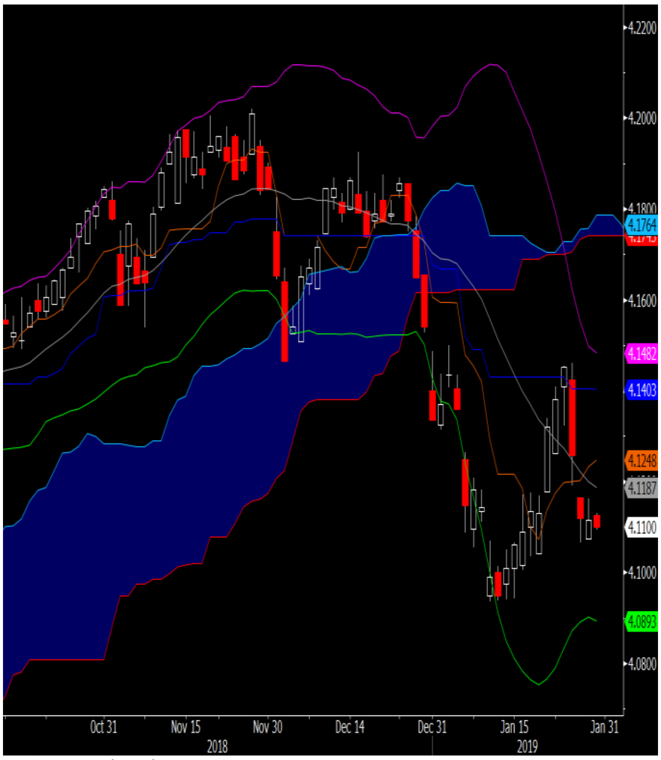
January 30, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

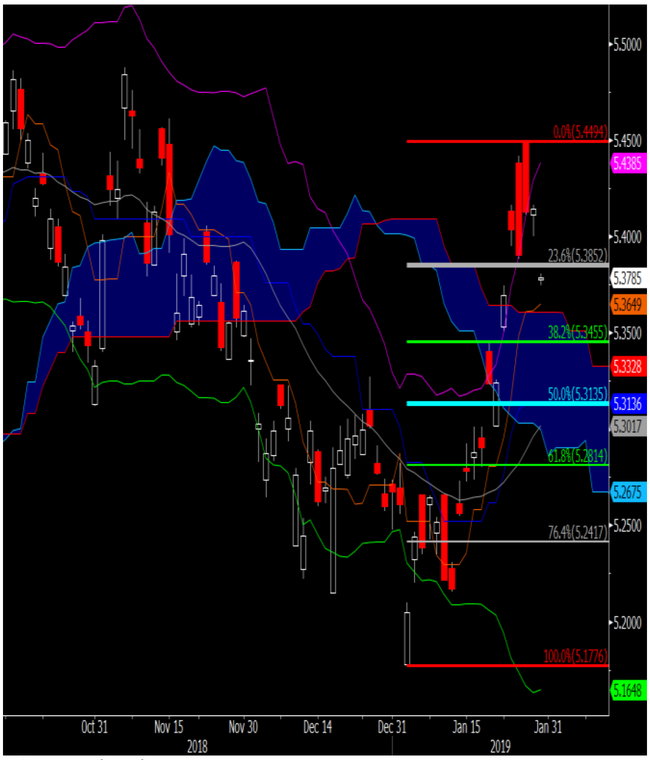
Indicative USDMYR 4.1100



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook slightly bearish** on the back of a soft USD but gains are likely modest amid rising risk aversion in the markets.
- **Weekly and monthly outlook bearish**.
- USDMYR is still inclined to the downsides in our view, with room to slide to circa 4.1055, below which 4.0940 will be targeted. Until then, there may be scope for a mild rebound, but as long as 4.1230 is not breached, a downside bias sustains.
- **Key resistances:** 4.1110 (R1), 4.1130 (R2), 4.1160 (R3)
- **Key supports:** 4.1080 (S1), 4.1065 (S2), 4.1040 (S3)
- **Expected range for the day:** 4.1060 – 4.1130

Indicative GBPMYR 5.3785

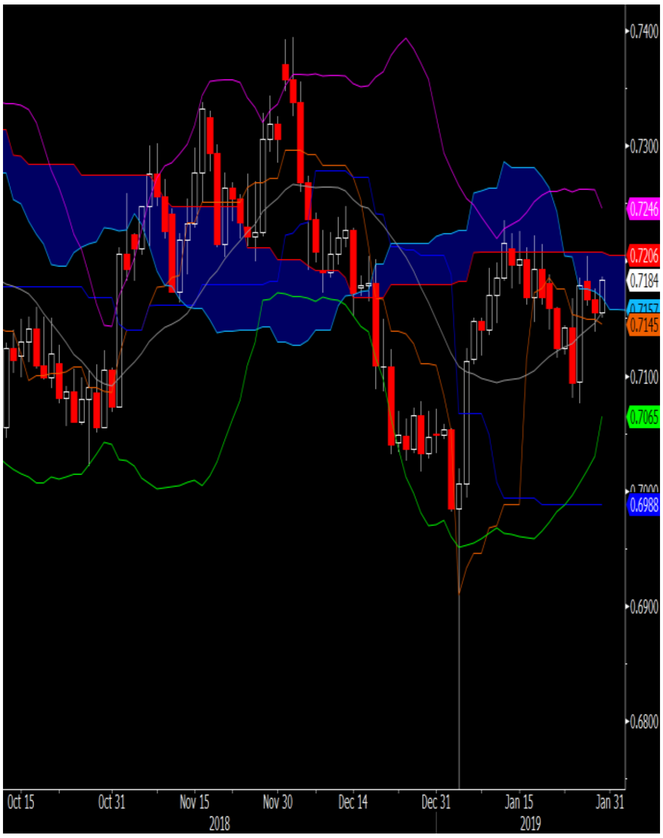


Source: Bloomberg

- GBPMYR opened 367pips lower at 5.3779 today. **Daily outlook bearish** following the sharply lower opening, but expect current gains to be narrowed.
- **Weekly outlook bearish, monthly outlook bullish**.
- GBPMYR expectedly corrected lower. While a minor bounce may occur, once it is completed we expect extended losses in GBPMYR, likely targeting 5.3455 in the next leg lower.
- **GBPMYR expectedly dropped to 5.3874**, and below, in early trade. Expect a potential decline to 5.3455, otherwise curbed by a close above 5.3951.
- **Key resistances**: 5.3800 (R1), 5.3852 (R2), 5.3874 (R3)
- **Key supports**: 5.3748 (S1), 5.3703 (S2), 5.3649 (S3)
- **Expected range for the day:** 5.3700 – 5.3820

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

Indicative AUDUSD 0.7184



Source: Bloomberg

- AUDUSD opened unchanged at 0.7155 today. **Daily outlook bullish** on technical reasons.
- **Weekly and monthly outlook bullish**.
- AUDUSD has likely completed a minor pullback from recent rally, and with a bullish trend still prevailing, there is potentially room for a climb higher to circa 0.7207 in the next leg higher. Beating this level will expose a move to 0.7229.
- **Continue to expect a potential climb to 0.7267**, otherwise curbed by a close below 0.7138.
- **Key resistances:** 0.7200 (R1), 0.7207 (R2), 0.7229 (R3)
- **Key supports:** 0.7177 (S1), 0.7169 (S2), 0.7156 (S3)
- **Expected range for the day:** 0.7150 – 0.7205

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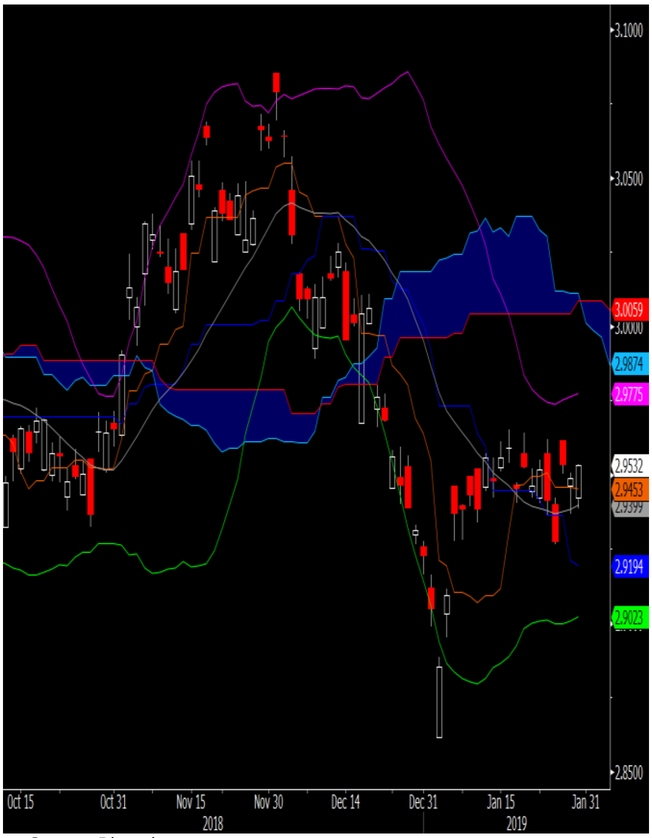
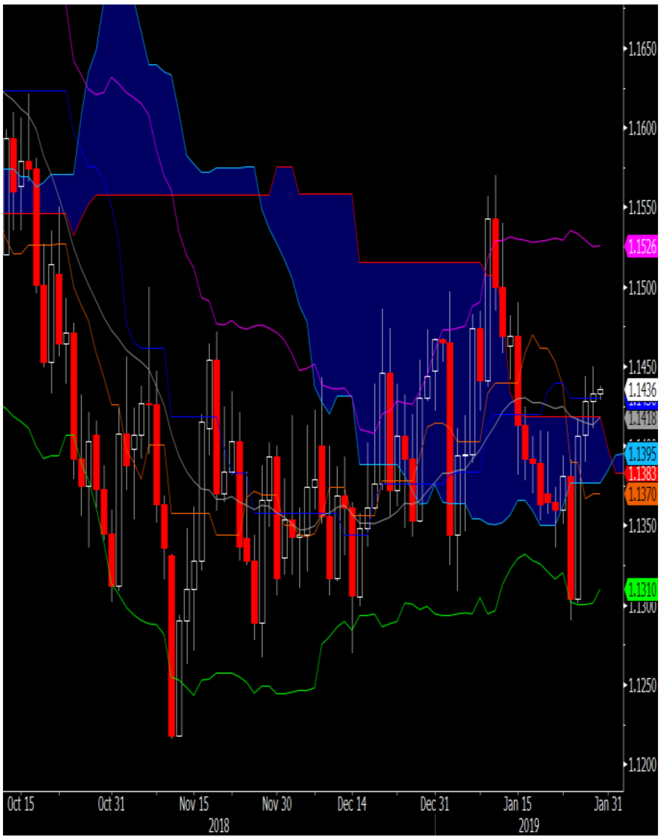
Indicative AUDMYR 2.9532



Source: Bloomberg

- AUDMYR opened 66pips lower at 2.9424 today. **Daily outlook bullish** on technical reasons.
- **Weekly and monthly outlook bullish**.
- AUDMYR remains tilted upwards so long as it does not slip back below 2.9369, with room to test 2.9654, above which 2.9753 will be challenged.
- **Expect a potential advance to 2.9753**, otherwise curbed by a close below 2.9453.
- **Key resistances:** 2.9550 (R1), 2.9587 (R2), 2.9613 (R3)
- **Key supports:** 2.9492 (S1), 2.9453 (S2), 2.9398 (S3)
- **Expected range for the day:** 2.9385 – 2.9560

Indicative EURUSD 1.1436



Source: Bloomberg

- EURUSD opened unchanged at 1.1433 today. **Daily outlook bullish**, anticipating a soft USD; further upsides are likely if Eurozone data outperforms.
- **Weekly outlook bearish, monthly outlook neutral**.
- Technical outlook for EURUSD continues to improve on breaking above 1.1430. EURUSD is now exposed to a climb towards 1.1471. Caution that a pullback after recent rally is reasonable, so long it holds above 1.1398.
- **Continue to expect a potential advance to 1.1471**.
- **Key resistances:** 1.1450 (R1), 1.1472 (R2), 1.1490 (R3)
- **Key supports:** 1.1430 (S1), 1.1418 (S2), 1.1398 (S3)
- **Expected range for the day:** 1.1425 – 1.1480

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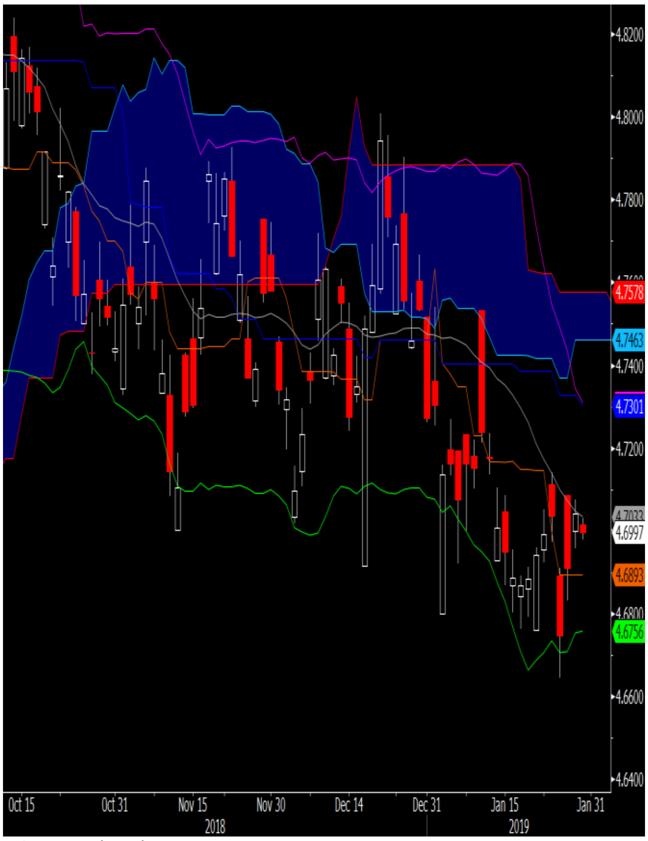
Indicative EURMYR 4.6997



Source: Bloomberg

- EURMYR opened 27pips lower at 4.7015 today. **Daily outlook slightly bullish**, anticipating a firmer EUR in European session to overturn current losses.
- **Weekly outlook bullish, monthly outlook neutral**.
- Technical outlook for EURMYR continues improve. Expect EURMYR to attempt a break at 4.7044 soon, above which 4.7193 will be targeted.
- **Continue to expect a potential advance to 4.7193**.
- **Key resistances:** 4.7034 (R1), 4.7076 (R2), 4.7100 (R3)
- **Key supports:** 4.6957 (S1), 4.6927 (S2), 4.6893 (S3)
- **Expected range for the day:** 4.6950 – 4.7050

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