

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

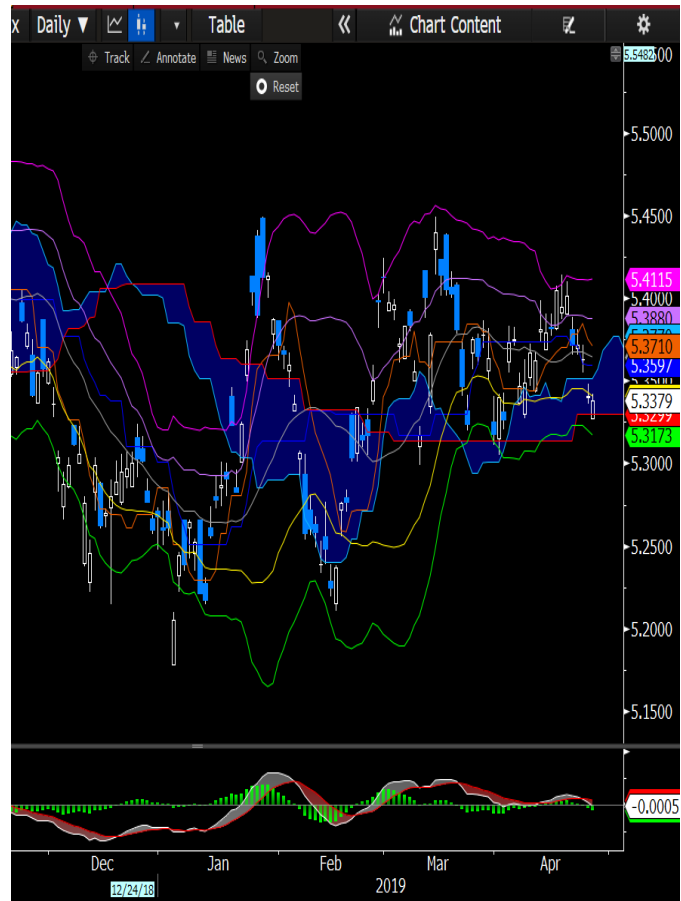
Indicative USDMYR 4.1380



Source: Bloomberg

- USDMYR opened 0.09% higher at 4.1325 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bullish.**
- MYR continues to consolidate between the 4.12-4.15 immediate range with a slight upside bias. MYR strength holding relatively well in the face of broad USD strength and will look towards headlines for further catalysts for direction.
- **Key resistances:** 4.1400 (R1), 4.1450 (R2), 4.1500 (R3)
- **Key supports:** 4.1250 (S1), 4.1170 (S2), 4.1150 (S3)
- **Expected range for the day:** 4.1300 – 4.1500

Indicative GBPMYR 5.3420

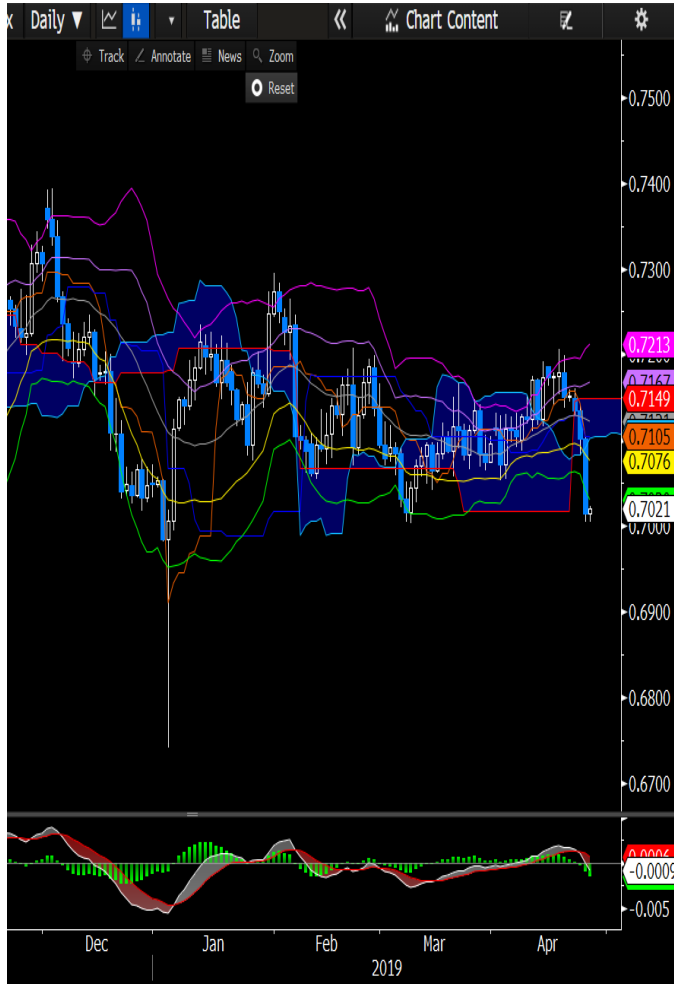


Source: Bloomberg

- GBPMYR opened 0.25% lower at 5.3274 today. **Daily outlook bullish.**
- **Weekly and monthly outlook neutral.**
- Short term signals continue to suggest a lower GBPMYR but the 5.32 level is currently providing some support. We may temporarily see a pullback to the 5.36 area before resuming the journey lower as the components retrace the recent moves.
- **Key resistances:** 5.3500 (R1), 5.3821 (R2), 5.4000 (R3)
- **Key supports:** 5.3324 (S1), 5.3266 (S2), 5.3200 (S3)
- **Expected range for the day:** 5.3150 – 5.3550

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

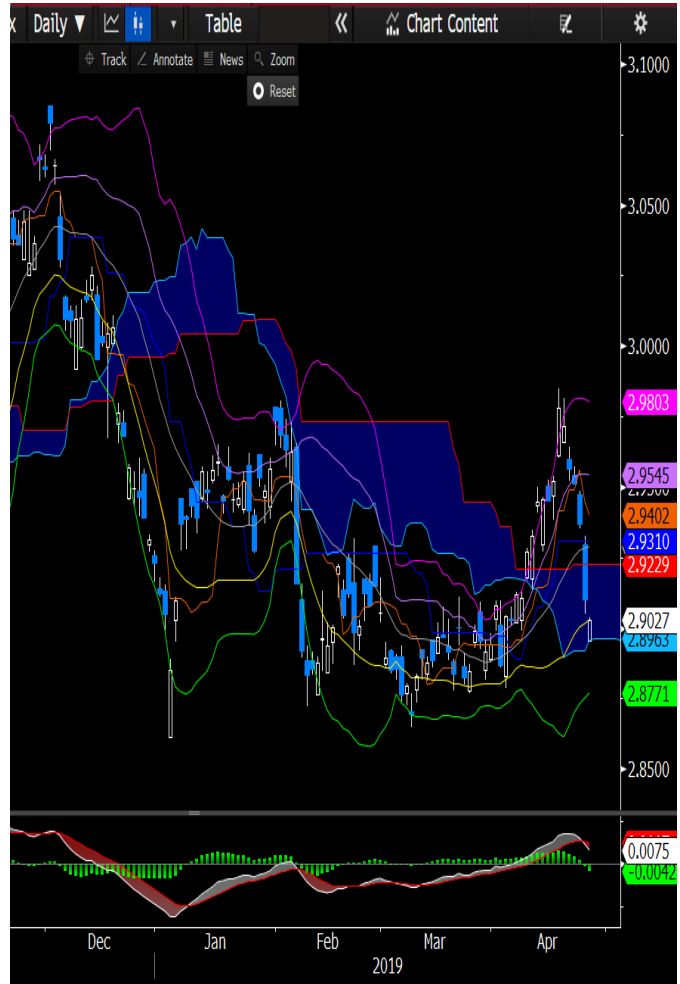
Indicative AUDUSD 0.7016



Source: Bloomberg

- AUDUSD opened unchanged at 0.7015 today. **Daily outlook neutral to slightly bearish** dragged by a softer CPI reading that spurred expectation of an earlier RBA cut, and broad USD strength.
- **Weekly outlook bearish, monthly outlook slightly bearish.**
- We remain bearish on AUDUSD on a possible RBA cut. However, 0.70 currently providing some decent support and we may see a retracement bounce to 0.7070 before continuing the journey lower.
- **Key resistances:** 0.7050 (R1), 0.7070 (R2), 0.7100 (R3)
- **Key supports:** 0.7000 (S1), 0.6980 (S2), 0.6950 (S3)
- **Expected range for the day:** 0.6980 – 0.7070

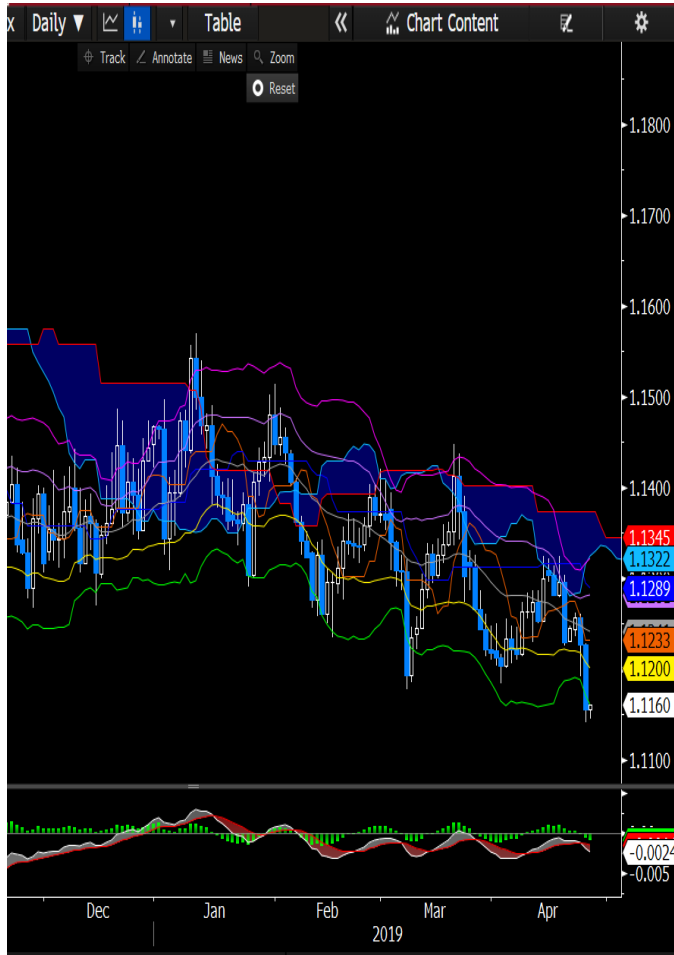
Indicative AUDMYR 2.9030



Source: Bloomberg

- AUDMYR opened 0.50% lower at 2.8957 today. **Daily outlook bullish.**
- **Weekly outlook bearish and monthly outlook bearish.**
- We remain bearish on AUDMYR as the pair continues to head towards the 2.86 area. However similar to the AUDUSD component, we may see a retracement to the 2.92 area first before continuing lower.
- **Key resistances:** 2.9100 (R1), 2.9150 (R2), 2.9200 (R3)
- **Key supports:** 2.9000 (S1), 2.8950 (S2), 2.8900 (S3)
- **Expected range for the day:** 2.8900 – 2.9150

Indicative EURUSD 1.1155

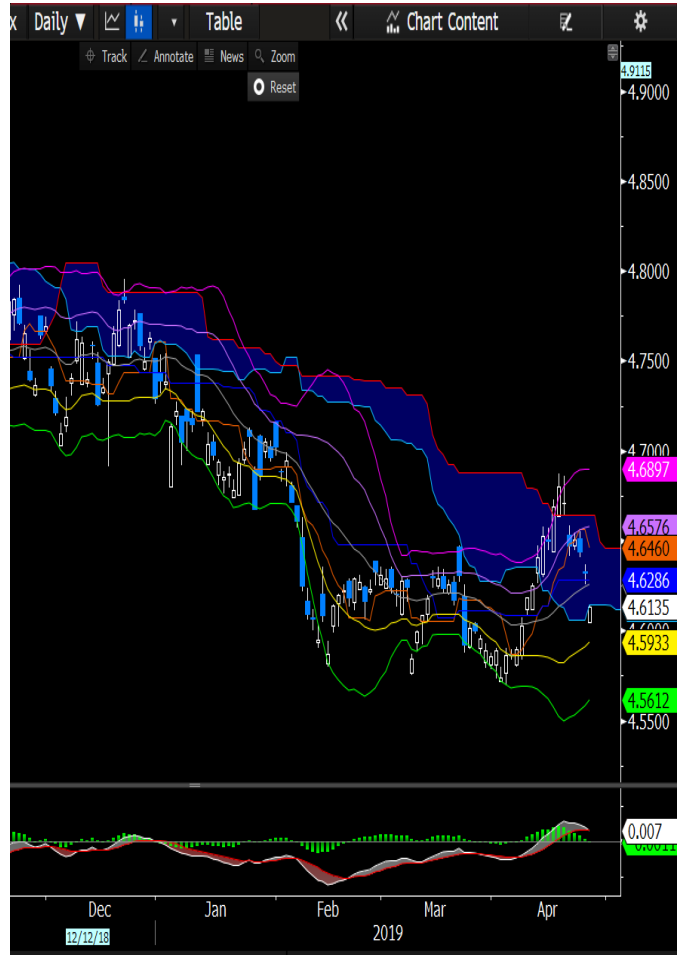


Source: Bloomberg

- EURUSD opened unchanged at 1.1155. **Daily outlook bearish.**
- **Weekly and monthly outlook neutral.**
- We turn bearish EUR as it has broken through YTD support levels and the overall climate continues to support USD strength which isn't likely to change anytime soon based on recent economic data. Failure to regain 1.12 will likely accelerate the move lower to 1.08.
- **Key resistances:** 1.1170 (R1), 1.1200 (R2), 1.1230 (R3)
- **Key supports:** 1.1120 (S1), 1.1100 (S2), 1.1080 (S3)
- **Expected range for the day:** 1.1130 – 1.1200

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

Indicative EURMYR 4.6160



Source: Bloomberg

- EURMYR opened 0.59% lower at 4.6050 today. **Daily outlook bearish.**
- **Weekly outlook neutral, monthly outlook bearish.**
- EURMYR has closed and open below the 4.6152 mid of Bollinger, negating the uptrend move established since early April. Pair will likely head towards 4.5600 if the price action continues to be below 4.6579 the 100 DMA.
- **Key resistances:** 4.6200 (R1), 4.6250 (R2), 4.6600 (R3)
- **Key supports:** 4.6100 (S1), 4.5900 (S2), 4.5700 (S3)
- **Expected range for the day:** 4.5900 – 4.6300

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.