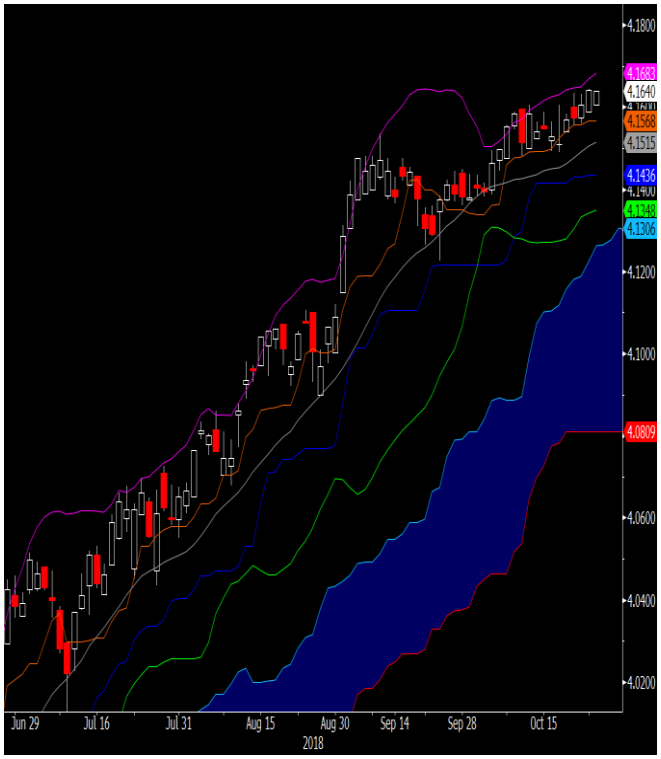
HongLeong Bank

## Global Markets Research

## FX Strategy

# Daily Currency Outlook – 11am edition

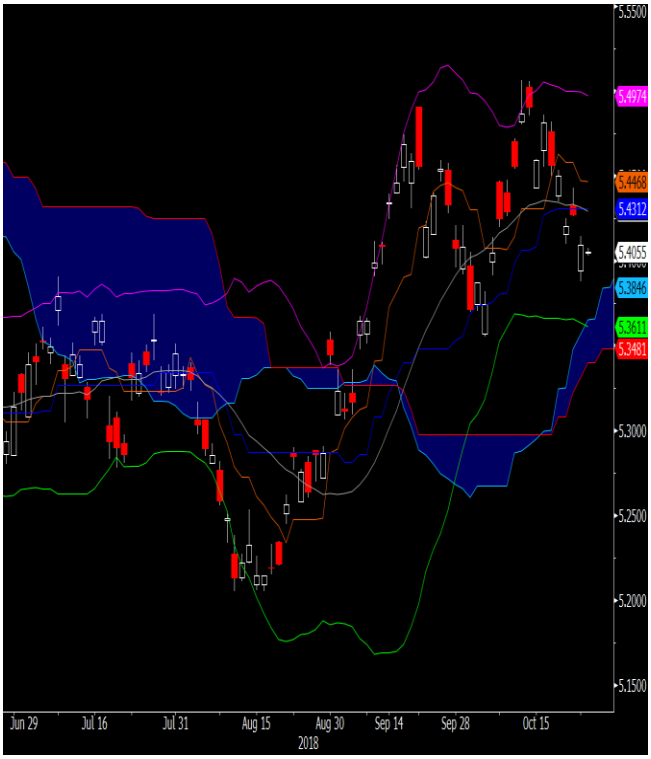
### Indicative USDMYR 4.1640




*Source: Bloomberg*

- USDMYR opened slightly lower today. **Daily outlook neutral**, with scope for mild gains as risk appetite continues to retreat amid extended sell-off in the markets.
- **Weekly outlook neutral, monthly outlook bullish**.
- USDMYR remains tilted to the upside and is now eyeing a move towards 4.1660 – 4.1680. Shedding 4.1600 will deter the bulls.
- **Key resistances:** 4.1655 (R1), 4.1680 (R2), 4.1700 (R3)
- **Key supports:** 4.1620 (S1), 4.1600 (S2), 4.1585 (S3)
- **Expected range for the day:** 4.1600 – 4.1660

### Indicative GBPMYR 5.4055

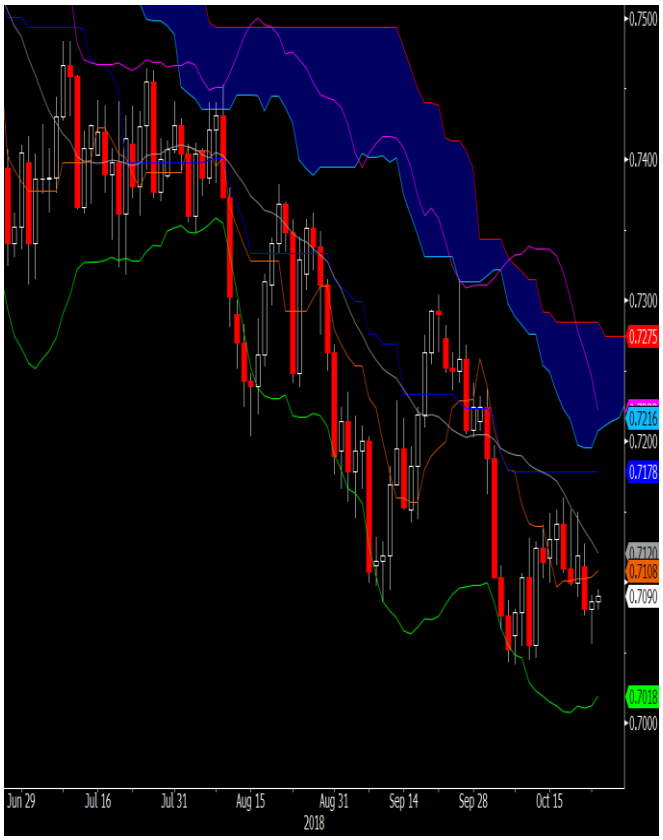



*Source: Bloomberg*

- GBPMYR opened 44pips lower at 5.4050 today. **Daily outlook slightly bearish**, with GBP weighed down by Brexit uncertainties.
- **Weekly and monthly outlook bearish**.
- GBPMYR remains in a bearish trend and we continue to set sights on a drop below 5.3989, which will then set a course for 5.3650.
- **Continue to expect a potential decline to 5.3821**, otherwise curbed by a close above 5.4150.
- **Key resistances**: 5.4100 (R1), 5.4145 (R2), 5.4195 (R3)
- **Key supports**: 5.4020 (S1), 5.4000 (S2), 5.3960 (S3)
- **Expected range for the day:** 5.3960 – 5.4100

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

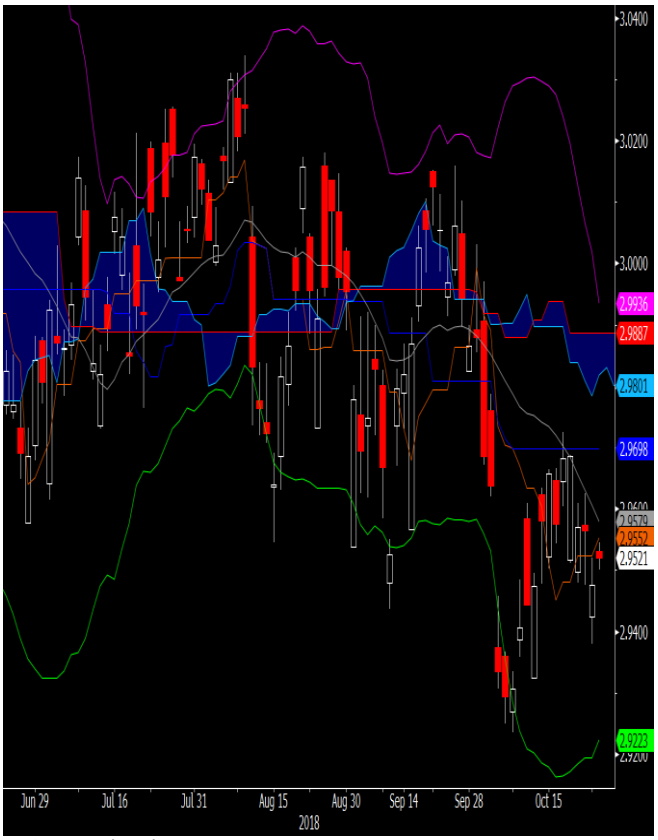
## Indicative AUDUSD 0.7090




*Source: Bloomberg*

- AUDUSD opened unchanged at 0.7086 today. **Daily outlook slightly bearish**, weighed down by risk aversion in the markets.
- **Weekly and monthly outlook bearish**.
- Bearish trend still prevails in AUDUSD and we eye a return to 0.7044 – 0.7056. We would not rule out the bounce from yesterday to extend but anything short of above 0.7099 today or 0.7119 tomorrow will not pose a threat to current technical landscape.
- **Key resistances:** 0.7108 (R1), 0.7120 (R2), 0.7150 (R3)
- **Key supports:** 0.7069 (S1), 0.7054 (S2), 0.7044 (S3)
- **Expected range for the day:** 0.7070 – 0.7110

## Indicative AUDMYR 2.9521

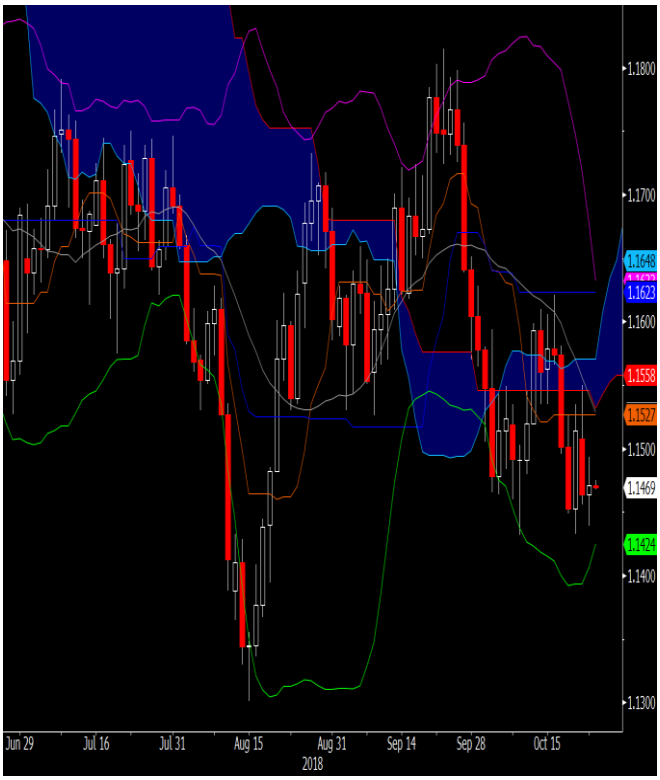



*Source: Bloomberg*

- AUDMYR opened 55pips higher at 2.9531 today. **Daily outlook slightly bullish**, supported by firmer opening but caution that early gains may be narrowed as risk-off sentiment in the markets sustains.
- **Weekly and monthly outlook bearish**.
- Despite gapping higher today, AUDMYR remains in a bearish trend and is expected to slide below 2.9476 going forward, which will then target 2.9306 and 2.9187 next.
- **Continue to expect a potential decline to 2.9306**, otherwise curbed by a close above 2.9626.
- **Key resistances:** 2.9552 (R1), 2.9579 (R2), 2.9626 (R3)
- **Key supports:** 2.9502 (S1), 2.9475 (S2), 2.9443 (S3)
- **Expected range for the day:** 2.9485 – 2.9545

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

## Indicative EURUSD 1.1469

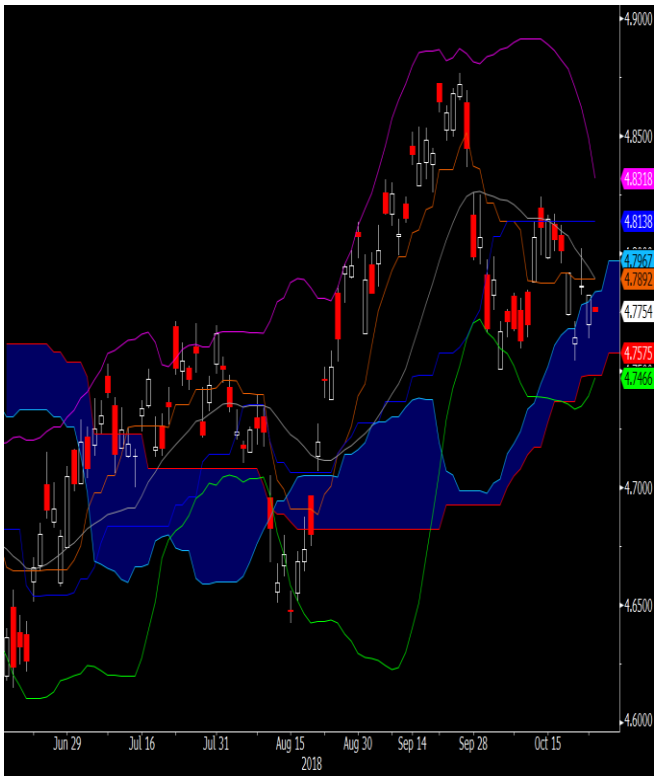



*Source: Bloomberg*

- EURUSD opened unchanged at 1.1464 today. **Daily outlook slightly bullish**, supported by easing jitters as markets turn attention away from Italian woes to focus on potential hints of QE end by ECB in its upcoming meeting.
- **Weekly outlook bearish, monthly outlook neutral**.
- EURUSD is technically mixed; beating 1.1514 re-establishes a bullish trend, otherwise, bearish trend resumes. Direction is uncertain and we reckon EURUSD will rely on fundamental factors to establish a new path.
- **Key resistances:** 1.1480 (R1), 1.1500 (R2), 1.1518 (R3)
- **Key supports:** 1.1450 (S1), 1.1430 (S2), 1.1405 (S3)
- **Expected range for the day:** 1.1450 – 1.1480

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

## Indicative EURMYR 4.7754




*Source: Bloomberg*

- EURMYR opened 49pips lower at 4.7771 today. **Daily outlook neutral**, with likelihood of slight gains as buying interest in EUR returns as Italian woes recede.
- **Weekly and monthly outlook bearish**.
- EURMYR is still in a bearish trend, and is expected to close below 4.7641 going forward.
- **Continue to expect a potential decline to 4.7507**, otherwise curbed by a close above 4.7892.
- **Key resistances:** 4.7790 (R1), 4.7831 (R2), 4.7892 (R3)
- **Key supports:** 4.7730 (S1), 4.7679 (S2), 4.7641 (S3)
- **Expected range for the day:** 4.7700 – 4.7820

**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.