

**Global Markets Research**
**FX Strategy**
**Daily Currency Outlook – 11am edition**
**Indicative USDMYR 4.1460**


Source: Bloomberg

- USDMYR opened marginally higher by 0.08% at 4.1390. **Daily outlook bullish.**
- **Weekly outlook neutral to slightly bullish and monthly outlook bearish.**
- **We are bullish USDMYR today** post strong NFP release as market reprices the chances of a one-and-done Fed cut rather than a series of cuts. **We remain bullish MYR in the medium term** given that MYR continues to trade below the 4.1600 pivot as well as ongoing expectations of a Fed rate cut in late July.
- **Key resistances:** 4.1500 (R1), 4.1525 (R2), 4.1550 (R3)
- **Key supports:** 4.1400 (S1), 4.1350 (S2), 4.1300 (S3)
- **Expected range for the day:** 4.1400– 4.1500

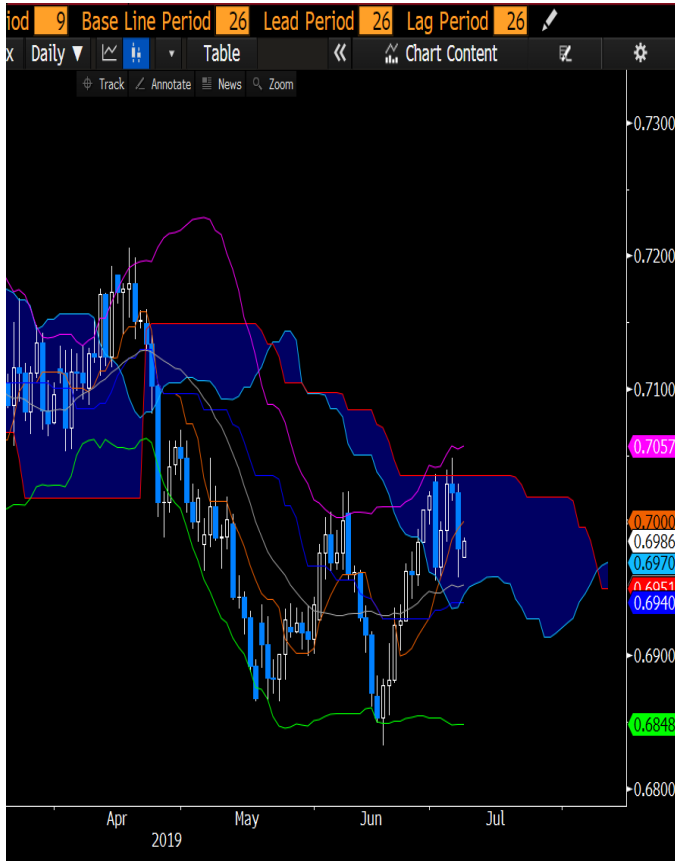
**Indicative GBPMYR 5.1950**


Source: Bloomberg

- GBPMYR opened 0.22% lower at 5.1795 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral to mildly bearish.**
- **We remain bearish on the pair** due to a dovish BOE, relatively poor economic data and market repricing the odds of a one-and-done Fed cut vs a series of cuts. In the medium term, leadership and Brexit uncertainties would likely keep the sterling under pressure from now until 31 Oct.
- **Key resistances:** 5.2100 (R1), 5.2200 (R2), 5.2400 (R3)
- **Key supports:** 5.1900 (S1), 5.1800 (S2), 5.1700 (S3)
- **Expected range for the day:** 5.1900– 5.2100

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

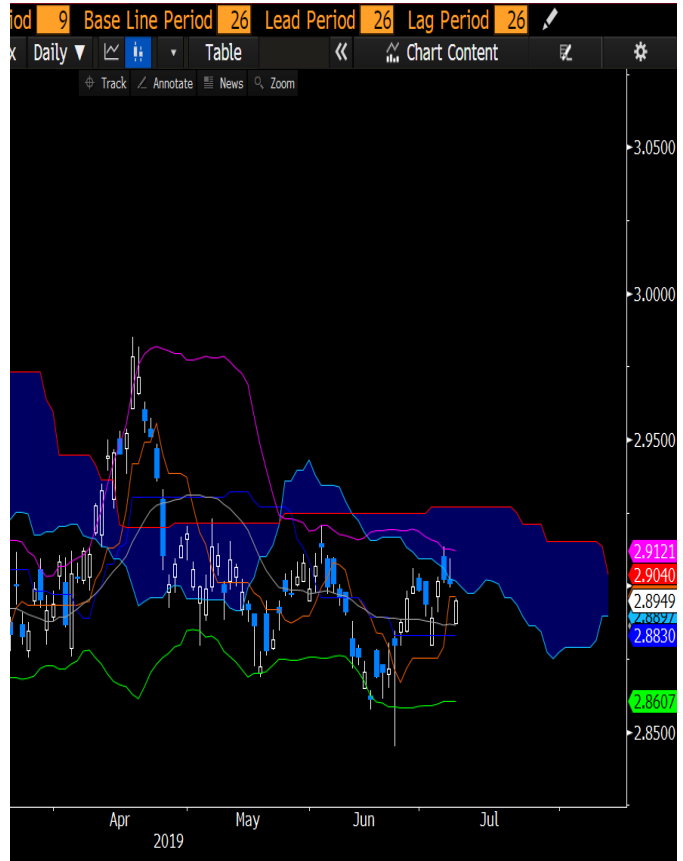
**Indicative AUDUSD 0.6980**



Source: Bloomberg

- AUDUSD opened marginally lower at 0.6974 today. **Daily outlook neutral to mildly bearish.**
- **Weekly and monthly outlook slightly bullish.**
- **AUD looks neutral to mildly bearish** in the short term as market reprices a one-and-done Fed cut. The pair continues to trade within the recent ranges set post the RBA cut and looks likely to maintain this range in the short term. As mentioned previously, Fed and US-China trade events likely to determine AUD direction in the more medium term as RBA fails to provide any directional clues.
- **Key resistances:** 0.7000 (R1), 0.7025 (R2), 0.7050 (R3)
- **Key supports:** 0.6970 (S1), 0.6950 (S2), 0.6930 (S3)
- **Expected range for the day:** 0.6960-0.7020

**Indicative AUDMYR 2.8947**

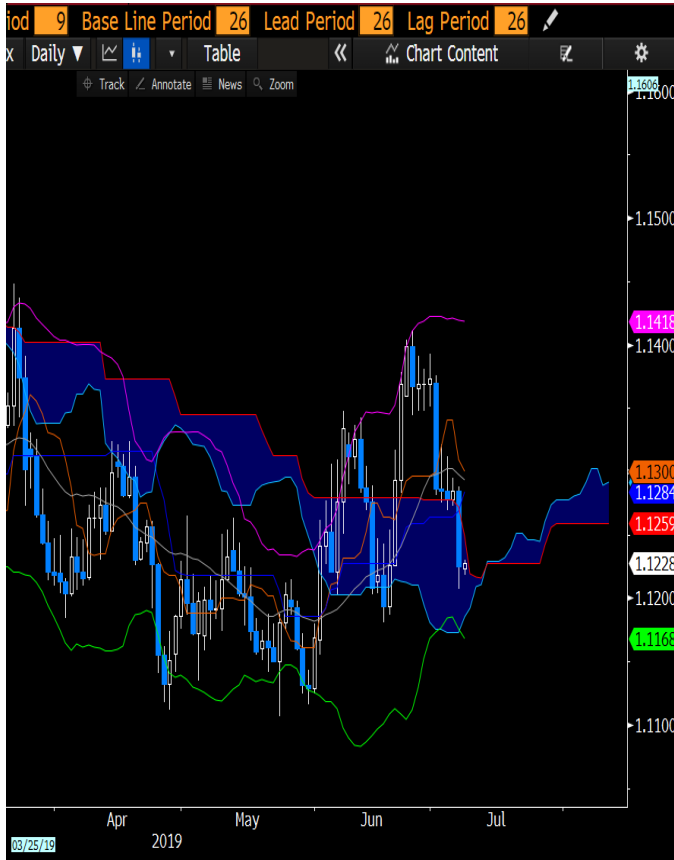


Source: Bloomberg

- AUDMYR opened 0.48% lower at 2.8872 today. **Daily outlook bullish on bullish USDMYR component.**
- **Weekly outlook mildly bullish and monthly outlook slightly bearish.**
- **We turn bullish on the pair over the short term** as the pair opened lower due to a lower AUD component and looking bullish now at time of writing as USDMYR component plays catch up. In the more medium term, the pair is likely to take cues from AUD component due to its sensitivity to Fed speaks and US-China trade talks.
- **Key resistances:** 2.9100 (R1), 2.9250 (R2), 2.9350 (R3)
- **Key supports:** 2.8900 (S1), 2.8750 (S2), 2.8600 (S3)
- **Expected range for the day:** 2.8900– 2.9100

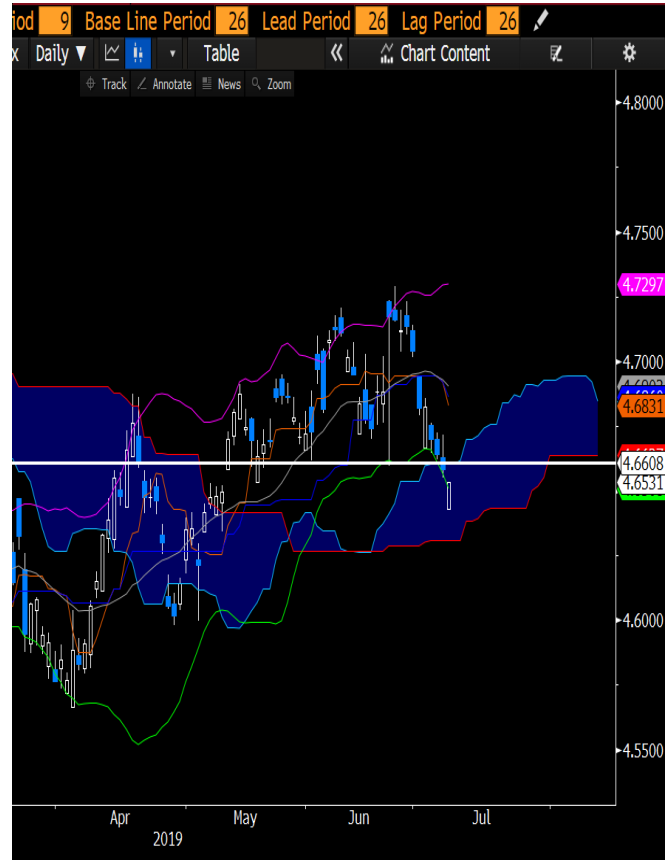
\* levels are quoted based on spot prices at time of writing, bid/ask prices may vary

**Indicative EURUSD 1.1224**



Source: Bloomberg

**Indicative EURMYR 4.6540**



Source: Bloomberg

- EURUSD opened flat at 1.1223 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook bullish.**
- **We are bearish EUR today** as market reprices the short term to reflect a more one-and-done Fed rate cut vs a series of cuts as previously expected due to a better than expected US jobs number. **We remain bullish EUR** in the medium term as the Fed is still expected to cut rates later this month while the ECB is likely to hold its key rates steady for the remainder of 2019.
- **Key resistances:** 1.1250 (R1), 1.1275 (R2), 1.1300 (R3)
- **Key supports:** 1.1210 (S1), 1.1200 (S2), 1.1180 (S3)
- **Expected range for the day:** 1.1200 – 1.1250

- EURMYR opened 0.33% lower at 4.6429 today. **Daily outlook bullish on bullish USDMYR component.**
- **Weekly outlook bullish, monthly outlook bearish.**
- **We are bullish on the pair today** as the pair opened lower thanks to a lower EUR component overnight due to market repricing a one-and-done Fed rate cut. Bullish USDMYR component giving the pair a boost towards 4.6550, the mid of the immediate range at time of writing. In the more medium term, we look to Fed speaks and US-China trade talks for more directional cues as data calendar is light.
- **Key resistances:** 4.6600 (R1) 4.6750 (R1), 4.6850 (R3)
- **Key supports:** 4.6450 (S1), 4.6400 (S2), 4.6300 (S3)
- **Expected range for the day:** 4.6450– 4.6700

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

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: [HLMarkets@hlbb.hongleong.com.my](mailto: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.