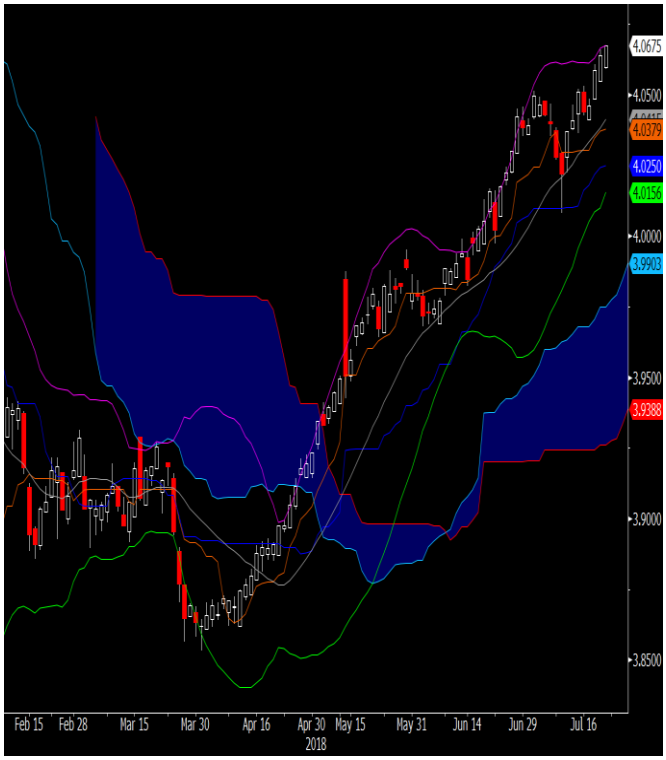
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

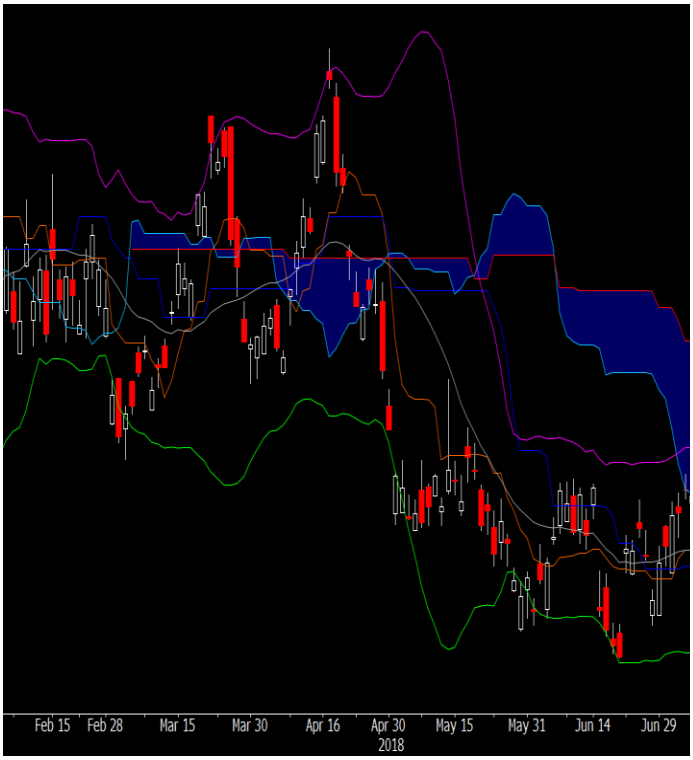
Indicative USDMYR 4.0675



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook neutral** with inclination towards gains amid rising risk aversion going into the week's close.
- **Weekly outlook bullish, monthly outlook bearish**.
- USDMYR remains in a minor bullish trend but even so, risk of reversal still prevails as price and momentum diverges, which could trigger a potential decline to 4.0465.
- **Key resistances:** 4.0685 (R1), 4.0700 (R2), 4.0720 (R3)
- **Key supports:** 4.0662 (S1), 4.0650 (S2), 4.0608 (S3)
- **Expected range for the day:** 4.0590 – 4.0700

Indicative GBPMYR 5.2872

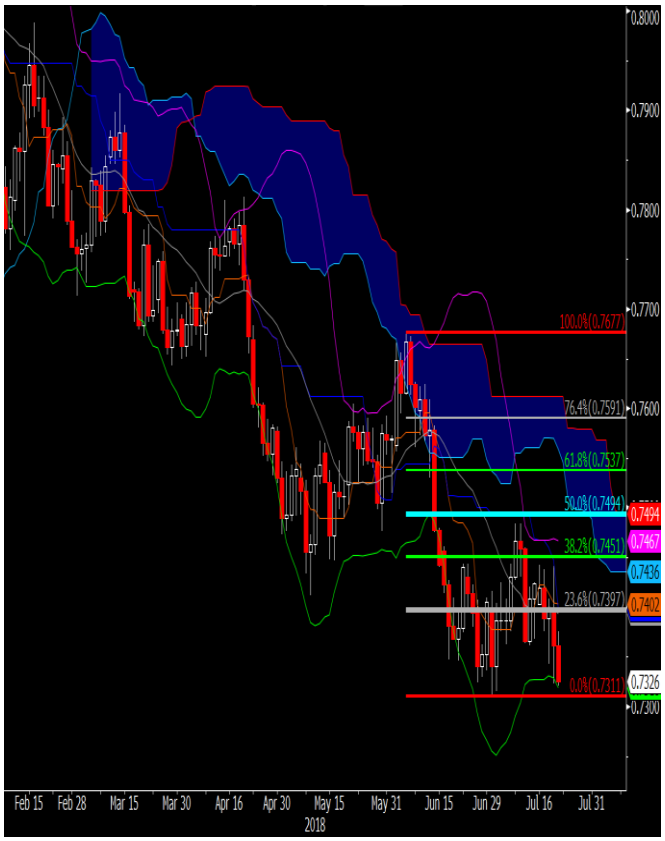


Source: Bloomberg

- GBPMYR opened 20pips higher at 5.2921 today. **Daily outlook slightly bearish**, anticipating further GBP losses going into European session.
- **Weekly outlook bearish, monthly outlook bullish**.
- GBPMYR remains tilted to the downside and, on top of emergence of negative momentum, is now at risk of testing 5.2792 in the next leg lower.
- **Key resistances**: 5.2940 (R1), 5.2985 (R2), 5.3000 (R3)
- **Key supports**: 5.2850 (S1), 5.2833 (S2), 5.2795 (S3)
- **Expected range for the day:** 5.2820 – 5.2980

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

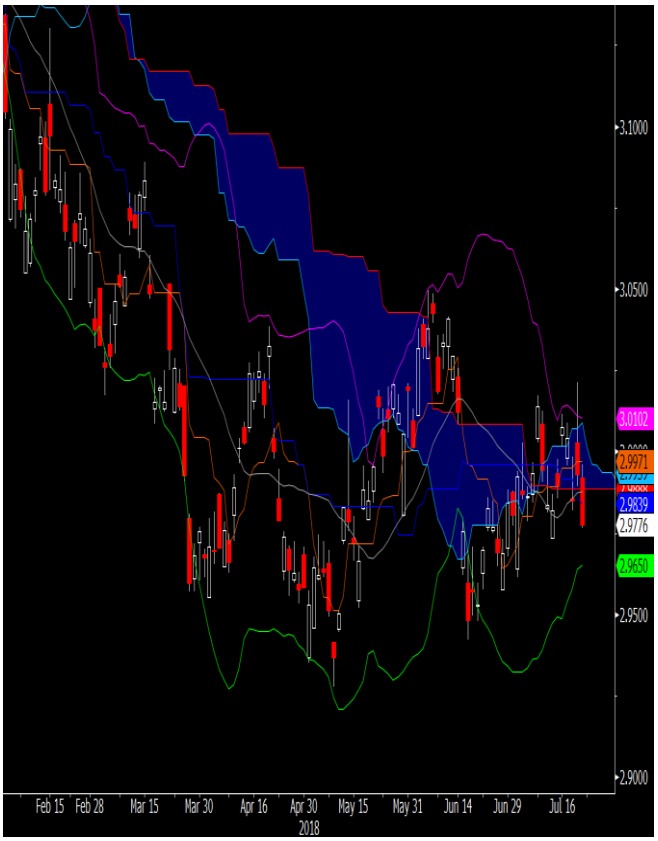
Indicative AUDUSD 0.7326



Source: Bloomberg

- AUDUSD opened unchanged at 0.7361 today. **Daily outlook bearish**, weighed down by renewed risk aversion in the markets.
- **Weekly outlook bearish, monthly outlook bullish**.
- Technical viewpoint now suggests a bearish outlook for AUDUSD after failing to hold above 0.7397. It is now exposed to a drop to 0.7326, below which 0.7267 will be targeted.
- **Key resistances:** 0.7359 (R1), 0.7375 (R2), 0.7397 (R3)
- **Key supports:** 0.7323 (S1), 0.7311 (S2), 0.7300 (S3)
- **Expected range for the day:** 0.7300 – 0.7400

Indicative AUDMYR 2.9776

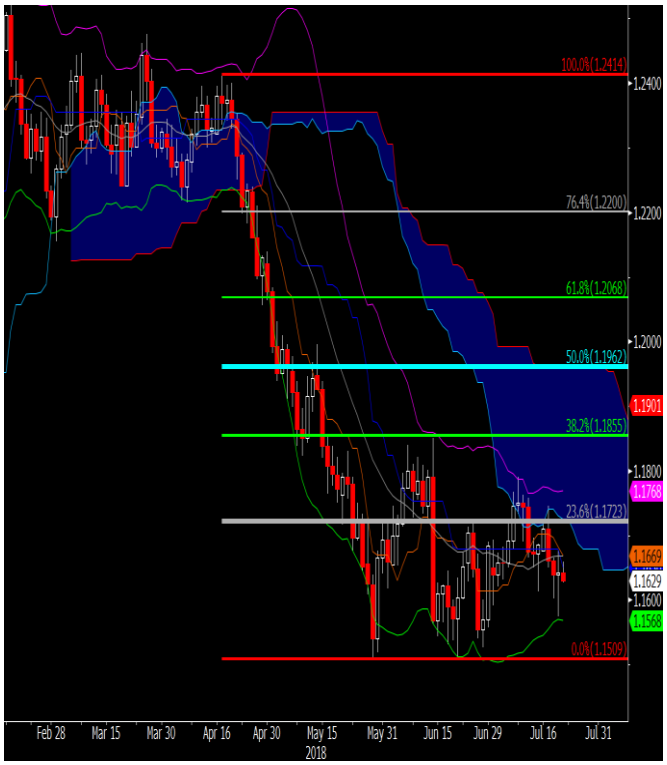


Source: Bloomberg

- AUDMYR opened 20pips lower at 2.9921 today. **Daily outlook bearish**, weighed down by a soft AUD amid receding risk appetite in the markets.
- **Weekly outlook bearish, monthly outlook bullish**.
- AUDMYR is now tilted to the downside after breaking below 2.9888. Closing below this will increase AUDMYR's bearish bias and pose a threat to 2.9660 in the next leg lower.
- **Expect a potential decline to 2.9660**, otherwise curbed by a close above 2.9960.
- **Key resistances:** 2.9888 (R1), 2.9928 (R2), 2.9960 (R3)
- **Key supports:** 2.9839 (S1), 2.9811 (S2), 2.9770 (S3)
- **Expected range for the day:** 2.9760 – 2.9960

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

Indicative EURUSD 1.1629

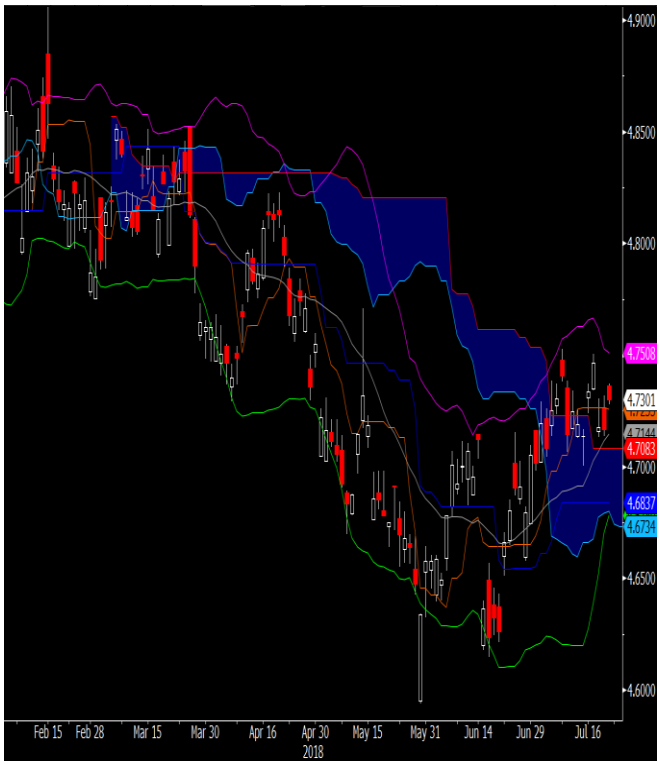


Source: Bloomberg

- EURUSD opened unchanged at 1.1642 today. **Daily outlook slightly bearish** on the back of a firm USD.
- **Weekly outlook bearish, monthly outlook bullish**.
- Bearish trend still suggests a close below 1.1661 by early next week, thus we reckon that rebounds (if any) are likely to be modest. We suspect that EURUSD is nearing completion of a bullish pattern, which if culminates further exposes a rally to 1.1855 in the coming weeks.
- **Key resistances:** 1.1669 (R1), 1.1697 (R2), 1.1723 (R3)
- **Key supports:** 1.1619 (S1), 1.1602 (S2), 1.1570 (S3)
- **Expected range for the day:** 1.1610 – 1.1670

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

Indicative EURMYR 4.7295



Source: Bloomberg

- EURMYR opened 195pips higher at 4.7364 today. **Daily outlook slightly bullish**, supported by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- Upside momentum remains intact, which sustains our view of EURMYR's biasness to the upside, with scope to test 4.7528 in the next leg higher.
- **Key resistances:** 4.7340 (R1), 4.7371 (R2), 4.7384 (R3)
- **Key supports:** 4.7305 (S1), 4.7255 (S2), 4.7237 (S3)
- **Expected range for the day:** 4.7270 – 4.7370

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.