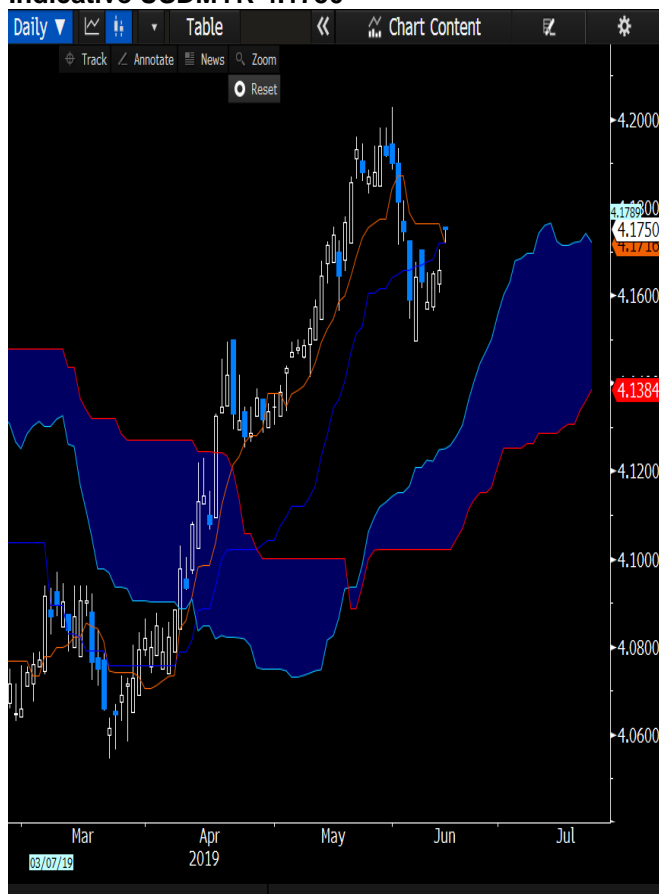


Global Markets Research

FX Strategy

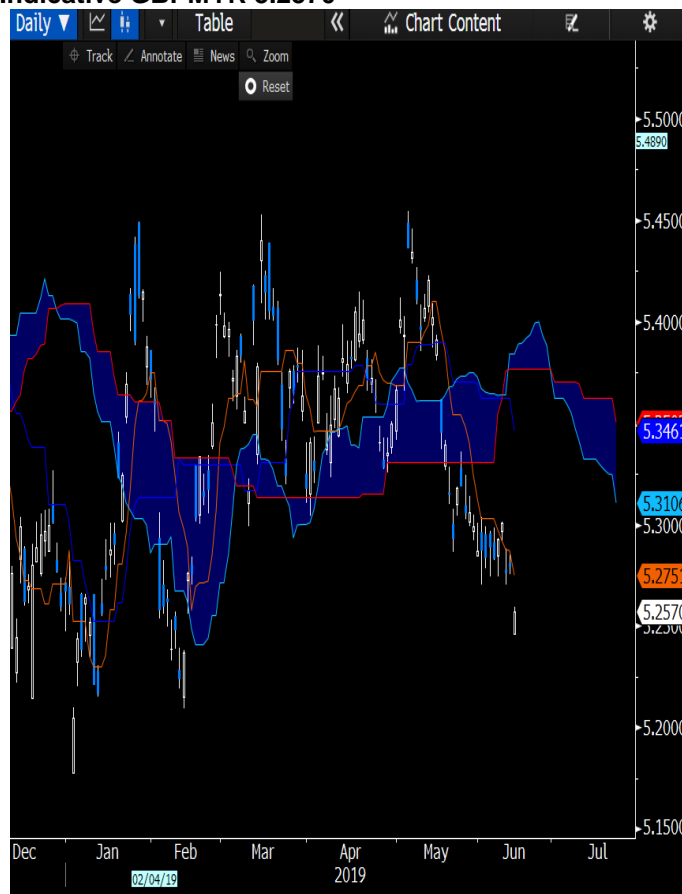
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1750



Source: Bloomberg

Indicative GBPMYR 5.2570



Source: Bloomberg

- USDMYR opened higher by 0.23% at 4.1755. **Daily outlook neutral to mildly bullish.**
- **Weekly and monthly outlook bullish.**
- **MYR remains neutral to mildly bearish** in the short term as the pair consolidates between 4.15-4.18 with slightly upward pressure as month-end and quarter-end hedging demand lends some support while some volatilities likely stem from ongoing trade tensions and this week's highly anticipated FOMC meeting.
- **Key resistances:** 4.1780 (R1), 4.1800 (R2), 4.1830 (R3)
- **Key supports:** 4.1700 (S1), 4.1650 (S2), 4.1625 (S3)
- **Expected range for the day:** 4.1700– 4.1800

- GBPMYR opened lower by 0.63% at 5.2462 today. **Daily outlook neutral to slightly bearish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- GBP component continues to trade weaker, weighed down by fear of a no-deal Brexit after Brexit hardliner Boris Johnson led in last Thursday's first Tory leadership vote. We remain bearish GBP as Brexit uncertainties continue to dominate the atmosphere with no absolute conclusion nor progress seem likely in sight before a new PM is selected.
- **Key resistances:** 5.2620 (R1), 5.2700 (R2), 5.2760 (R3)
- **Key supports:** 5.2500 (S1), 5.2450 (S2), 5.2400 (S3)
- **Expected range for the day:** 5.2400 – 5.2600

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

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

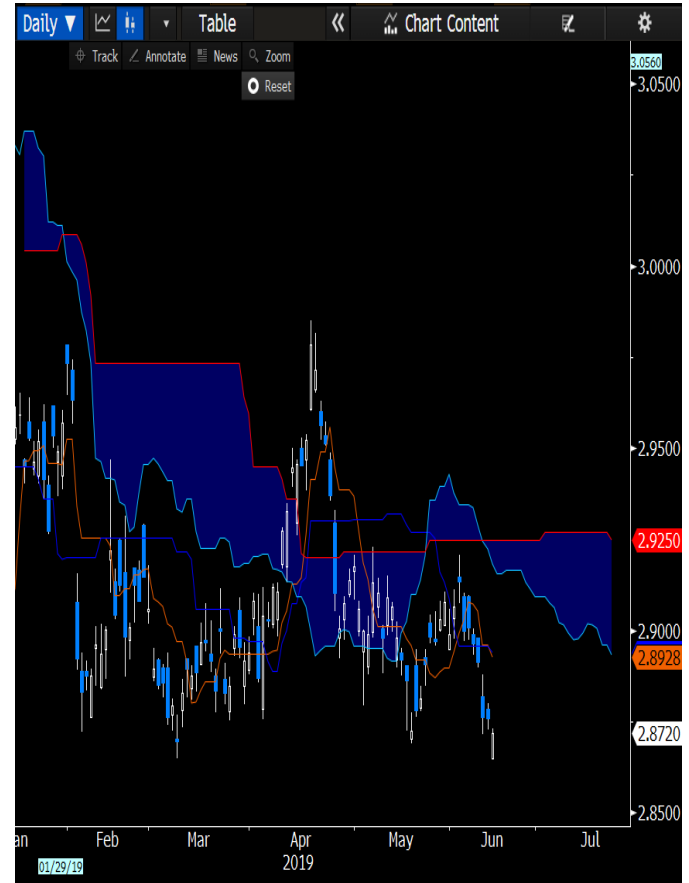
Indicative AUDUSD 0.6878



Source: Bloomberg

- AUDUSD opened slightly lower by 0.04% at 0.6869 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook bearish.**
- **We are bearish on AUD** due to AUD's sensitivity to China. Weak Chinese data on Friday sparked renewed concerns over the country's health, adding pressure to the commodity-linked currency. As mentioned previously, the pair may be going through some consolidation although at a broader range of 0.6850-0.7000 with a bearish bias. US-China trade tensions will continue to be a key driver and we are waiting for further concrete developments at month end's G20 Summit.
- **Key resistances:** 0.6885 (R1), 0.6900 (R2), 0.6920 (R3)
- **Key supports:** 0.6720 (S1), 0.6700 (S2), 0.6860 (S3)
- **Expected range for the day:** 0.6860 – 0.6885

Indicative AUDMYR 2.8717

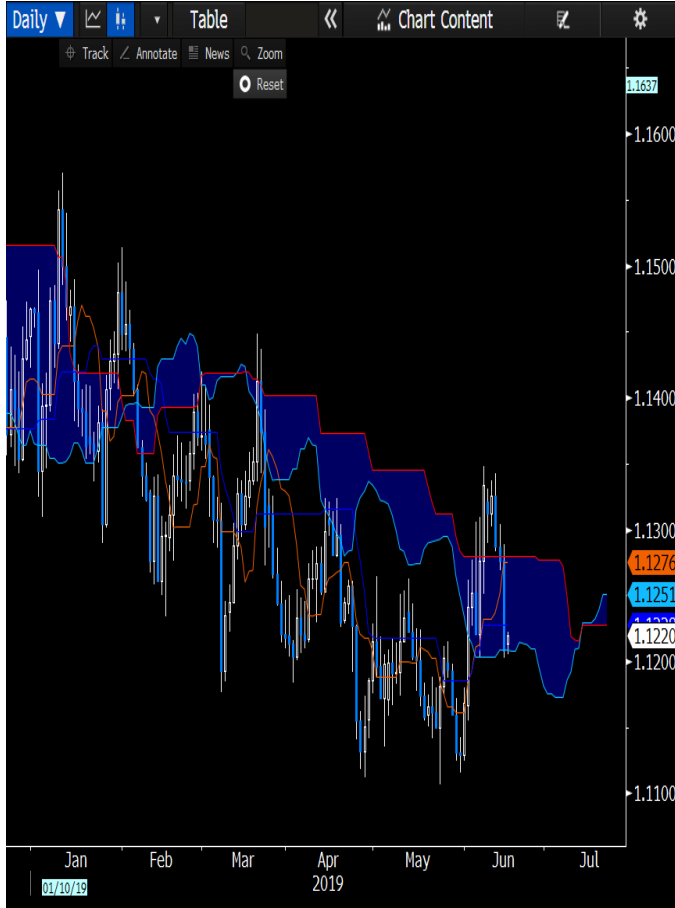


Source: Bloomberg

- AUDMYR opened 0.38% lower at 2.8650 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish.**
- The pair is expected to be weighed down by weaker AUD component following weaker Chinese data last Friday. We remain bearish AUDMYR over the medium term over ongoing concerns over global growth as reinforced by weaker Chinese data and unresolved trade tensions. Similarly, US-China trade tensions will continue to be a key driver and we are waiting for further concrete developments at month end's G20 Summit.
- **Key resistances:** 2.8740 (R1), 2.8755 (R2), 2.8770 (R3)
- **Key supports:** 2.8700 (S1), 2.8650 (S2), 2.8600 (S3)
- **Expected range for the day:** 2.8700 – 2.8740

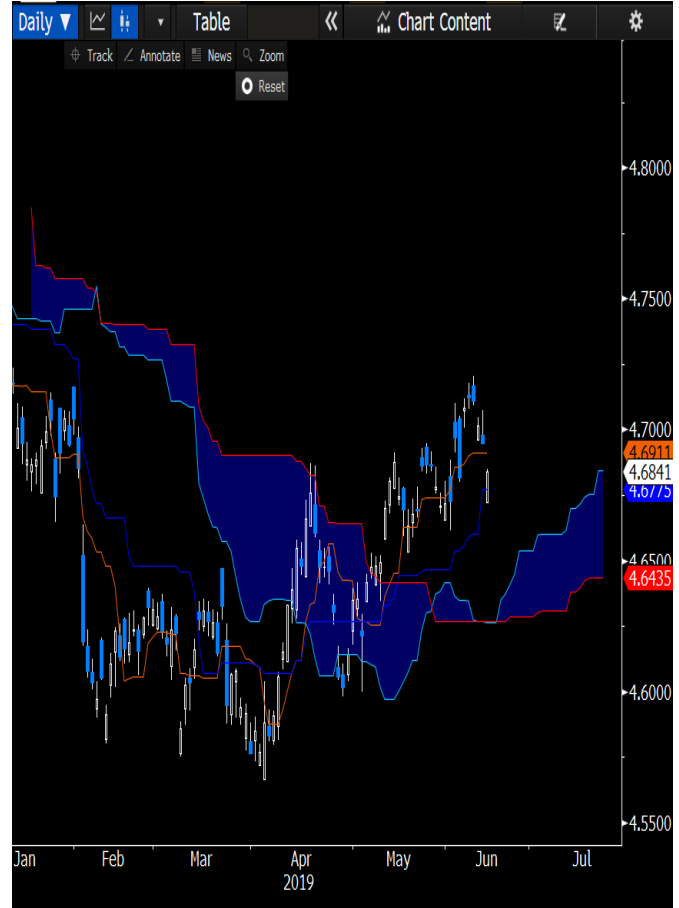
* levels are quoted based on spot prices at time of writing, bid/ask prices may vary

Indicative EURUSD 1.1220



Source: Bloomberg

Indicative EURMYR 4.6841



Source: Bloomberg

- EURUSD opened marginally higher by 0.04% at 1.1213 today. **Daily outlook bearish on broader USD strength.**
- **Weekly outlook bullish and monthly outlook bearish.**
- **We remain bullish on EUR over the medium term** as the overall outlook continues to favour a weaker USD due to a delayed rate hike by the ECB and Fed rate cut expectations. This week's FOMC meeting will be a key driver for the pair.
- **Key resistances:** 1.1235 (R1), 1.1265 (R2), 1.1280 (R3)
- **Key supports:** 1.1200 (S1), 1.1185 (S2), 1.1155 (S3)
- **Expected range for the day:** 1.1200 – 1.1230

- EURMYR opened lower by 0.49% at 4.6721 today. **Daily outlook slightly bearish on weaker EUR component.**
- **Weekly outlook bullish, monthly outlook bearish.**
- Pair traded weaker today driven by weaker EUR component but is still likely consolidating between 4.68-4.72 as we await further development elsewhere.
- **Key resistances:** 4.6860 (R1) 4.6885 (R1), 4.6910 (R3)
- **Key supports:** 4.6710 (S1), 4.6680 (S2), 4.6650 (S3)
- **Expected range for the day:** 4.6720– 4.6900

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.