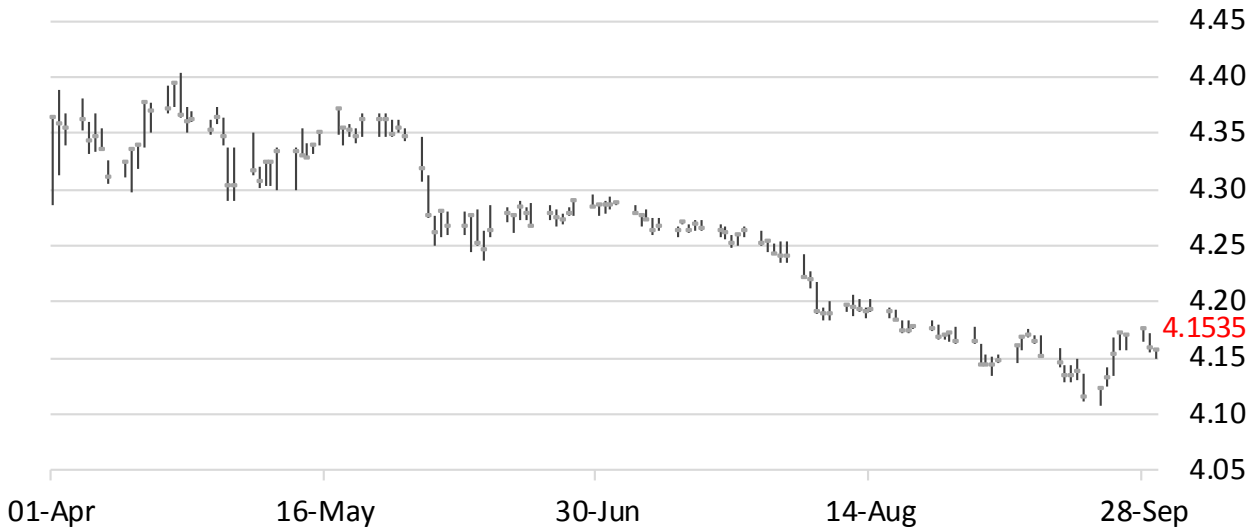


Global Markets Research
Mid-day Currency Outlook
USD/MYR


Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to Bullish

USD/MYR opened 0.2% lower at 4.1510. Our short term bullish view on the USD appears under risk now as risk sentiment improves, posing downside risk to our neutral and bullish outlook for USD/MYR this week. Daily outlook is neutral to bearish for now after the recent down move in broad USD.

1-Month Outlook – MYR Bearish

We are still bullish on USD/MYR over a one month horizon, expecting USD strength to prevail at least until November's general election. Lacklustre recovery and especially slower job growth pose downside risk to the USD, but this is outweighed by higher possibility for a USD reversal after months of weakness as well as rising volatility ahead of the election.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1405	4.1510	4.1535	4.1800	4.2000

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.4% higher at 4.8821 after EUR strengthened overnight on the back of dollar weakness. Daily outlook is neutral amid a lack of key driver, although lingering USD weakness could push the pair higher. No change to our bearish outlook in EUR in the more medium term over more sustained USD strength.

a	S2	S1	Indicative	R1	R2
EUR/MYR	4.8350	4.8692	4.8801	4.8873	4.9054

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.2% lower at 5.3492. Expect pair to trade neutrally ahead of the final estimate of UK's 2Q GDP as well as amid ongoing Brexit talks. No change to our view that GBP is bearish in the short and more medium term on the back of Brexit uncertainties and poor recovery prospect.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.3000	5.3173	5.3436	5.3670	5.3848

AUD/MYR



AUD/MYR Neutral to Bullish

AUD/MYR opened higher at 2.9711 after AUD again became among the top gainers overnight thanks to firmer sentiment. Daily outlook is neutral to bullish on improved sentiments as well as positive China PMIs. In the more medium term, we view RBA's more optimistic recovery outlook as a factor holding up the Aussie dollar.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9000	2.9300	2.9641	2.9800	3.0000

Source: Bloomberg, HLBB Global Markets Research

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