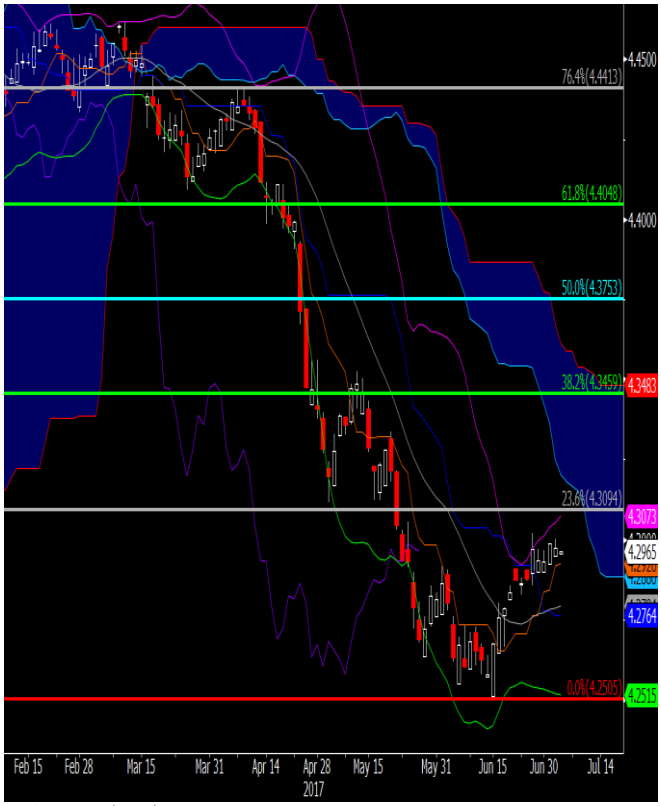
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FX Strategy

Daily Currency Outlook – 11am edition

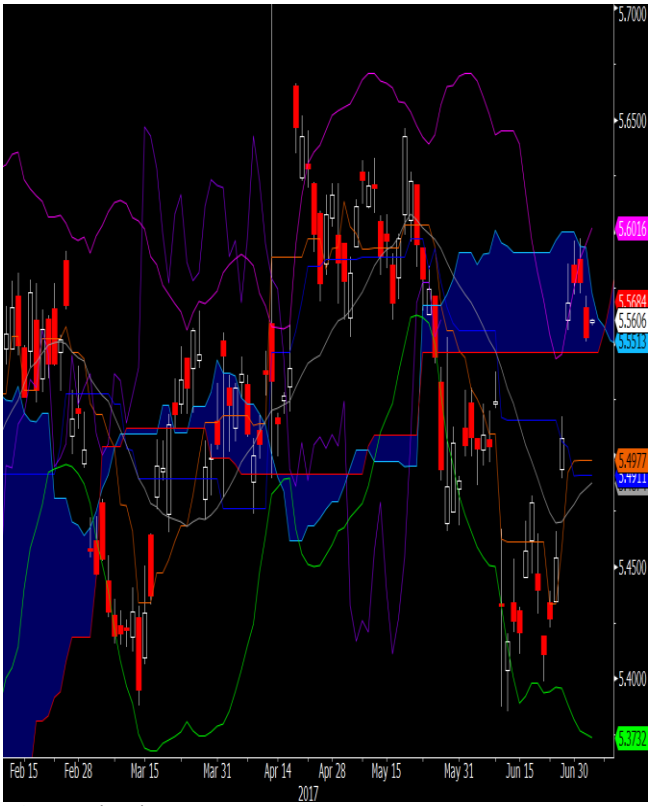
Indicative USDMYR 4.2965



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** in anticipation of a softer USD going into European trade amid risk aversion ahead of US releases.
- **Weekly and monthly outlook bearish**.
- Technical outlook suggest a fading upside momentum in USDMYR, thus limiting overall gains. We opine that the pair is fragile and prone to a decline to 4.2903; losing this accelerates the bears.
- **USDMYR is now unlikely to advance to 4.3030**.
- **Key resistances:** 4.2987 (R1), 4.3000 (R2), 4.3033 (R3)
- **Key supports:** 4.2933 (S1), 4.2903 (S2), 4.2886 (S3)
- **Expected range for the day:** 4.2880 – 4.2980

Indicative GBPMYR 5.5606

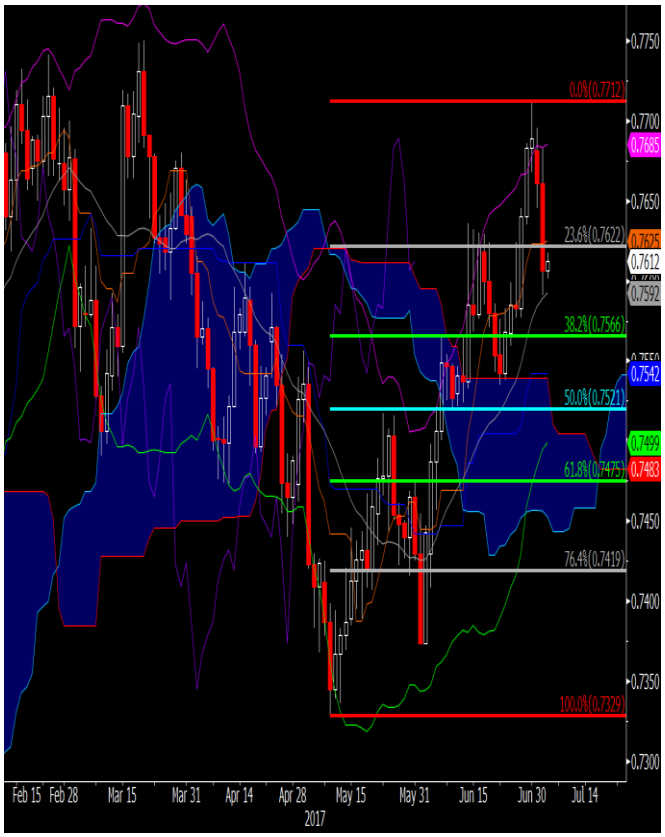


Source: Bloomberg

- GBPMYR opened 65pips higher at 5.5595. **Daily outlook slightly bearish**, weighed down by risk aversion in GBP going into European trade.
- **Weekly and monthly outlook bearish**.
- After recent rejection from highs, we opine that GBPMYR is now unlikely to test 5.6000. We now set sights on a break at 5.5459 to trigger a drop to circa 5.5209 in the next leg lower.
- **GBPMYR is now unlikely to climb to 5.6000** – expect a potential decline to 5.5250, otherwise curbed by a close above 5.5722.
- **Key resistances**: 5.5663 (R1), 5.5723 (R2), 5.5858 (R3)
- **Key supports**: 5.5560 (S1), 5.5459 (S2), 5.5376 (S3)
- **Expected range for the day:** 5.5450 – 5.5610

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

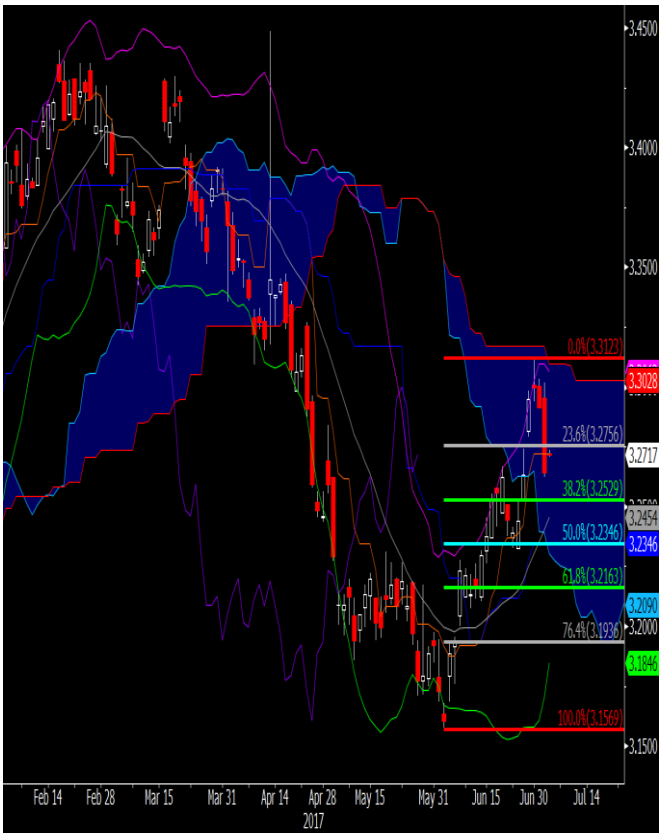
Indicative AUDUSD 0.7612



Source: Bloomberg

- AUDUSD opened unchanged at 0.7606. **Daily outlook bearish**, pressured by risk aversion in the markets leading into US data and FOMC minutes.
- **Weekly outlook and monthly outlook bearish**.
- Sharp decline overnight has altered the technical landscape; AUDUSD is now prone to further losses while below 0.7639, and we set sights on a test at 0.7566 next.
- **Continue to expect a potential decline to 0.7570**, otherwise curbed by a close above 0.7640.
- **Key resistances:** 0.7622 (R1), 0.7639 (R2), 0.7645 (R3)
- **Key supports:** 0.7608 (S1), 0.75921 (S2), 0.7566 (S3)
- **Expected range for the day:** 0.7560– 0.7630

Indicative AUDMYR 3.2717

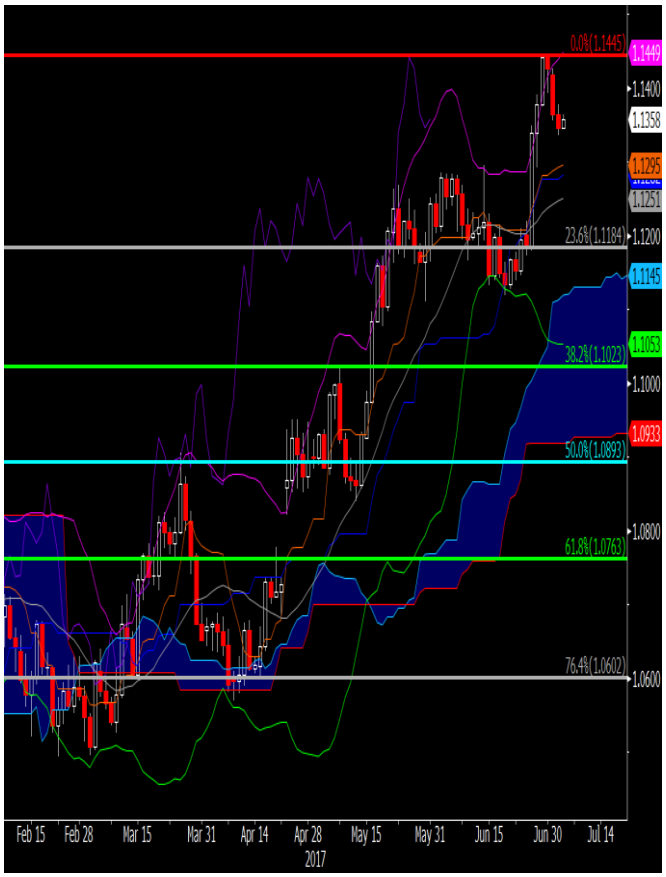


Source: Bloomberg

- AUDMYR opened 81pips higher at 3.2723. **Daily outlook bearish** as we expect market risk aversion leading to US data and FOMC minutes to pressure AUD more than MYR.
- **Weekly and monthly outlook bearish**.
- After closing below 3.2756, AUDMYR is now titled slightly to the downside and inclined to losses going forward. AUDMYR is likely to test 3.2529 in the next leg lower, below which it would head to 3.2346.
- **Expect a potential drop to 3.2460**, otherwise curbed by a close above 3.2800.
- **Key resistances:** 3.2758 (R1), 3.2791 (R2), 3.2839 (R3)
- **Key supports:** 3.2652 (S1), 3.2632 (S2), 3.2579 (S3)
- **Expected range for the day:** 3.2590 – 3.2740

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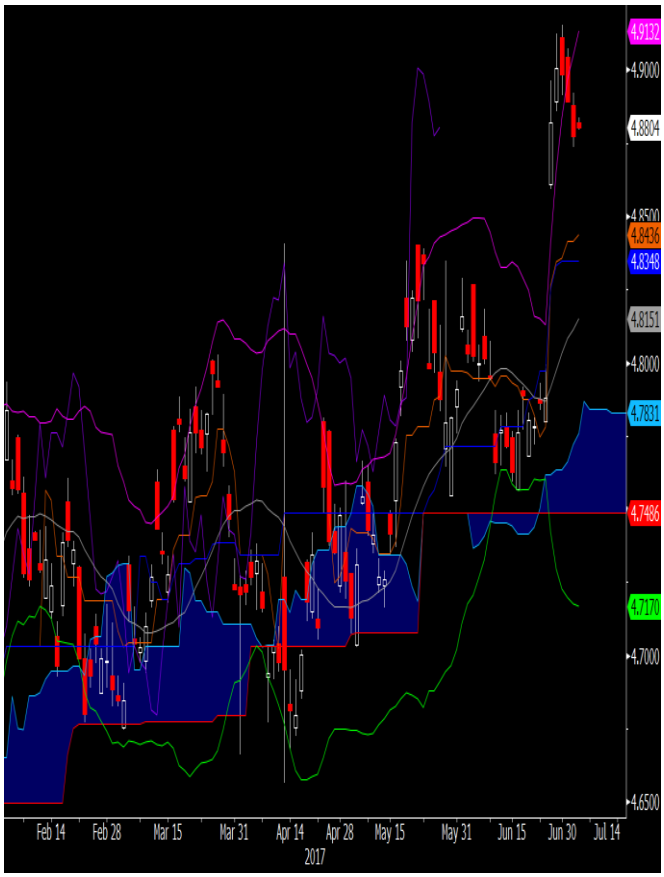
Indicative EURUSD 1.1358



Source: Bloomberg

- EURUSD opened unchanged at 1.1346. **Daily outlook bearish** in anticipation of USD rebound, backed by bullish potential in US data and FOMC minutes.
- **Weekly and monthly outlook bearish**.
- We maintain that EURUSD is more inclined to losses than gains; any rebound that fails to beat 1.1450 sustains current technical outlook, which points to near-term drop to 1.1295.
- **Key resistances:** 1.1377 (R1), 1.1392 (R2), 1.1427 (R3)
- **Key supports:** 1.1350 (S1), 1.1295 (S2), 1.1282 (S3)
- **Expected range for the day:** 1.1290 – 1.1380

Indicative EURMYR 4.8804



Source: Bloomberg

- EURMYR opened 53pips lower at 4.8821. **Daily outlook bearish** amid potential retreat in EUR going into European trade.
- **Weekly and monthly outlook bearish**.
- There are now clearer signs of EURMYR's retreat; the pair is likely to take aim at 4.8642 next, below which it would target 4.8151 in the longer term.
- **Expect a potential decline to 4.8436**, curbed by a close above 4.8962.
- **Key resistances:** 4.8860 (R1), 4.8921 (R2), 4.8962 (R3)
- **Key supports:** 4.8734 (S1), 4.8641 (S2), 4.8593 (S3)
- **Expected range for the day:** 4.8730 – 4.8860

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