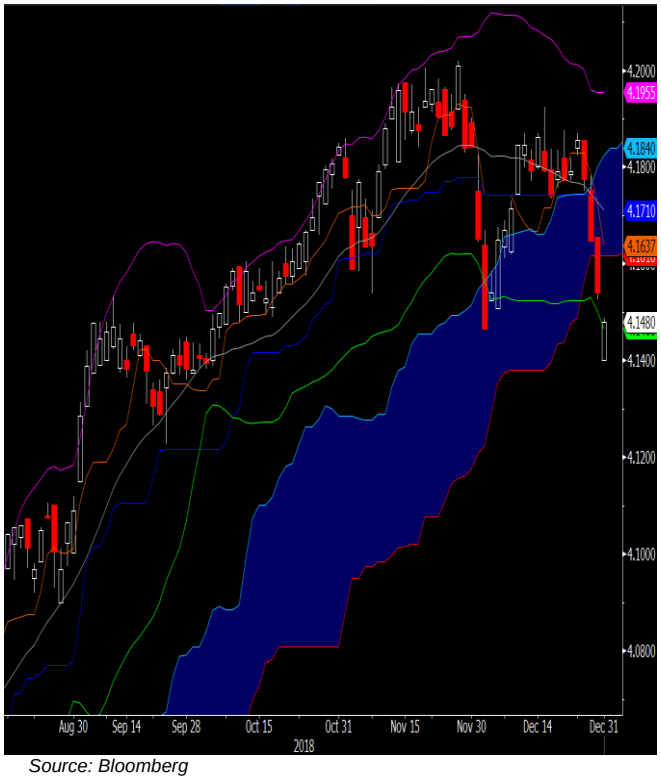
HongLeong Bank

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

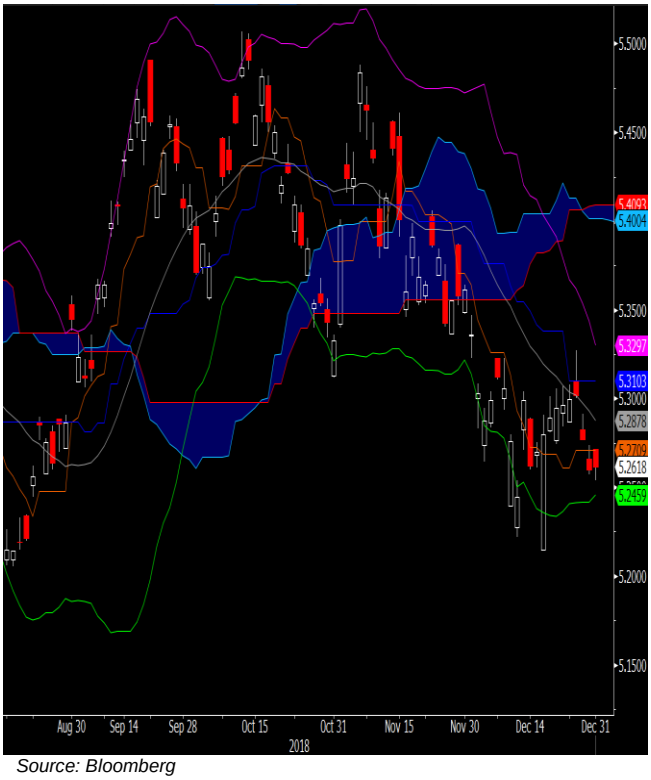
Indicative USDMYR 4.1480



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook slightly bearish** on the back of a soft USD, though losses may be modest amid thin trading heading into the New Year holiday.
- **Weekly and monthly outlook bearish**.
- We opine that USDMYR has completed a bearish chart pattern after gapping lower at opening. Holding below 4.1500 is crucial to sustain further bearish formation, which suggests a drop to circa 4.1230 in the coming weeks.
- **Key resistances:** 4.1500 (R1), 4.1510 (R2), 4.1520 (R3)
- **Key supports:** 4.1465 (S1), 4.1450 (S2), 4.1420 (S3)
- **Expected range for the day:** 4.1380 – 4.1490

Indicative GBPMYR 5.2618

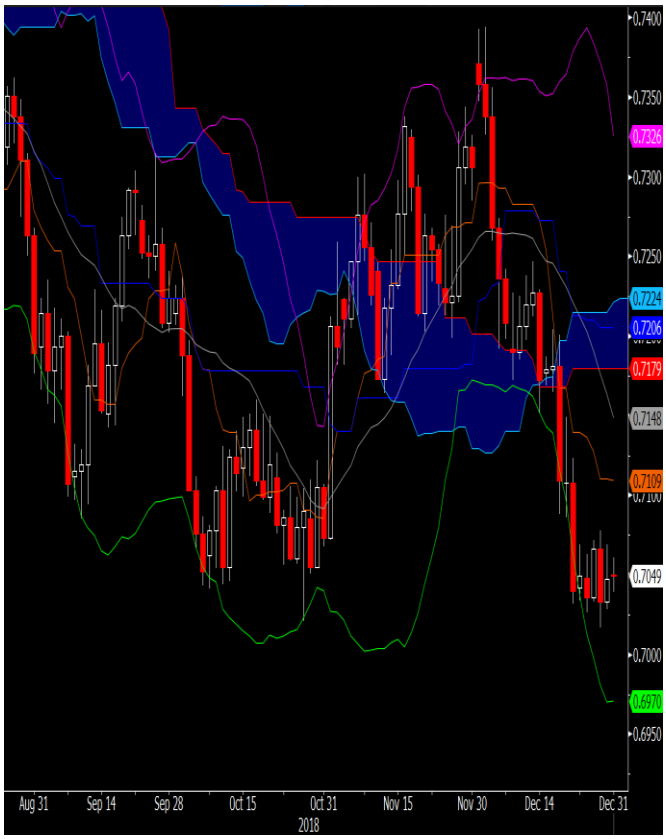


Source: Bloomberg

- GBPMYR opened 115pips higher at 5.2714 today. **Daily outlook slightly bearish** as we anticipate a firmer MYR to overturn current gains.
- **Weekly outlook neutral, monthly outlook bearish**.
- Technical outlook continues to deteriorate. GBPMYR remains tilted to the downside, with room to slide to 5.2258 in the next leg lower.
- **Key resistances**: 5.2670 (R1), 5.2714 (R2), 5.2745 (R3)
- **Key supports**: 5.2600 (S1), 5.2539 (S2), 5.2461 (S3)
- **Expected range for the day:** 5.2520 – 5.2715

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

Indicative AUDUSD 0.7049

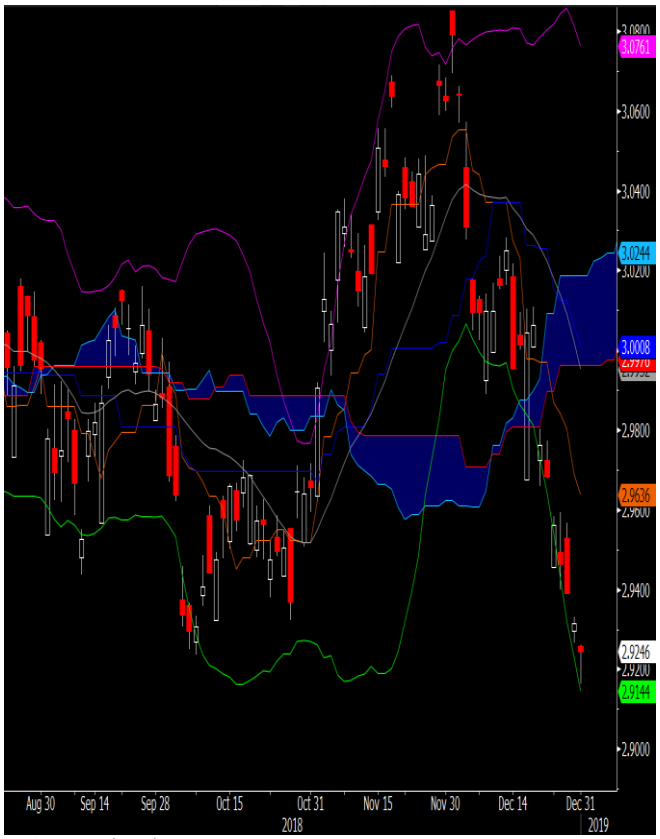


Source: Bloomberg

- AUDUSD opened 3pips higher at 0.7050 today. **Daily outlook slightly bullish** on the back of a soft USD but caution that gains may be modest given likelihood of extended loss in market risk appetite.
- **Weekly outlook bullish, monthly outlook bearish**.
- AUDUSD remains subdued in the absence of succinct technical signals. AUDUSD may be caught between 0.7030 – 0.7070, but caution that a rebound higher looks more likely than not going forward.
- **Key resistances:** 0.7060 (R1), 0.7069 (R2), 0.7088 (R3)
- **Key supports:** 0.7039 (S1), 0.7020 (S2), 0.7010 (S3)
- **Expected range for the day:** 0.7040 – 0.7070

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

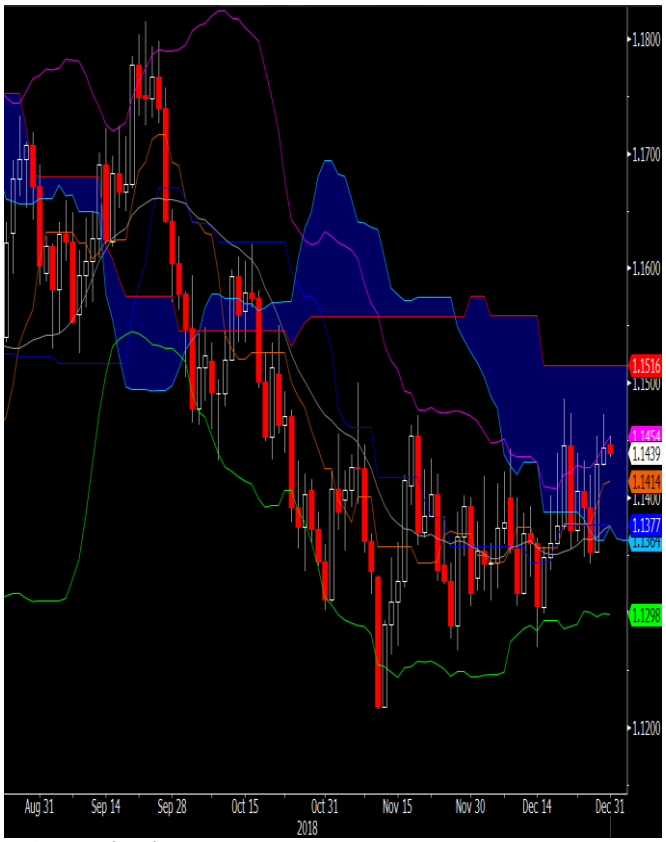
Indicative AUDMYR 2.9246



Source: Bloomberg

- AUDMYR opened 55pips lower at 2.9259 today. **Daily outlook slightly bearish** as subdued risk appetite is likely to weigh down AUD.
- **Weekly and monthly outlook bearish**.
- Downward momentum has increased, further tilting AUDMYR to the downside. While we do not rule out extended losses that could test 2.9145, we maintain that signs of rebound continue to linger thus we caution on a potential test at 2.9369 going forward.
- **Key resistances:** 2.9264 (R1), 2.9300 (R2), 2.9314 (R3)
- **Key supports:** 2.9200 (S1), 2.9175 (S2), 2.9145 (S3)
- **Expected range for the day:** 2.9160 – 2.9270

Indicative EURUSD 1.1439

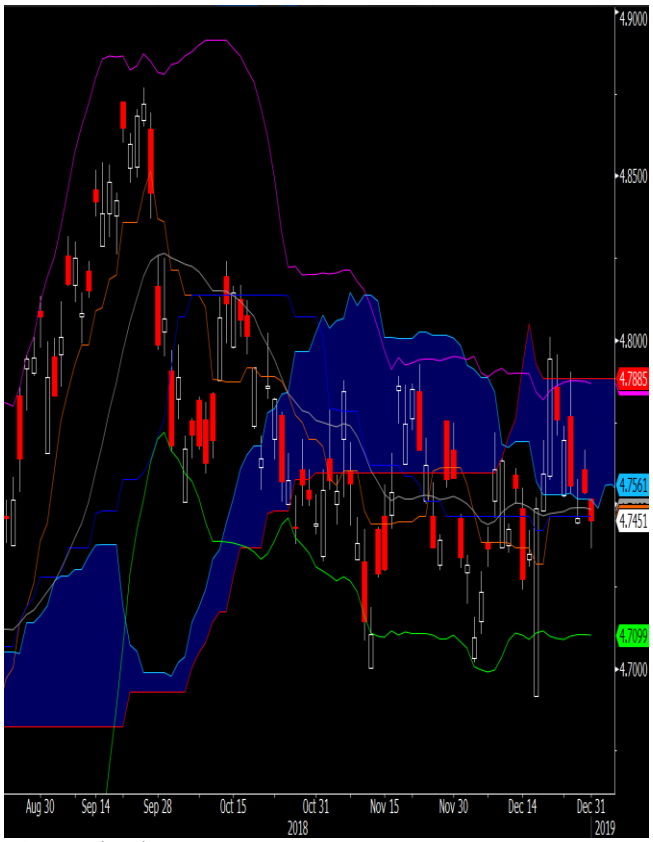


Source: Bloomberg

- EURUSD opened 3pips higher at 1.1447 today. **Daily outlook bullish** in line with our view of a softer USD.
- **Weekly and monthly outlook bullish**.
- Expect EURUSD to test 1.1454 again, above which EURUSD will attempt to challenge 1.1474, the threshold above which a bullish chart pattern will be completed and likely head for 1.1580.
- **Continue to expect a potential advance to 1.1480**.
- **Key resistances:** 1.1453 (R1), 1.1474 (R2), 1.1488 (R3)
- **Key supports:** 1.1432 (S1), 1.1414 (S2), 1.1400 (S3)
- **Expected range for the day:** 1.1425 – 1.1490

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

Indicative EURMYR 4.7451



Source: Bloomberg

- EURMYR opened 18pips lower at 4.7518 today. **Daily outlook slightly bearish** on the back of a firmer MYR.
- **Weekly and monthly outlook bearish**.
- EURMYR has turned bearish after losing 4.7530, more so as upward momentum receded into negligible level. Expect EURMYR to soon test 4.72390, below which 4.7098 will be threatened.
- **Expect a potential decline to 4.7290**, curbed by a close above 4.7512.
- **Key resistances:** 4.7463 (R1), 4.7482 (R2), 4.7512 (R3)
- **Key supports:** 4.7400 (S1), 4.7366 (S2), 4.7320 (S3)
- **Expected range for the day:** 4.7320 – 4.7520

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

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