Global Markets Research

FX Strategy



- USDMYR opened slightly lower at 4.1727 today. Daily outlook neutral.
- Weekly and monthly outlook bullish.
- We continue to expect ringgit to trade around recent ranges of 4.1650-4.1850 today while markets await more concrete development regarding US-China mini trade deal. Short term outlook is bearish as the dollar will likely firm up when the Fed keeps rate unchanged next week. Medium term outlook is bearish supported by solid 4Q US data especially in the consumer/retail sector.
- Key resistances: 4.1800 (S1), 4.1850 (S2), 4.1900 (S3)
- Expected range for the day: 4.1650-4.1850



Source: Bloomberg

- GBPMYR opened 0.41% higher at 5.4741 today. Daily outlook bullish.
- Weekly outlook bullish and monthly outlook will be headlines driven.
- We are bullish on GBPMYR cross today as the overnight spike in the sterling spilled over to today's session, supported by firmer expectation of a Tories win and that Britain would avoid a hung parliament following next week's election. Short term outlook is neutral and likely remain volatile, driven by next week's election outcome of which markets have priced in a Tory win.
- Key resistances: 5.4730 (R1), 5.4750 (R2), 5.4800 (R3)
- Key supports: 5.4520 (S1), 5.4280 (S2), 5.4100 (S3)
- Expected range for the day: 5.4600 5.4800

- Key supports: 4.1700 (R1), 4.1650 (R2), 4.1600 (R3)

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







Indicative AUDUSD 0.6842



- AUDUSD opened unchanged at 0.6849 today. Daily outlook neutral to slightly bearish.
- Weekly and monthly outlook slightly bullish.
- AUD dropped around 20pips from morning high after retail sales missed expectations alongside a smaller trade surplus but managed to recover 10pips as of writing. Daily outlook neutral to slightly bearish, conflicted by weaker data and better trade optimism. Short-to-medium term outlook is still slightly bullish, expecting recovery in the pair with US-China trade-related headlines posting as downside risk.
- Key resistances: 0.6860 (R1), 0.6880 (R2), 0.6900 (R3)
- Key supports: 0.6830 (S1), 0.6800 (S2), 0.6780 (S3)
- Expected range for the day: 0.6820-0.6860

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 AUDMYR opened 0.39% higher at 2.8600 today. Daily outlook neutral to slightly bullish.

- Weekly outlook bullish and monthly outlook slightly bullish.
- We are neutral to slightly bullish on AUDMYR on higher opening as Aussie dollar was torn between a miss in retail sales figure and a recovery in risk sentiment that tends to favour the AUD. Short-to-medium term outlook is still slightly bullish, expecting recovery in the pair with US-China trade-related headlines posting as downside risk.
- Key resistances: 2.8650 (R1), 2.8700 (R2), 2.8750 (R3)
- Key supports: 2.8500 (S1), 2.8450 (S2), 2.8400 (S3)
- Expected range for the day: 2.8500 2.8625



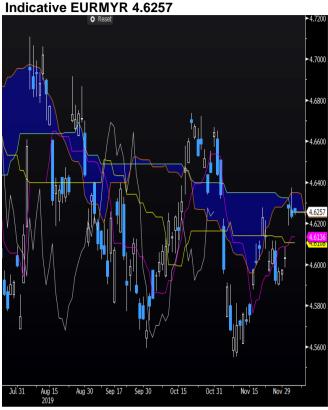
Indicative EURUSD 1.1084



Source: Bloomberg

- EURUSD opened unchanged at 1.1078 today. Daily outlook slightly bullish.
- Weekly and monthly outlook bearish.
- EUR is still slightly bullish, but is likely consolidating around 1.1080 handle ahead of tomorrow's US job report.
 Medium term outlook is still bearish, dragged down by dismal growth and inflation outlook (despite a slight improvement in manufacturing PMI) and the ECB's looser monetary policy. We look towards next week's ECB meeting and Christine Lagarde's first press conference for further guidance.
- Key resistances: 1.1100 (R1), 1.1120 (R2), 1.1150 (R3)
- Key supports: 1.1050 (S1), 1.1020 (S2), 1.1000 (S3)
- Expected range for the day: 1.1070- 1.1100

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



Source: Bloomberg

- EURMYR opened little changed at 4.6275 today. Daily outlook neutral.
- Weekly and monthly outlook bearish.
- We are neutral on the EURMYR cross over the lack of catalysts with both EUR and MYR likely consolidating against the USD around recent ranges ahead of tomorrow's job report. Medium term outlook is still bearish as dismal growth and inflation outlook alongside looser monetary policy weigh.
- Key resistances: 4.6300 (R1) 4.6400 (R1), 4.6500 (R3)
- Key supports: 4.6200 (S1), 4.6100 (S2), 4.6000 (S3)
- Expected range for the day: 4.6200 4.6400



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: <u>HLMarkets@hlbb.hongleong.com.my</u>

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