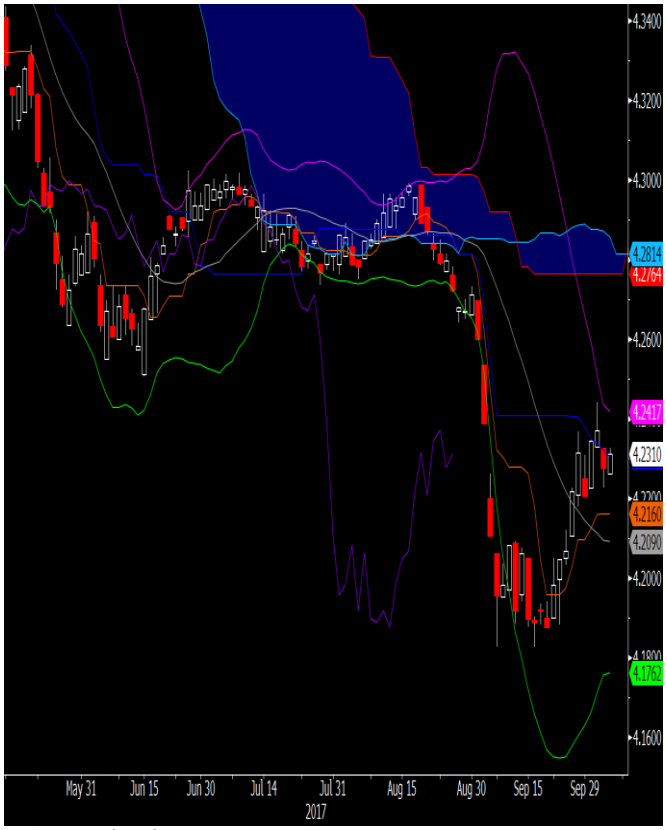
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

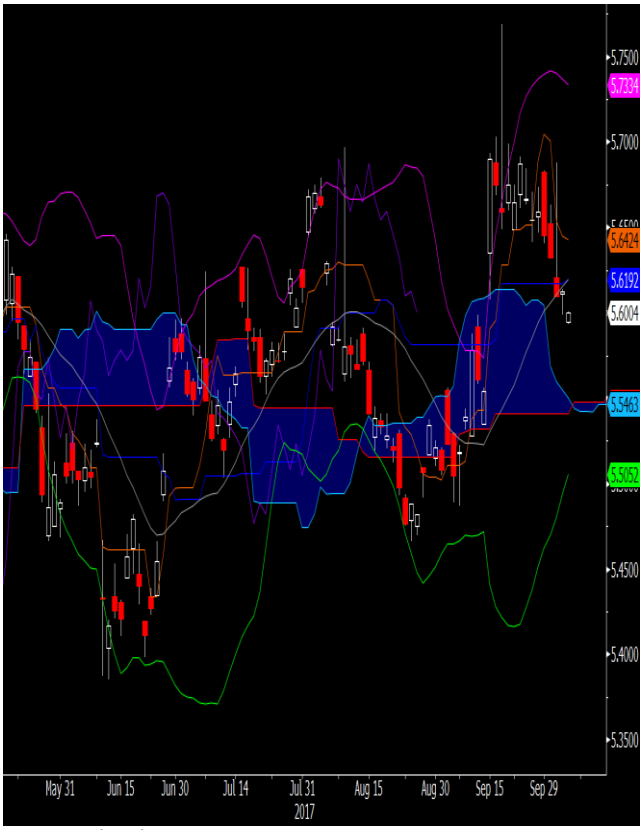
Indicative USDMYR 4.2310



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bullish** in anticipation of softer market sentiment amid lingering risk aversion in the FX markets.
- **Weekly outlook bullish, monthly outlook neutral**.
- USDMYR remains technically bullish, therefore, we continue to set sights on a climb to 4.2557 going forward. Losses, if any, are likely to bounce off 4.2225.
- **Continue to expect a potential climb to 4.2535**, otherwise curbed by a close below 4.2235.
- **Key resistances:** 4.2367 (R1), 4.2400 (R2), 4.2418 (R3)
- **Key supports:** 4.2254 (S1), 4.2200 (S2), 4.2160 (S3)
- **Expected range for the day:** 4.2260 – 4.2380

Indicative GBPMYR 5.6004

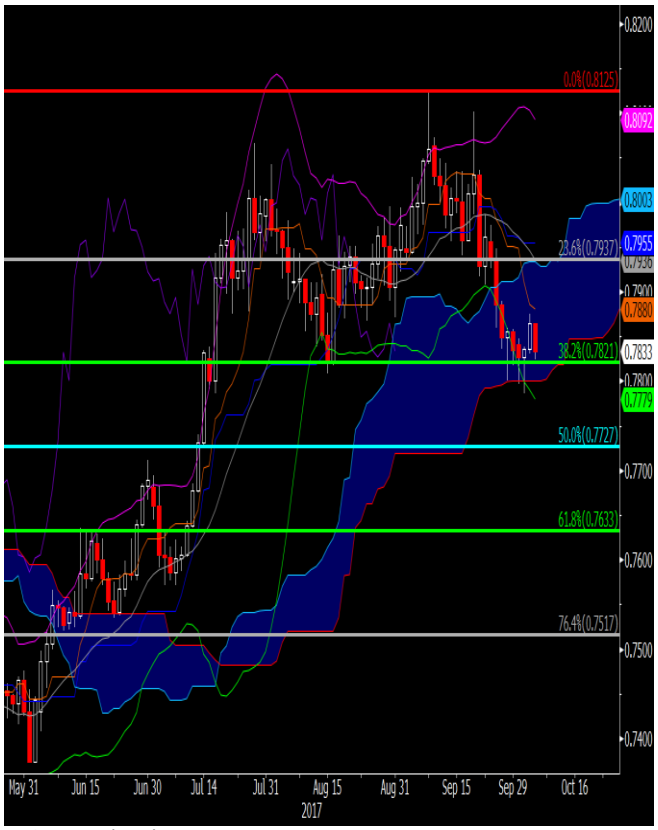


Source: Bloomberg

- GBPMYR opened 183pips lower at 5.5943. **Daily outlook bearish**, weighed down by the sharply lower opening and further GBP weakness in lingering UK political concerns.
- **Weekly and monthly outlook bearish**.
- GBPMYR remains under pressure while below 5.6106; we opine bearish bias is increasing and will likely push GBPMYR towards 5.5832 in the coming weeks.
- **Continue to expect a potential decline to 5.5832**, otherwise curbed by a close above 5.6100.
- **Key resistances**: 5.6080 (R1), 5.6138 (R2), 5.6192 (R3)
- **Key supports**: 5.6000 (S1), 5.5848 (S2), 5.5814 (S3)
- **Expected range for the day:** 5.5930 – 5.6080

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

Indicative AUDUSD 0.7833

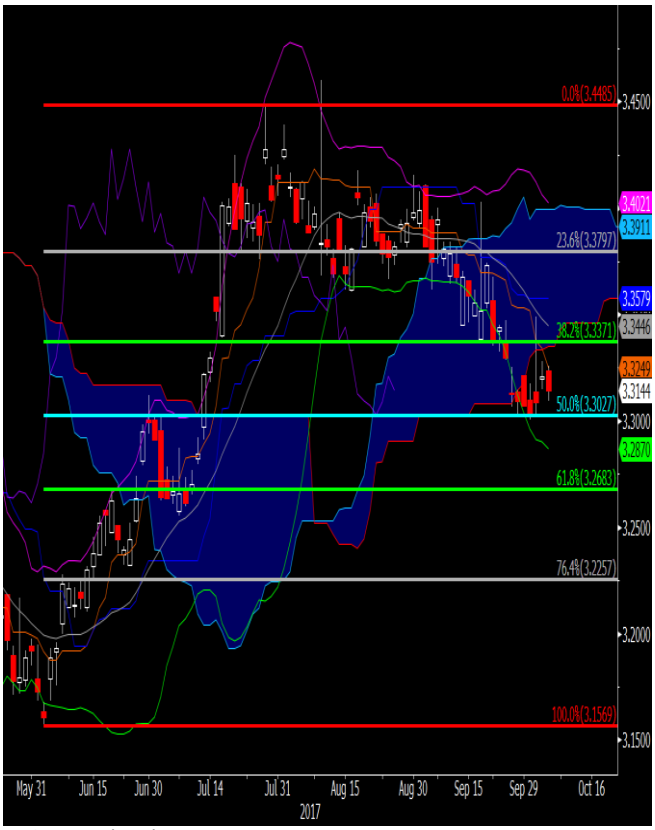


Source: Bloomberg

- AUDUSD opened unchanged at 0.7865. **Daily outlook bearish**, weighed down by prevailing risk-off in the markets and softer than expected Australia data.
- **Weekly and monthly outlook bearish**.
- Technical landscape has been altered and bearish bias has softened. While downsides still prevail in our view, with scope to test 0.7800, we reckon that losses may be more moderate going forward.
- **Continue to expect a potential decline to 0.7727**, otherwise curbed by a close above 0.7890.
- **Key resistances:** 0.7858 (R1), 0.7880 (R2), 0.7897 (R3)
- **Key supports:** 0.7821 (S1), 0.7800 (S2), 0.7779 (S3)
- **Expected range for the day:** 0.7790 – 0.7865

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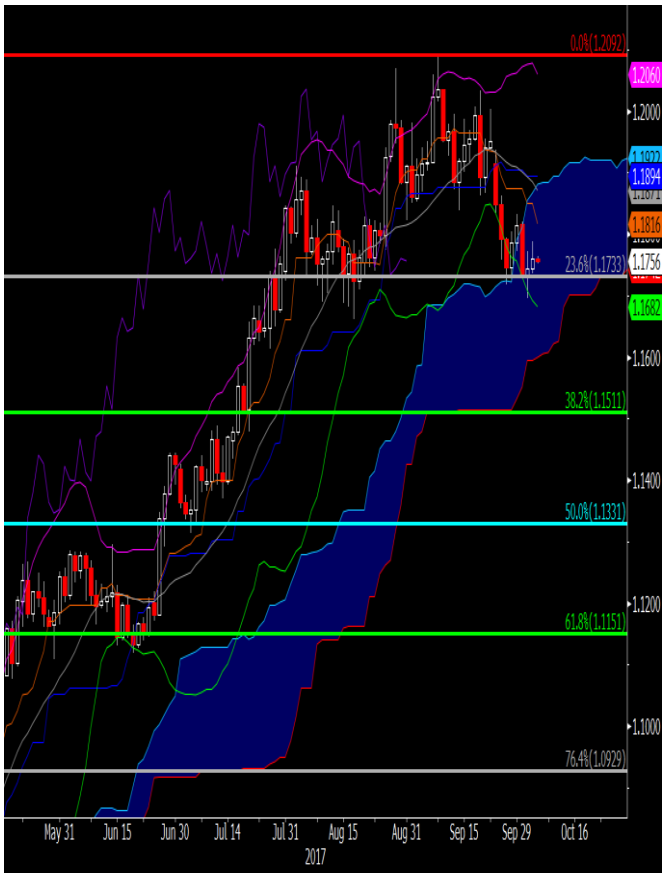
Indicative AUDMYR 3.3144



Source: Bloomberg

- AUDMYR opened 26pips higher at 3.3235. **Daily outlook slightly bearish** on the back of a relatively weaker AUD, weighed down by soft Australia data.
- **Weekly and monthly outlook bearish**.
- Bearish bias continues to diminish after another gap up at opening. A close above 3.3221 will alleviate downside pressure from the bears, while closing below 3.3089 will be a sign that recent rebound will be short-lived.
- **Key resistances:** 3.3155 (R1), 3.3200 (R2), 3.3249 (R3)
- **Key supports:** 3.3100 (S1), 3.3089 (S2), 3.3027 (S3)
- **Expected range for the day:** 3.3060 – 3.3260

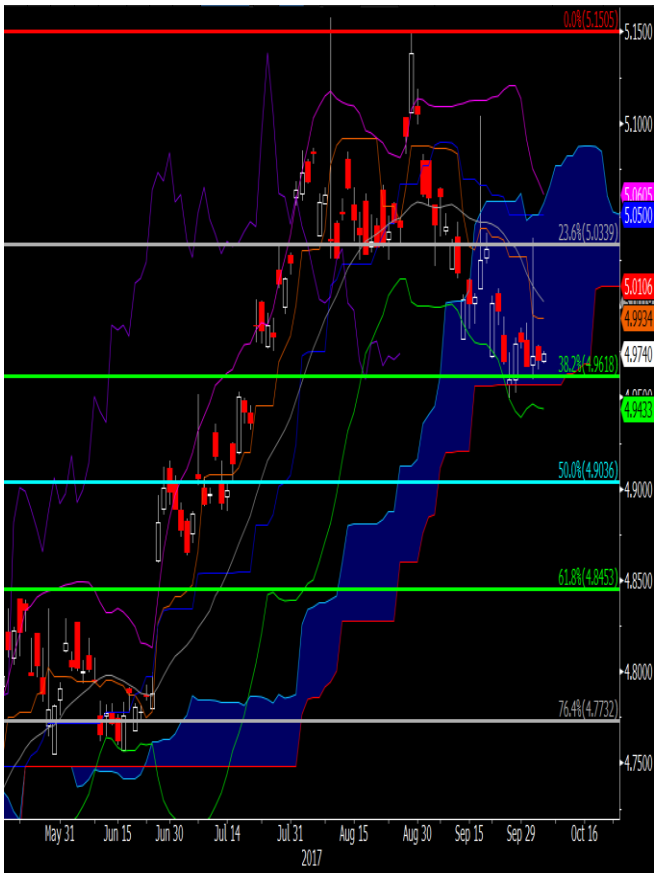
Indicative EURUSD 1.1756



Source: Bloomberg

- EURUSD opened unchanged at 1.1759. **Daily outlook bearish**, weighed down by lingering political concerns in Spain; the absence of a more solid discussion on QE tapering in tonight's ECB meeting minutes will diminish buying interest.
- **Weekly and monthly outlook bearish**.
- We maintain that the recent bounce off 1.1733 will likely be stemmed near 1.1789 – 1.1800. Rejection here will take EURUSD to below 1.1733, otherwise, further gains to circa 1.1847 can be expected.
- **Key resistances:** 1.1777 (R1), 1.1788 (R2), 1.1800 (R3)
- **Key supports:** 1.1733 (S1), 1.1700 (S2), 1.1682 (S3)
- **Expected range for the day:** 1.1730 – 1.1770

Indicative EURMYR 4.9740



Source: Bloomberg

- EURMYR opened 5pips lower at 4.9700. **Daily outlook slightly bearish**, in anticipation EUR weakness going into European trade amid on-going political concerns.
- **Weekly and monthly outlook bearish**.
- Bearish bias still prevails and continues to tilt EURMYR downward. We maintain that EURMYR is poised to slide below 4.9618; caution that below 4.9572, bearish bias will accelerate and push EURMYR to 4.9036 in the coming weeks.
- **Continue to expect a potential decline to 4.9572**, otherwise curbed by a close above 4.9820.
- **Key resistances:** 4.9767 (R1), 4.9824 (R2), 4.9873 (R3)
- **Key supports:** 4.9727 (S1), 4.9679 (S2), 4.9618 (S3)
- **Expected range for the day:** 4.9650 – 4.9770

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