

Global Markets Research

FX Strategy

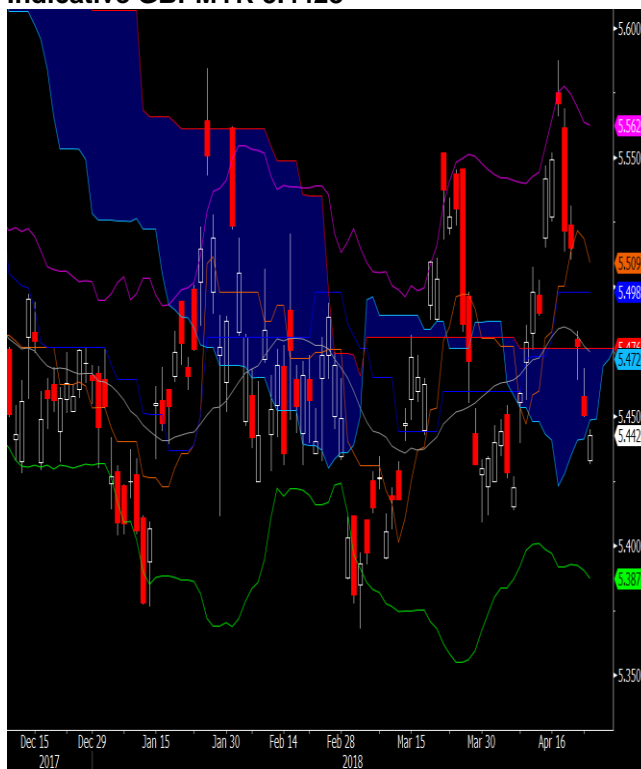
Daily Currency Outlook – 11am edition

Indicative USDMYR 3.9072



Source: Bloomberg

Indicative GBPMYR 5.4428



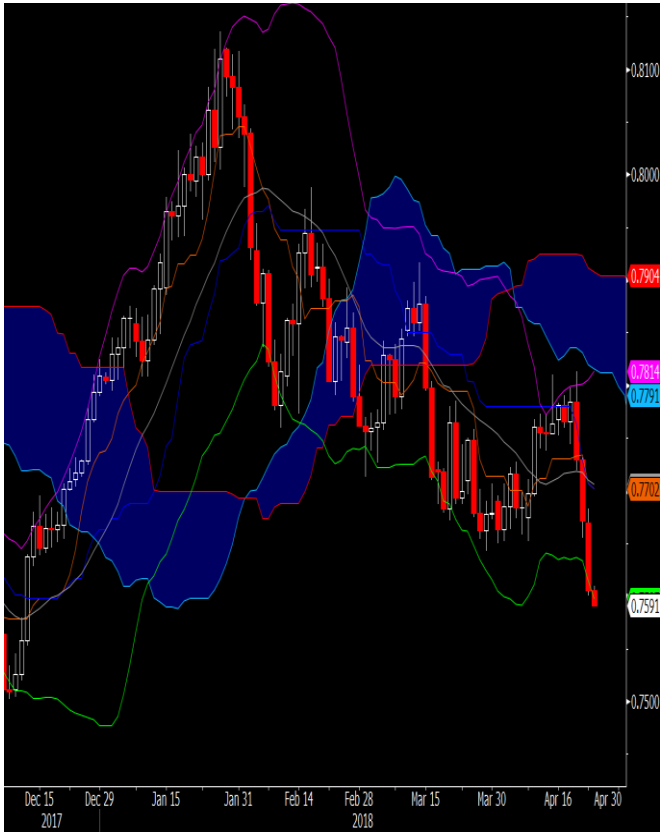
Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bullish** on the back of a rebounding USD.
- **Weekly and monthly outlook bullish.**
- USDMYR has broken both 3.8990 and 3.9048; upside bias is strengthening and is likely to push USDMYR higher to circa 3.9120 in the next leg higher.
- **USDMYR expectedly advanced to 3.9050.** Expect a potential advance to 3.9183, otherwise curbed by a close below 3.9020.
- **Key resistances:** 3.9077 (R1), 3.9100 (R2), 3.9120 (R3)
- **Key supports:** 3.9050 (S1), 3.9050 (S2), 3.9000 (S3)
- **Expected range for the day:** 3.8950 – 3.9020

- GBPMYR opened 176pips lower at 5.4328 today. **Daily outlook bearish**, weighed down by the sharply lower opening and likelihood of extended GBP weakness.
- **Weekly and monthly outlook bearish.**
- Downside bias continues to rise, while an opening below 5.4483 adds a bearish tone to GBPMYR. Expect further losses going forward, with scope to test 5.3947.
- **GBPMYR expectedly declined to 5.4550.** Expect a potential decline to 5.4088, otherwise curbed by a close above 5.4541.
- **Key resistances:** 5.4483 (R1), 5.4531 (R2), 5.4562 (R3)
- **Key supports:** 5.4395 (S1), 5.4311 (S2), 5.4268 (S3)
- **Expected range for the day:** 5.4300 – 5.4480

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

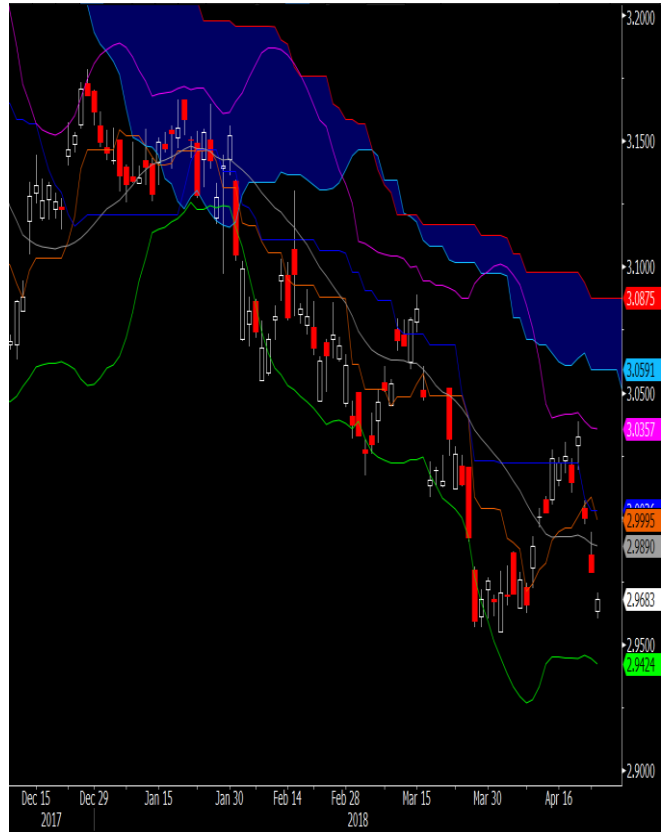
Indicative AUDUSD 0.7591



Source: Bloomberg

- AUDUSD opened unchanged at 0.7605. **Daily outlook bearish**, weighed down by the extended weakness in risk appetite.
- **Weekly and monthly outlook bearish.**
- With rising downside momentum, AUDUSD is prone to further losses. Holding above 0.7600 is crucial to stave off the bears, otherwise a decline to 0.7532 is highly likely.
- **AUDUSD expectedly declined to 0.7650**, and below.
- **Key resistances:** 0.7600 (R1), 0.7620 (R2), 0.7653 (R3)
- **Key supports:** 0.7580 (S1), 0.7550 (S2), 0.7520 (S3)
- **Expected range for the day:** 0.7560 – 0.7610

Indicative AUDMYR 2.9683

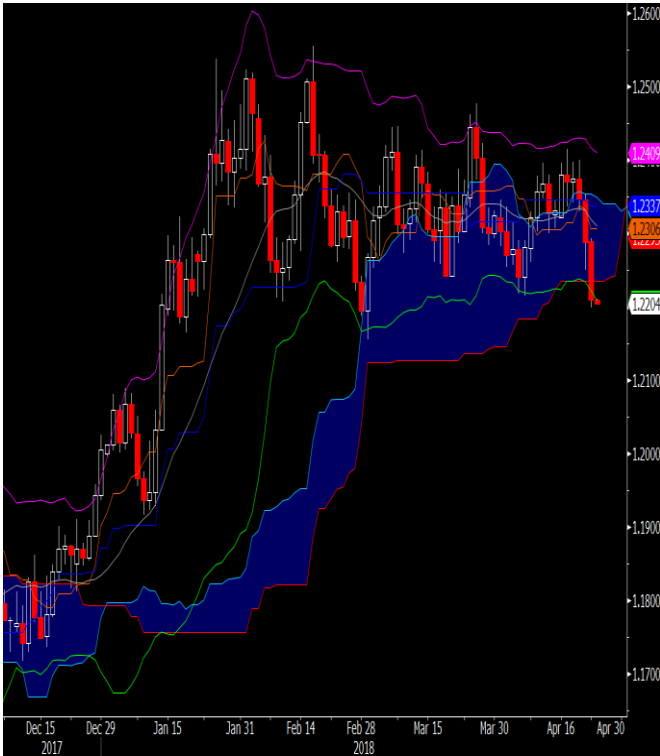


Source: Bloomberg

- AUDMYR opened 155pips lower at 2.9633. **Daily outlook slightly bearish**, weighed down by the sharply lower opening.
- **Weekly and monthly outlook bearish.**
- Upside bias continues to recede, tilting AUDMYR lower. Bearish trend continues to be in control, potentially pushing AUDMYR to 2.9426 in the next leg lower.
- **AUDMYR expectedly declined to 2.9800.** Expect a potential decline to 2.9430, otherwise curbed by a close above 2.9750.
- **Key resistances:** 2.9718 (R1), 2.9750 (R2), 2.9787 (R3)
- **Key supports:** 2.9658 (S1), 2.9612 (S2), 2.9600 (S3)
- **Expected range for the day:** 2.9570 – 2.9710

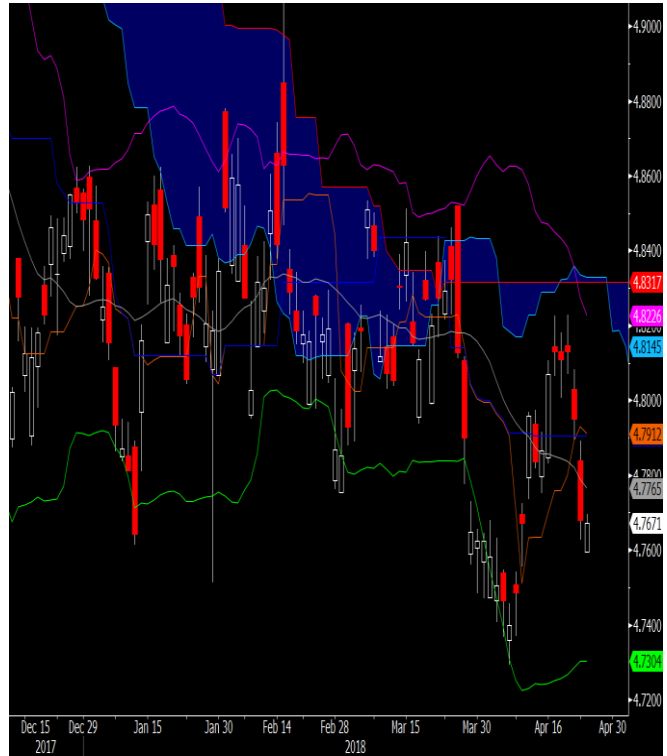
* levels are quoted based on spot prices at time of writing, bid/ask prices may vary

Indicative EURUSD 1.2204



Source: Bloomberg

Indicative EURMYR 4.7671



Source: Bloomberg

- EURUSD opened unchanged at 1.2209. **Daily outlook slightly bullish**, rebounding on recent sharp losses.
- **Weekly and monthly outlook bearish.**
- EURUSD has broken below 1.2235 and is now exposed a drop to circa 1.2155. But before that, we reckon that there may be a soft technical rebound.
- **EURUSD expectedly declined to 1.2206** in early trade. Expect a potential decline to 1.2125, otherwise curbed by a close above 1.2235.
- **Key resistances:** 1.2220 (R1), 1.2235 (R2), 1.2250 (R3)
- **Key supports:** 1.2200 (S1), 1.2188 (S2), 1.2155 (S3)
- **Expected range for the day:** 1.2150 – 1.2210

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

- EURMYR opened 83pips lower at 4.7596. **Daily outlook slightly bullish**, anticipating a rebound after recent sharp losses.
- **Weekly and monthly outlook bearish.**
- EURMYR is technical bearish after breaking below 4.7788 yesterday. Even so, we eye a potential technical rebound after recent sharp losses, but losses are likely thereafter.
- **Continue to expect a potential decline 4.7556.**
- **Key resistances:** 4.7726 (R1), 4.7766 (R2), 4.7788 (R3)
- **Key supports:** 4.7650 (S1), 4.7628 (S2), 4.7593 (S3)
- **Expected range for the day:** 4.7500 – 4.7720

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@hbb.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.