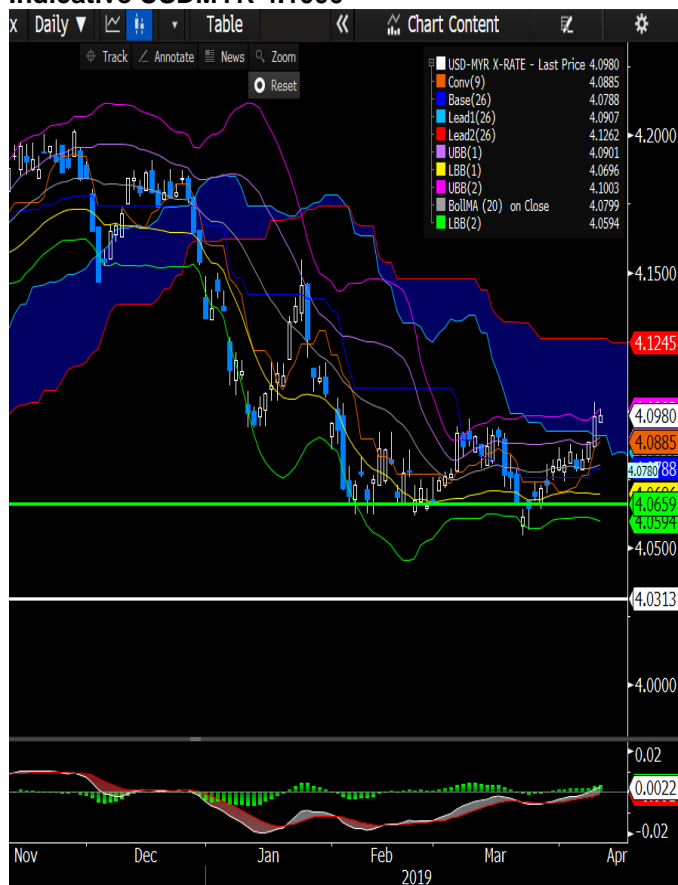


Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1000



Source: Bloomberg

Indicative GBPMYR 5.3505



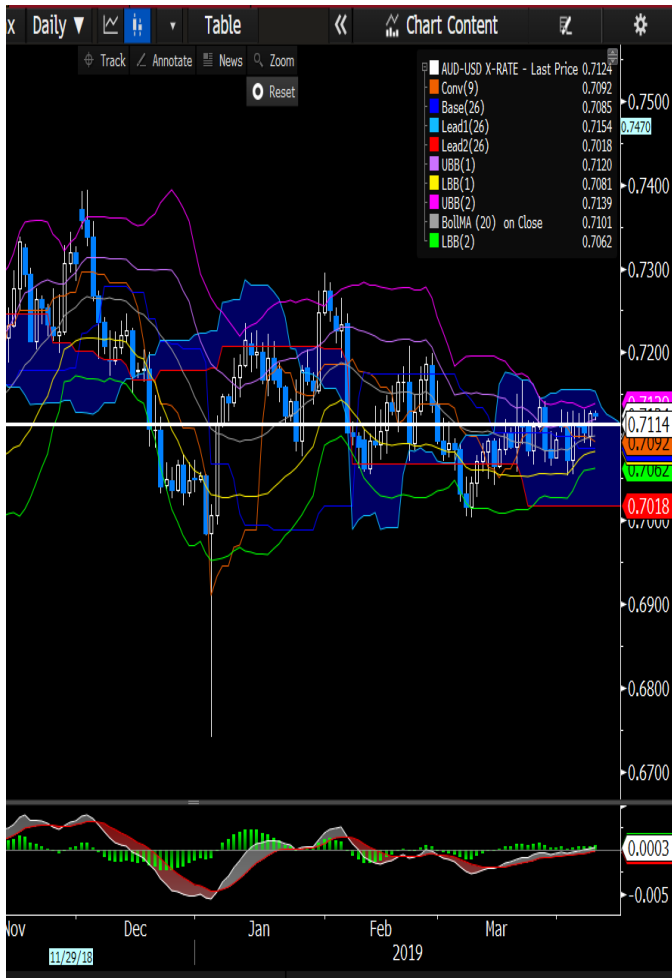
Source: Bloomberg

- USDMYR opened slightly higher at 4.0975 today on renewed growth concerns and trade tensions. **Daily outlook bullish.**
- **Weekly outlook bullish and monthly outlook bearish.**
- As mentioned previously, USD is trading stronger vs EM over seasonality factors. However, adding fuel to the move is IMF’s downgrade on global growth outlook and the current trade tension between EU, China and the US. All these factors support our view for a move to the 100 DMA target circa 4.1150 for now.
- **Key resistances:** 4.1050 (R1), 4.1145 (R2), 4.1225 (R3)
- **Key supports:** 4.0950 (S1), 4.0900 (S2), 4.0850 (S3)
- **Expected range for the day:** 4.0950 – 4.1150

- GBPMYR opened 0.42% lower at 5.3439 today. **Daily outlook bullish.**
- **Weekly and monthly outlook neutral.**
- GBP traded higher as lawmakers passed PM May’s plan to extend Brexit to 30 June. The EU suggested ahead of its Summit tomorrow that it would prefer an extension of the no-deal date further to a minimum of 3 months. This more or less confirms that a hard exit would be unlikely which is bullish for the GBP. However, due to its idiosyncrasies, GBP settled lower towards the close back to almost where it started from.
- **Key resistances:** 5.3640 (R1), 5.3980 (R2), 5.4230 (R3)
- **Key supports:** 5.3221 (S1), 5.3060 (S2), 5.2840 (S3)
- **Expected range for the day:** 5.3200 – 5.3900

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

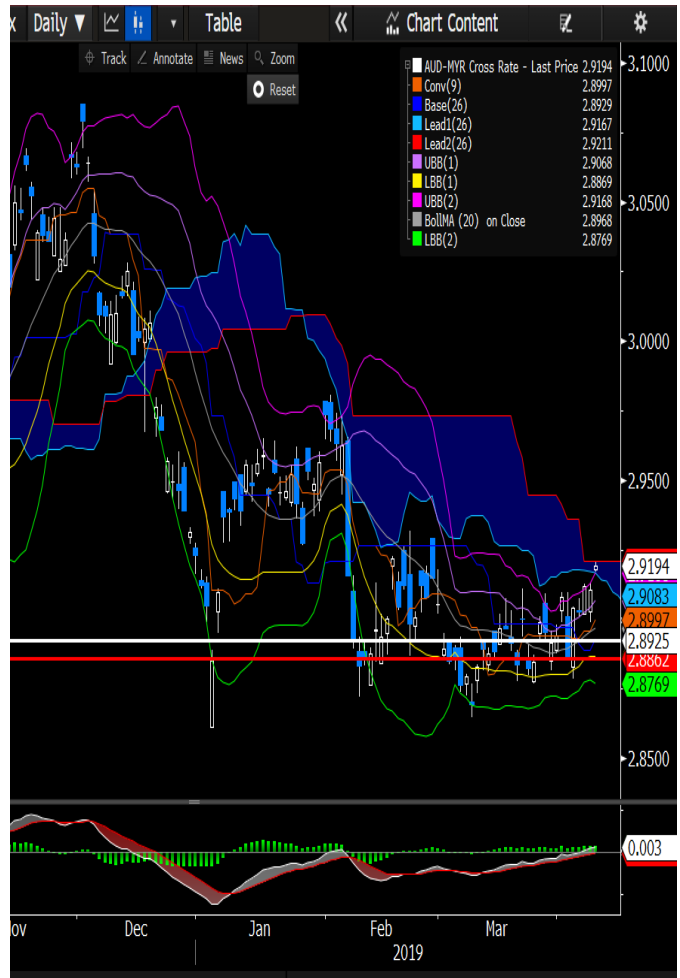
Indicative AUDUSD 0.7124



Source: Bloomberg

- AUDUSD opened unchanged at 0.7124 today. **Daily outlook bearish** as broader risk sentiment is poorer on concerns over global growth outlook and trade tensions.
- **Weekly outlook neutral, monthly outlook slightly bearish.**
- **We remain neutral on AUD** as short term technicals are starting to show bearish signals but so far confirmation has not set in.
- **Key resistances:** 0.7150 (R1), 0.7200 (R2), 0.7230 (R3)
- **Key supports:** 0.7050 (S1), 0.7000 (S2), 0.6970 (S3)
- **Expected range for the day:** 0.7080 – 0.7150

Indicative AUDMYR 2.9215

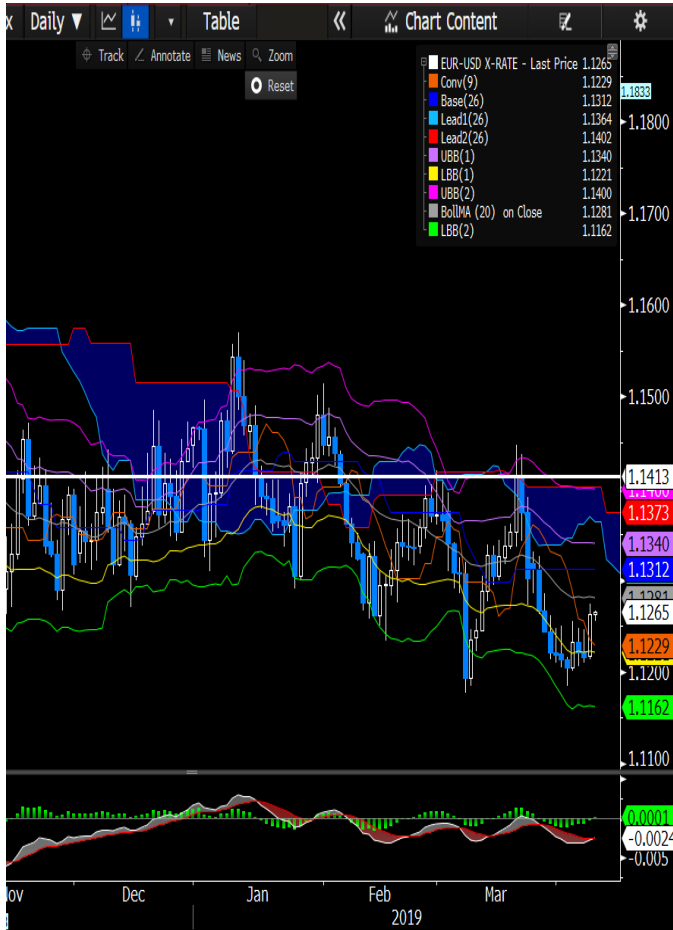


Source: Bloomberg

- AUDMYR opened 0.33% lower at 2.9177 today. **Daily outlook bearish** as Bollinger resistance has held and sentiment is poorer due to trade tensions and growth concerns.
- **Weekly outlook bullish and monthly outlook bearish.**
- A lower AUDUSD vs a higher USDMYR may cause some consolidation around here. However, generally a down move in AUD would be negative for AUDMYR as the pace of the move would likely be faster than an upmove in USDMYR.
- **Key resistances:** 2.9287 (R1), 2.9350 (R2), 2.9385 (R3)
- **Key supports:** 2.9090 (S1), 2.8967 (S2), 2.8795 (S3)
- **Expected range for the day:** 2.9100 – 2.9300

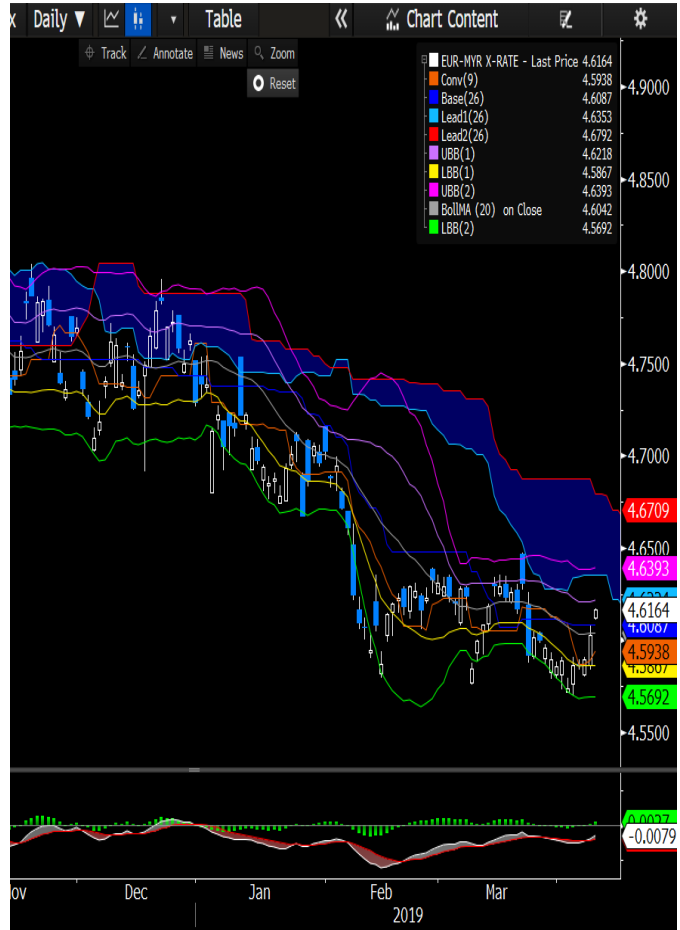
* levels are quoted based on spot prices at time of writing, bid/ask prices may vary

Indicative EURUSD 1.1262



Source: Bloomberg

Indicative EURMYR 4.6170



Source: Bloomberg

- EURUSD opened unchanged at 1.1263 today against mixed USD against the majors. **Daily outlook bearish.**
- **Weekly and monthly outlook neutral.**
- **We maintain EUR bullishness** in the medium term however, in the short term we have turned bearish as concerns over global growth and trade tensions between EU, China and US which should affect overall risk sentiment.
- **Key resistances:** 1.1305 (R1), 1.1340 (R2), 1.1380 (R3)
- **Key supports:** 1.1220 (S1), 1.1200 (S2), 1.1170 (S3)
- **Expected range for the day:** 1.1220 – 1.1300

- EURMYR opened 0.14% lower at 4.6117 today. **Daily outlook bullish.**
- **Weekly outlook neutral, monthly outlook bearish.**
- EURMYR is maintaining bullish technical although a bearish EURUSD and a bullish USDMYR component may cause a consolidating effect for the pair at current levels.
- **Key resistances:** 4.6250 (R1), 4.6437 (R2), 4.6706 (R3)
- **Key supports:** 4.5916 (S1), 4.5833 (S2), 4.5678 (S3)
- **Expected range for the day:** 4.5900 – 4.6400

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

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.