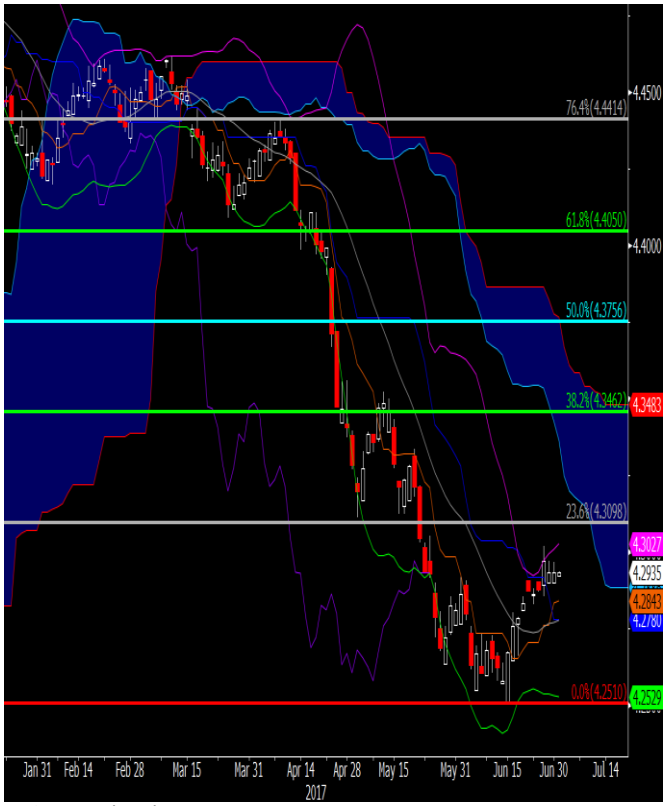
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

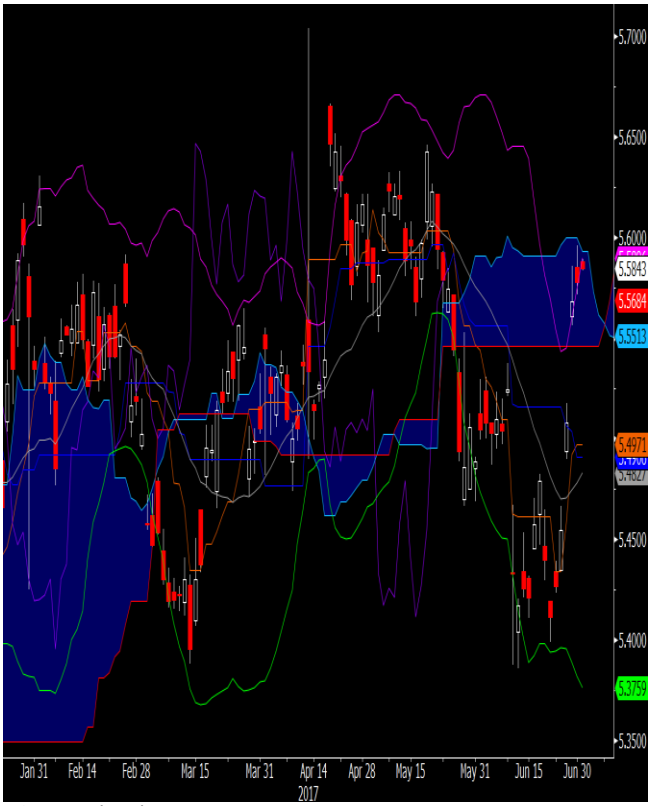
Indicative USDMYR 4.2935



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** in anticipation of firmer demand in MYR on the back of improving market activity.
- **Weekly and monthly outlook bearish**.
- Even though USDMYR is still inclined to higher levels, we reckon that softening upside momentum is likely to restrict gains and gradually tilt the pair into a bearish bias going forward. Caution that losing 4.2903 exposes a longer-term drop to 4.2780.
- **Continue to expect a potential advance to 4.3030**.
- **Key resistances:** 4.2970 (R1), 4.3027 (R2), 4.3098 (R3)
- **Key supports:** 4.2903 (S1), 4.2870 (S2), 4.2843 (S3)
- **Expected range for the day:** 4.2900 – 4.2970

Indicative GBPMYR 5.5843

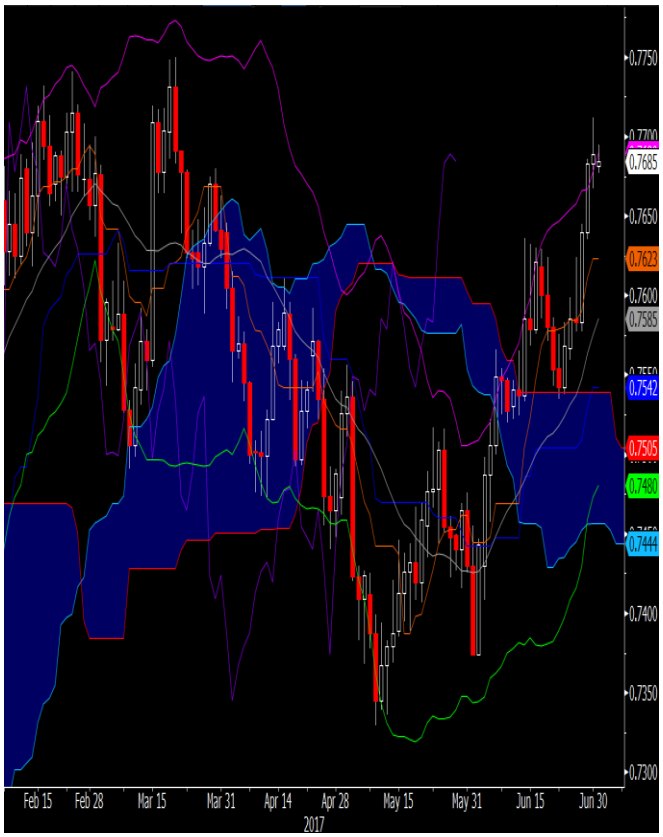


Source: Bloomberg

- GBPMYR opened 104pips higher at 5.5879. **Daily outlook bullish**, lifted by the sharply higher opening and potentially stronger GBP going into European trade.
- **Weekly and monthly outlook bullish**.
- GBPMYR is poised to test 5.6000, but we remain skeptical that extended upsides can sustain thereafter. We set sights on a failure near 5.6000 to push GBPMYR lower to circa 5.5450, otherwise, the pair is set for a test at 5.6330 in the next leg higher.
- **Continue to expect a potential climb to 5.6000**.
- **Key resistances**: 5.5899 (R1), 5.5931 (R2), 5.5960 (R3)
- **Key supports**: 5.5806 (S1), 5.5717 (S2), 5.5680 (S3)
- **Expected range for the day:** 5.5800 – 5.6000

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

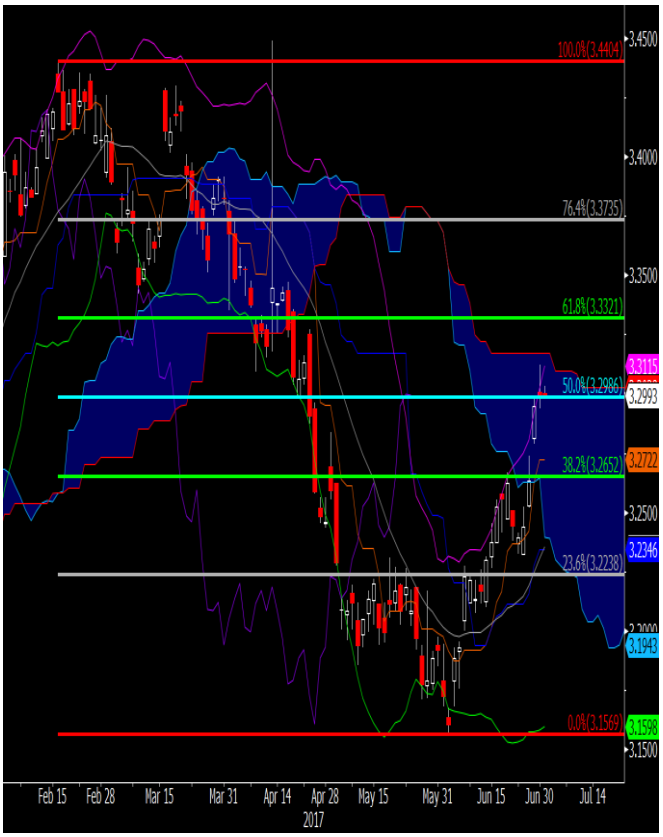
Indicative AUDUSD 0.7685



Source: Bloomberg

- AUDUSD opened 8pips lower at 0.7681. **Daily outlook bullish**, supported by risk aversion in USD and recovery in commodities.
- **Weekly outlook slightly bullish, monthly outlook bearish**.
- We maintain that AUDUSD is likely to soon test 0.7720 – 0.7750. Closing above 0.7720 is possible, but likely unsustainable as it is a firm reversion level that could trigger a near-term decline below it whenever it is surpassed.
- **Key resistances:** 0.7708 (R1), 0.7720 (R2), 0.7750 (R3)
- **Key supports:** 0.7667 (S1), 0.7638 (S2), 0.7608 (S3)
- **Expected range for the day:** 0.7660 – 0.7720

Indicative AUDMYR 3.2993

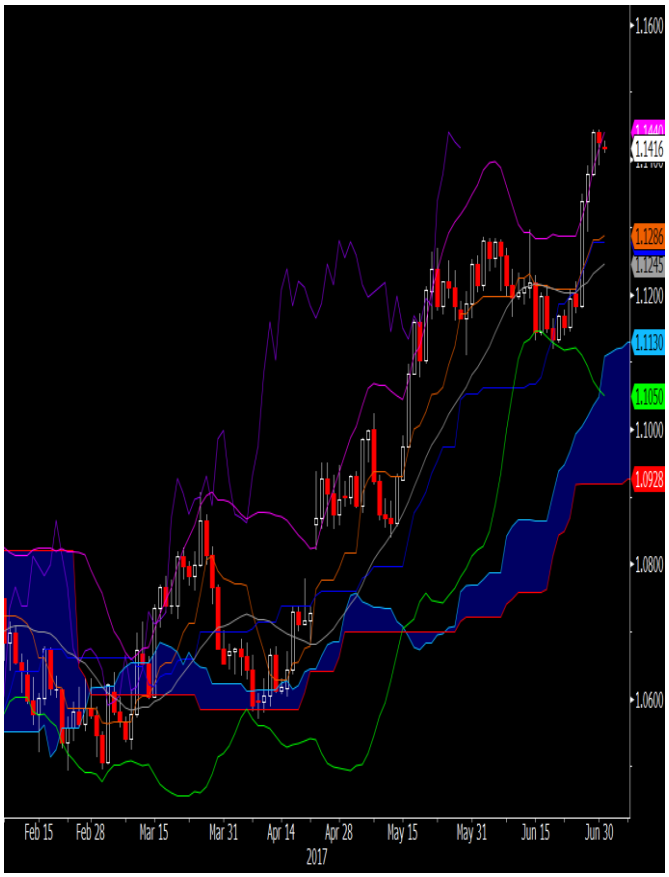


Source: Bloomberg

- AUDMYR opened 9pips higher at 3.3005. **Daily outlook slightly bullish**, as AUD is likely to outperform MYR on the back of recovery in commodities.
- **Weekly outlook neutral, monthly outlook bearish**
- AUDMYR remains poised to test 3.3172; failure here is likely the onset of a reversal towards 3.2652, otherwise expect a climb to 3.3321 in the next leg higher.
- **Key resistances:** 3.3000 (R1), 3.3033 (R2), 3.3080 (R3)
- **Key supports:** 3.2986 (S1), 3.2938 (S2), 3.2880 (S3)
- **Expected range for the day:** 3.2930 – 3.3150

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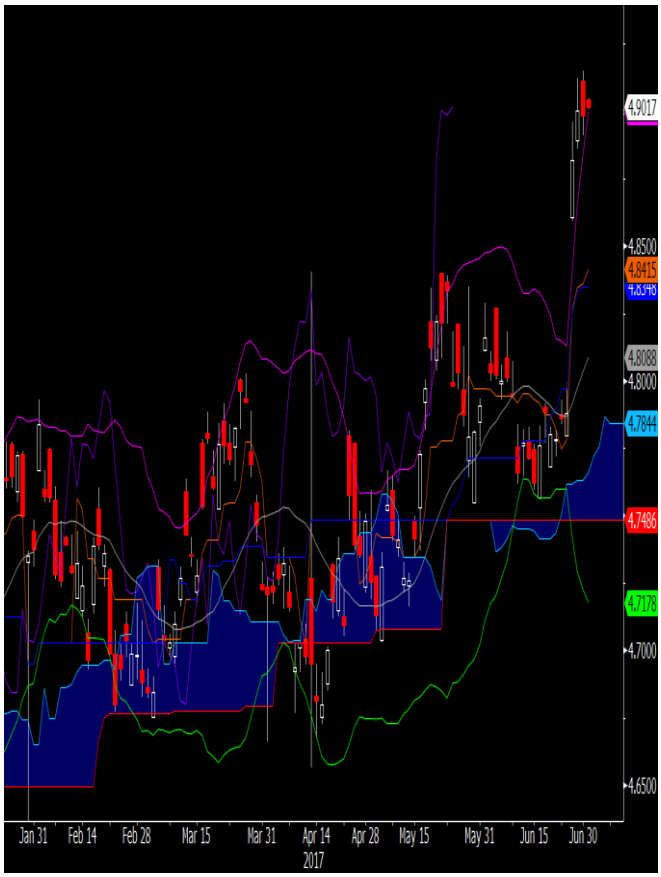
Indicative EURUSD 1.1416



Source: Bloomberg

- EURUSD opened 8pips lower at 1.1418. **Daily outlook bullish** amid a potentially bearish USD; upside surprise in Eurozone data will boost gains.
- **Weekly outlook bullish, monthly outlook bearish**.
- We set sights on EURUSD closing above 1.1441 in the coming days, but anything short of 1.1500 will be a sign that exhaustion has set in, which could set the pair on a reversal to 1.1361.
- **Key resistances:** 1.1441 (R1), 1.1480 (R2), 1.1500 (R3)
- **Key supports:** 1.1392 (S1), 1.1361 (S2), 1.1343 (S3)
- **Expected range for the day:** 1.1400 – 1.1500

Indicative EURMYR 4.9017



Source: Bloomberg

- EURMYR opened 61pips higher at 4.9044. **Daily outlook slightly bullish** amid bullish potential in EUR going into European trade.
- **Weekly and monthly outlook bullish**.
- We remain skeptical that recent surges are sustainable and will likely unravel going forward, but maintain that EURMYR will push higher first before reversing. A test at 4.9334 – 4.9530 cannot be ruled out.
- **Continue to expect a potential climb to 4.9350**, otherwise curbed by a close below 4.8820.
- **Key resistances:** 4.9050 (R1), 4.9122 (R2), 4.9152 (R3)
- **Key supports:** 4.9000 (S1), 4.8913 (S2), 4.8880 (S3)
- **Expected range for the day:** 4.8920 – 4.9180

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