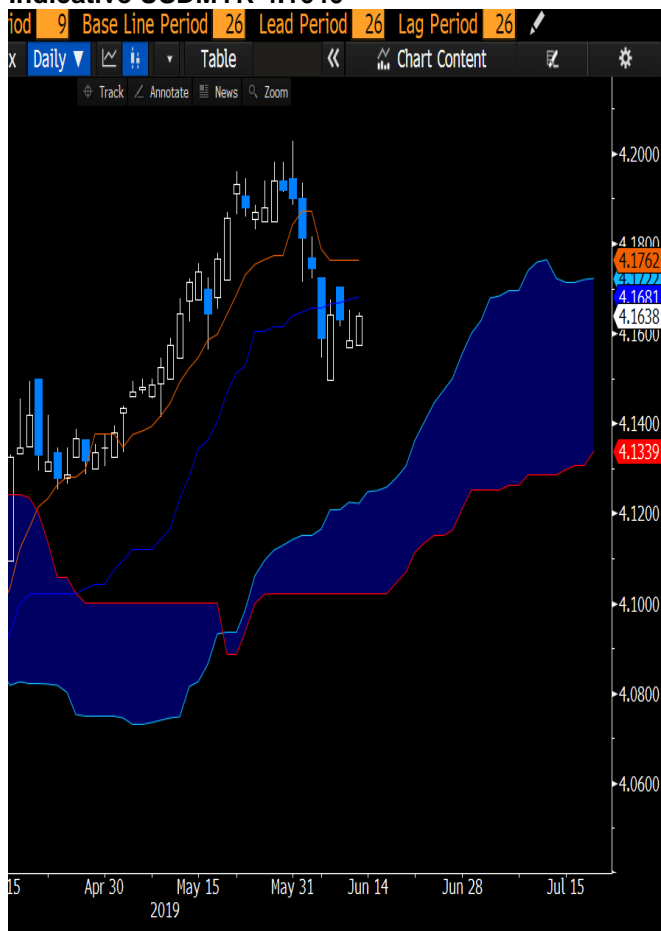


Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

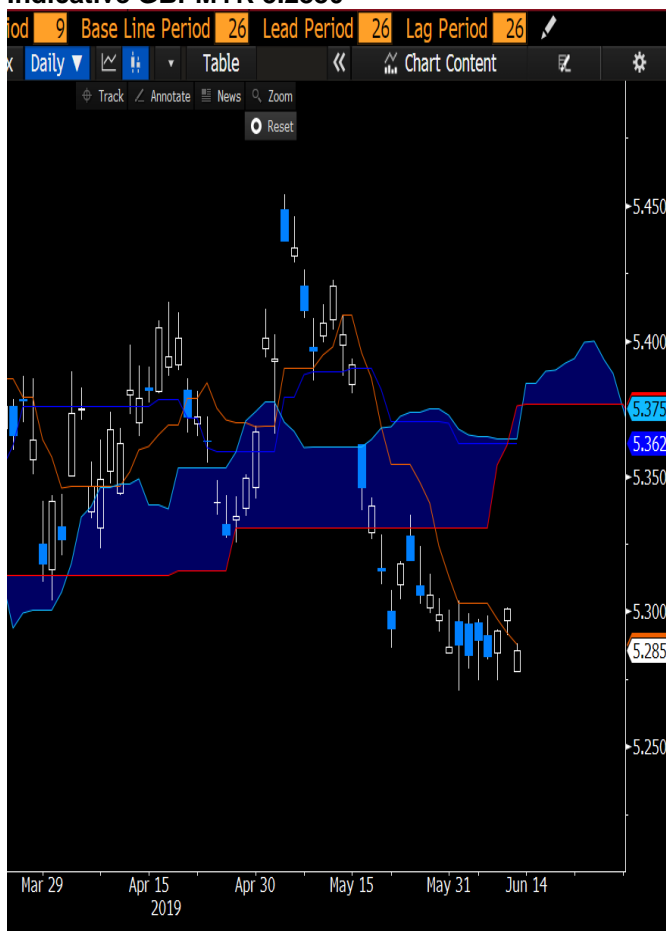
Indicative USDMYR 4.1640



Source: Bloomberg

- USDMYR opened marginally lower at 4.1575. **Daily outlook neutral to mildly bullish.**
- **Weekly and monthly outlook bullish.**
- **MYR remains neutral to mildly bearish** in the short term as it consolidates between 4.15-4.18. As mentioned previously, month end and quarter end hedging demand likely to give the pair some support while ongoing trade tensions and US rate cut expectations will add some volatility to the pair.
- **Key resistances:** 4.1650 (R1), 4.1675 (R2), 4.1700 (R3)
- **Key supports:** 4.1600 (S1), 4.1575 (S2), 4.1550 (S3)
- **Expected range for the day:** 4.1600– 4.1700

Indicative GBPMYR 5.2880

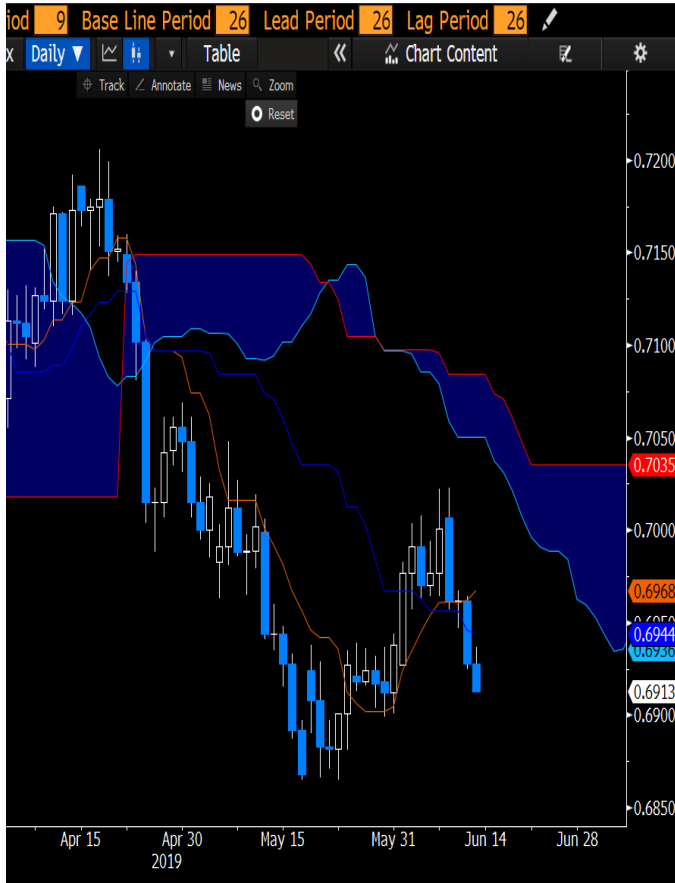


Source: Bloomberg

- GBPMYR opened 043% lower at 5.2780 today. **Daily outlook neutral to slightly bullish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- GBP component got sold overnight alongside broad USD strength on parliament’s failure to secure an exclusion of a no-deal Brexit which further complicates the UK leadership race. We remain bearish GBP over the medium term so long as Brexit and UK leadership matters continue to weigh.
- **Key resistances:** 5.3000 (R1), 5.3200 (R2), 5.3400 (R3)
- **Key supports:** 5.2800 (S1), 5.2600 (S2), 5.2500 (S3)
- **Expected range for the day:** 5.2800 – 5.3100

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

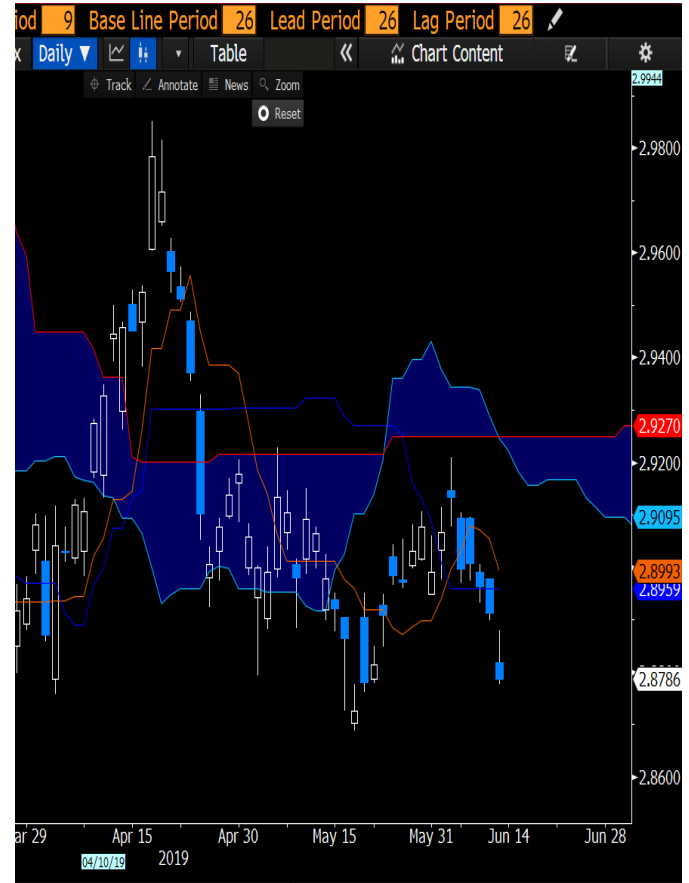
**Indicative AUDUSD 0.6935**



Source: Bloomberg

- AUDUSD opened unchanged at 0.6928 today. **Daily outlook bearish.**
- **Weekly outlook bullish and monthly outlook bearish.**
- **We remain bearish on AUD** over the medium term as AUD remains particularly sensitive to Chinese economic health as US-China trade tension continues. As mentioned previously, the pair seems to be consolidating in a broad range with a bearish bias towards 0.6900.
- **Key resistances:** 0.6950 (R1), 0.6975 (R2), 0.7000 (R3)
- **Key supports:** 0.6900 (S1), 0.6875 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6900 – 0.6950

**Indicative AUDMYR 2.8888**

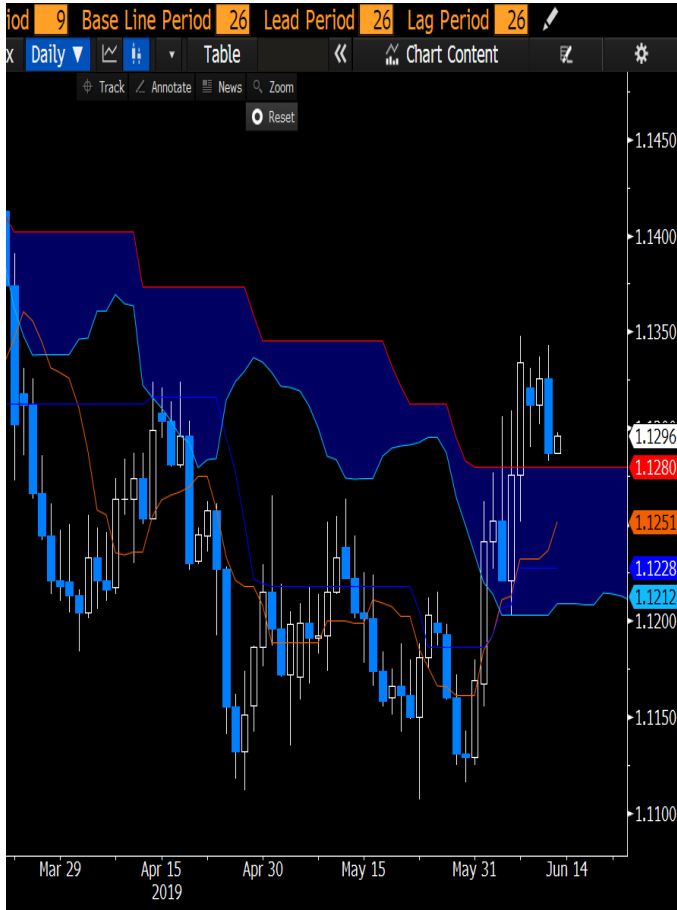


Source: Bloomberg

- AUDMYR opened 0.33% lower at 2.8819 today. **Daily outlook neutral on conflicting components.**
- **Weekly and monthly outlook bearish.**
- Pair opened lower thanks to AUD component being dragged lower overnight on broad USD strength. Relatively weak MYR component providing some short term support for the pair but we still maintain bearish AUDMYR over the medium term due to ongoing global growth and especially trade tensions.
- **Key resistances:** 2.9000 (R1), 2.9100 (R2), 2.9150 (R3)
- **Key supports:** 2.8800 (S1), 2.8700 (S2), 2.8600 (S3)
- **Expected range for the day:** 2.8700 – 2.9000

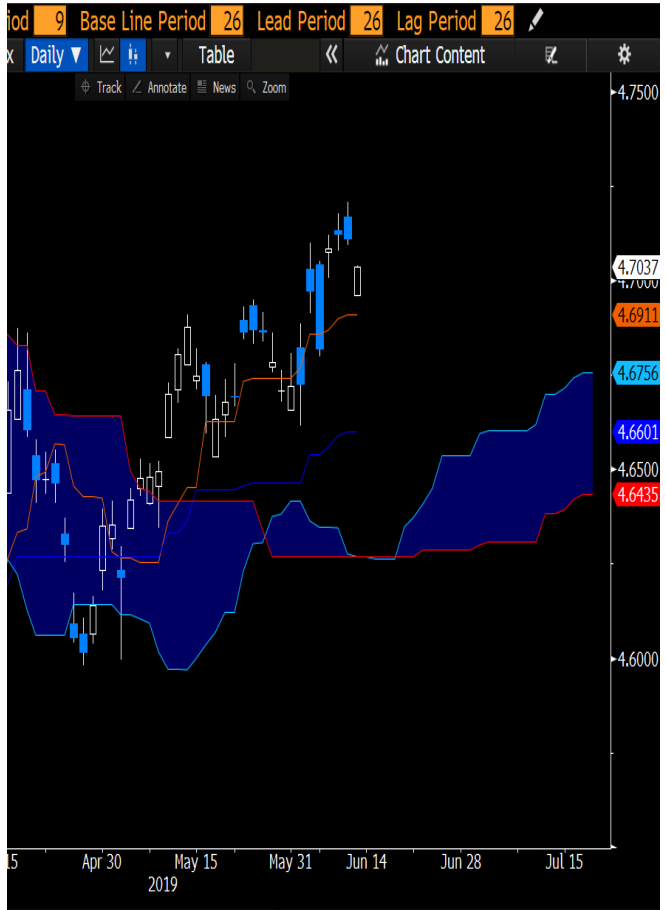
\* levels are quoted based on spot prices at time of writing, bid/ask prices may vary

**Indicative EURUSD 1.1295**



Source: Bloomberg

**Indicative EURMYR 4.7045**



Source: Bloomberg

- EURUSD opened unchanged at 1.1287 today. **Daily outlook neutral to mildly bullish.**
- **Weekly outlook bullish and monthly outlook bearish.**
- EURUSD got dragged lower overnight on broad USD strength. Medium term still remains bullish with a dovish ECB and Fed still supporting. Ichimoku cloud top circa 1.1280 should continue to provide some short term support for the pair.
- **Key resistances:** 1.1320 (R1), 1.1340 (R2), 1.1350 (R3)
- **Key supports:** 1.1280 (S1), 1.1250 (S2), 1.1230 (S3)
- **Expected range for the day:** 1.1280 – 1.1330

- EURMYR opened 0.32% lower at 4.6960 today. **Daily outlook neutral to mildly bullish.**
- **Weekly outlook bullish, monthly outlook bearish.**
- Pair got dragged lower overnight on weaker EUR component. Bullish USDMYR component lending some support to pair at time of writing. As mentioned previously pair seems to be consolidating between 4.68-4.72 as we await further developments elsewhere.
- **Key resistances:** 4.7200 (R1) 4.7400 (R1), 4.7500 (R3)
- **Key supports:** 4.6800 (S1), 4.6600 (S2), 4.6500 (S3)
- **Expected range for the day:** 4.6900– 4.7200

\* 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 Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

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