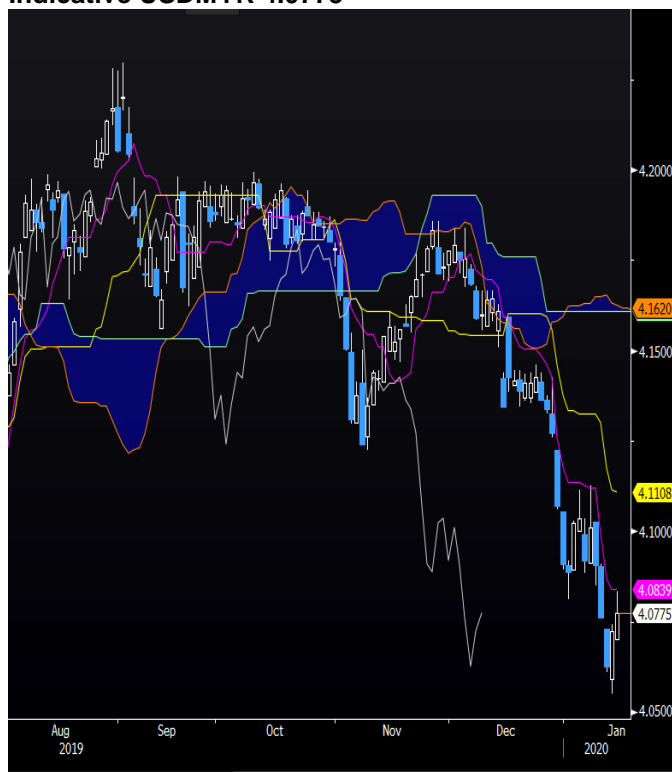


Global Markets Research
FX Strategy

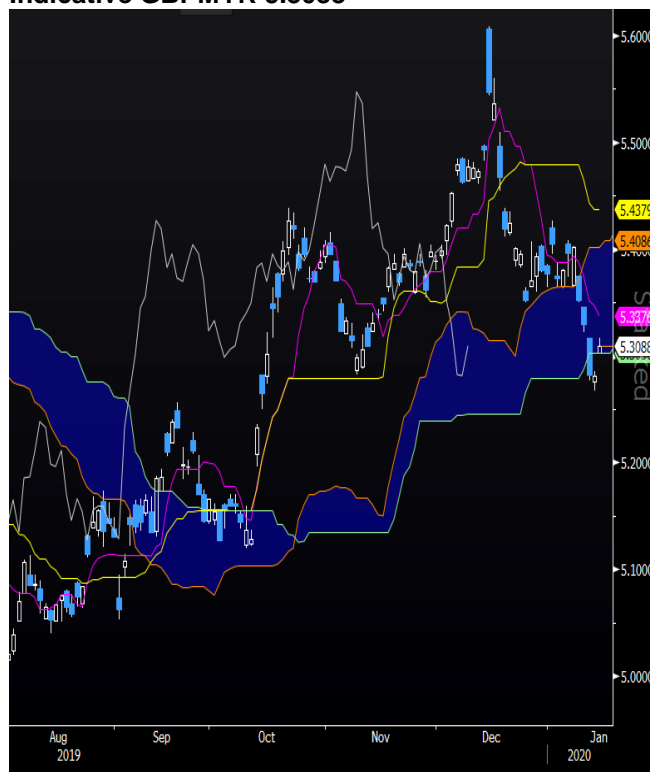
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.0775



Source: Bloomberg

Indicative GBPMYR 5.3088



Source: Bloomberg

- USDMYR opened little changed at 4.0700 today. **Daily outlook slightly bullish.**
- **Weekly outlook and monthly outlook bullish.**
- **MYR daily outlook is slightly bearish** expecting USDMYR to continue recover back above 4.0800-4.1000 range amidst news that US tariffs on Chinese goods will remain in place. Nonetheless we look towards today's signing of the US-China Phase One trade deal for more information. **MYR medium term outlook is still bearish**, expecting the USD to be well supported by solid data in 1Q20.
- **Key resistances:** 4.0840 (S1), 4.0900 (S2), 4.1000 (S3)
- **Key supports:** 4.0700 (R1), 4.0600 (R2), 4.0550 (R3)
- **Expected range for the day:** 4.0700 – 4.0900

- GBPMYR opened 0.41% higher at 5.3031 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish/**
- **GBPMYR is bullish today** on higher opening and also weaker MYR despite the fact that the sterling remains largely weak against the USD amidst poor data and rising expectation of a BOE rate cut in 1Q. Watch out for today's December CPI released later of the day of which a miss in expectation would likely send GBP lower. **Medium term outlook is neutral** now as PM Boris Johnson's Brexit bill is expected to be signed off by the House of Lords before going to the European Parliament that likely to lead Britain finally leaving the EU on 31 Jan.
- **Key resistances:** 5.3227 (R1), 5.3376 (R2), 5.3500 (R3)
- **Key supports:** 5.2880 (S1), 5.2670 (S2), 5.2500 (S3)
- **Expected range for the day:** 5.2770 – 5.3375

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

Indicative AUDUSD 0.6888



Source: Bloomberg

- AUDUSD opened unchanged at 0.6902 today. **Daily outlook neutral with a slight bearish bias.**
- **Weekly and monthly outlook bearish.**
- **AUD daily outlook is neutral to slightly bearish** on news that US tariffs on Chinese goods will likely to stay but we are not expecting much movement in the currency pair today as markets await full details of US-China trade deal. **Medium term outlook is bearish** on rising possibility of an RBA rate cut in early February.
- **Key resistances:** 0.6915 (R1), 0.6940 (R2), 0.6950 (R3)
- **Key supports:** 0.6880 (S1), 0.6870 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6880 – 0.6920

Indicative AUDMYR 2.8131



Source: Bloomberg

- AUDMYR opened little changed at 2.8080 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish.**
- **We are bullish on AUDMYR cross today** mainly because of MYR weakness as it sold off against the dollar yesterday after recent run of gains. **Medium term outlook is bearish** on rising possibility of an RBA rate cut in early February.
- **Key resistances:** 2.8200 (R1), 2.8275 (R2), 2.8350 (R3)
- **Key supports:** 2.8060 (S1), 2.8000 (S2), 2.7960 (S3)
- **Expected range for the day:** 2.8050– 2.8200

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

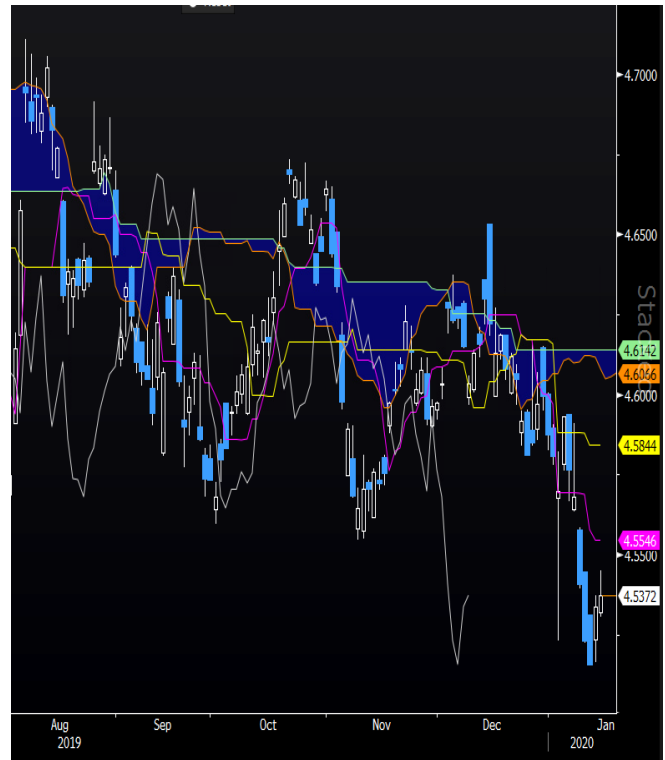
Indicative EURUSD 1.1129



Source: Bloomberg

- EURUSD opened unchanged at 1.1128 today. **Daily outlook neutral with a bearish bias.**
- **Weekly and monthly outlook bearish.**
- **Daily outlook remains neutral** with a bearish bias ahead of Eurozone industrial production and Germany annual GDP data. **Medium term outlook is still bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 1.1150 (R1), 1.1180 (R2), 1.1200 (R3)
- **Key supports:** 1.1120 (S1), 1.1100 (S2), 1.0980 (S3)
- **Expected range for the day:** 1.1120 – 1.1140

Indicative EURMYR 4.5372



Source: Bloomberg

- EURMYR opened little changed at 4.5318 today. **Daily outlook bullish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross is bullish today** on weaker MYR component as it sold off against the dollar yesterday after a recent run of gains. **Medium term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 4.5450 (R1), 4.5546 (R2) 4.5600 (R3)
- **Key supports:** 4.5300 (S1), 4.5200 (S2), 4.5150 (S3)
- **Expected range for the day:** 4.5300- 4.5500

* 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.