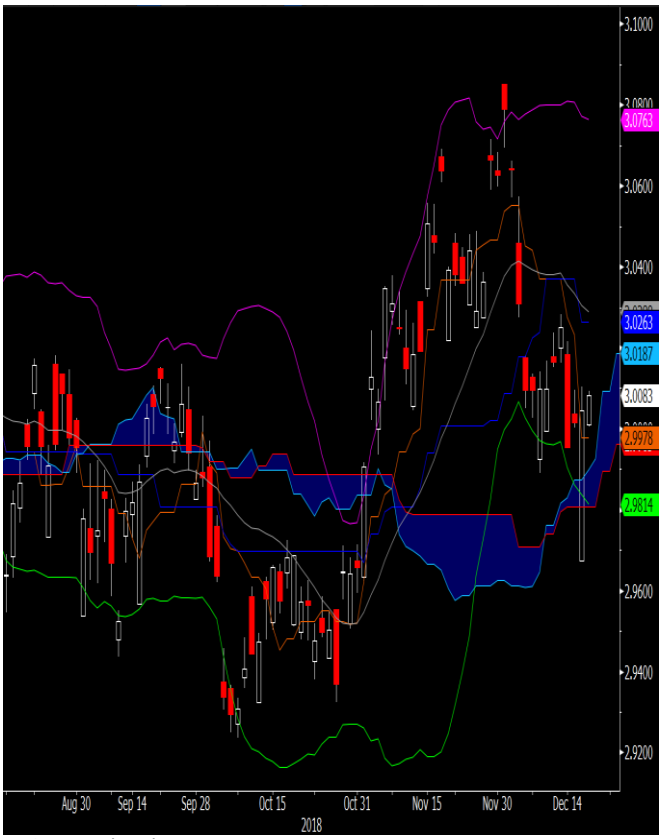


Source: Bloomberg

- AUDUSD opened unchanged at 0.7181 today. **Daily outlook bearish** in anticipation of continued risk-off in the markets ahead of FOMC policy decision.
- **Weekly and monthly outlook bearish**.
- We continue to set sights on AUDUSD losing 0.7168 that would push it lower to circa 0.7143. Below this, there is a chance to revising circa 0.7085.
- **Continue to expect a potential decline to 0.7140**, otherwise curbed by a close above 0.7227.
- **Key resistances:** 0.7212 (R1), 0.7227 (R2), 0.7242 (R3)
- **Key supports:** 0.7188 (S1), 0.7168 (S2), 0.7151 (S3)
- **Expected range for the day:** 0.7150 – 0.7205

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

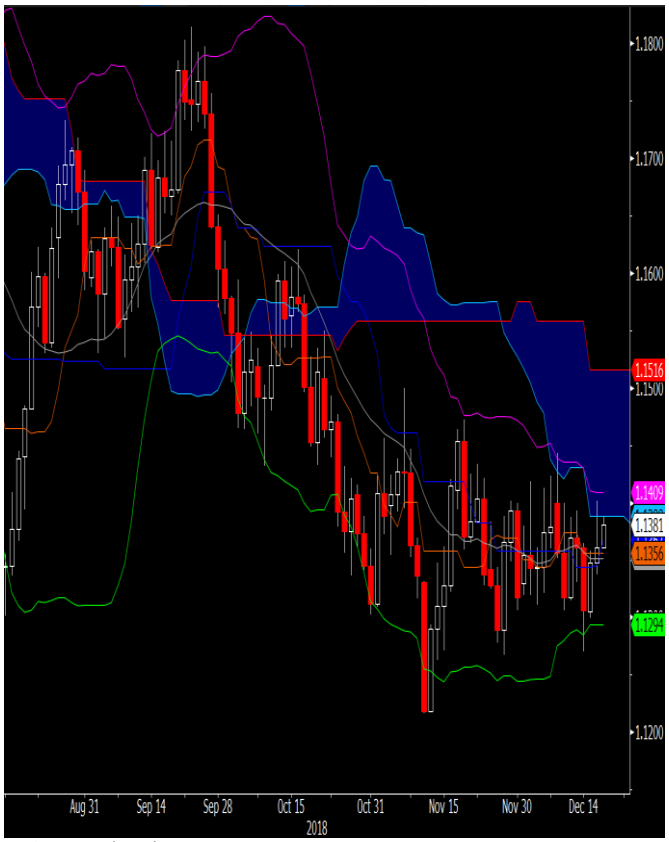
Indicative AUDMYR 3.0083



Source: Bloomberg

- AUDMYR opened 35pips lower at 3.0009 today. **Daily outlook slightly bearish** in anticipation of weak risk sentiment pressuring AUD to overturn early gains.
- **Weekly and monthly outlook bearish**.
- Firmer downward momentum and a bearish bias continue to prevail. AUDMYR is inclined to the downside and likely to break below 3.0000 again going forward.
- **Continue expect another potential decline to 2.9800**, otherwise curbed by a close above 3.0170.
- **Key resistances:** 3.0102 (R1), 3.0150 (R2), 3.0173 (R3)
- **Key supports:** 3.0051 (S1), 3.0000 (S2), 2.9978 (S3)
- **Expected range for the day:** 2.9995 – 3.0100

Indicative EURUSD 1.1381

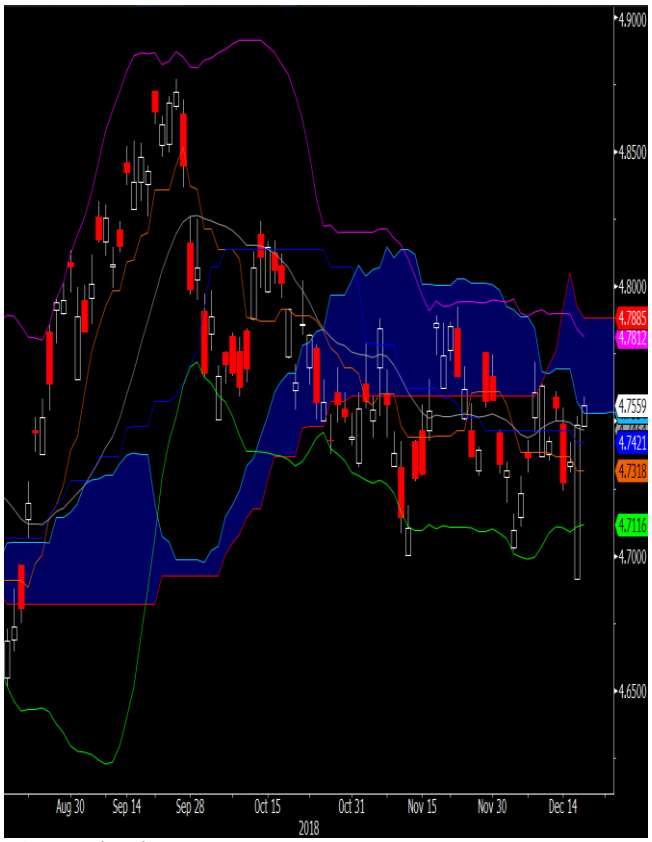


Source: Bloomberg

- EURUSD opened unchanged at 1.1361 today. **Daily outlook bullish** in line with our view of a softer USD.
- **Weekly and monthly outlook bullish**.
- EURUSD expectedly retook 1.1367. Above this, EURUSD is exposed to a move to 1.1388 – 1.1402; failure here will condemn the pair to another decline to 1.1285 – 1.1293, otherwise, expect a break at 1.1434 and thus completion of a bullish chart pattern that targets 1.1570.
- **Continue to expect a potential advance to 1.1410**.
- **Key resistances:** 1.1388 (R1), 1.1402 (R2), 1.1410 (R3)
- **Key supports:** 1.1367 (S1), 1.1356 (S2), 1.1322 (S3)
- **Expected range for the day:** 1.1360 – 1.1450

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

Indicative EURMYR 4.7559



Source: Bloomberg

- EURMYR opened 6pips lower at 4.7481 today. **Daily outlook bullish** in anticipation of a firmer EUR in European session.
- **Weekly and monthly outlook bullish**.
- EURMYR still sustains a bullish bias, further supported by improving upward momentum. We continue to set sights on a test circa 4.7885 – 4.7900 going forward.
- **Continue to expect a potential advance to 4.7650**.
- **Key resistances:** 4.7639 (R1), 4.7754 (R2), 4.7814 (R3)
- **Key supports:** 4.7530 (S1), 4.7465 (S2), 4.7421 (S3)
- **Expected range for the day:** 4.7480 – 4.7500

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.