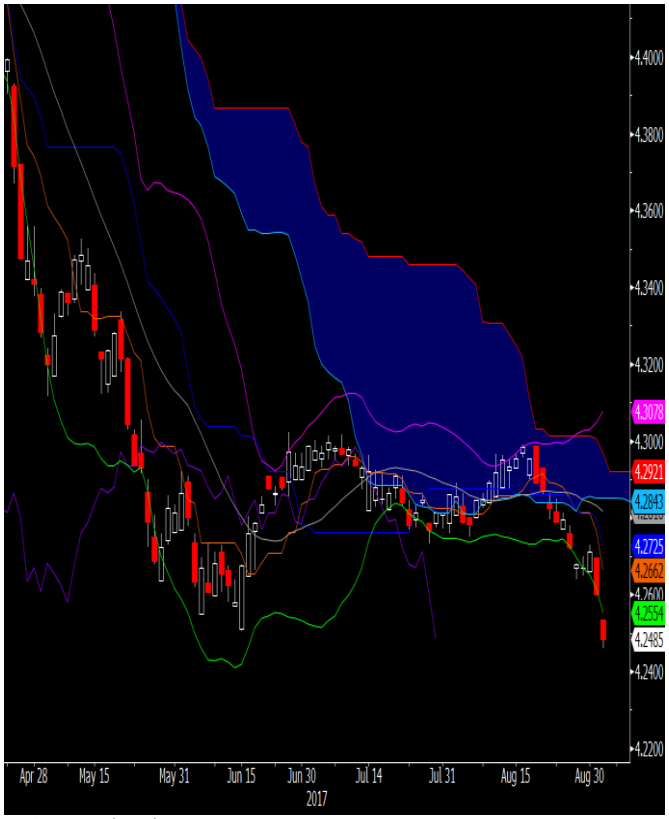
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

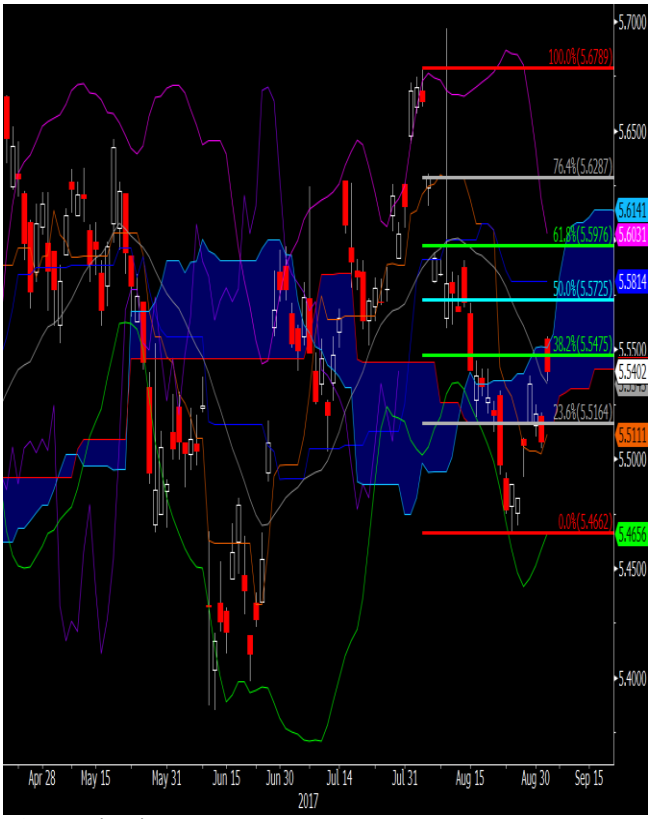
Indicative USDMYR 4.2485



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook slightly bullish** on the back of a weak overnight USD; expect further downsides on strong Malaysia trade data.
- **Weekly and monthly outlook bullish**.
- Technically, downsides in USDMYR prevails and likely to push the pair lower after losing 4.2500. There is scope to test 4.2400 going forward.
- **Key resistances:** 4.2500 (R1), 4.2551 (R2), 4.2580 (R3)
- **Key supports:** 4.2450 (S1), 4.2400 (S2), 4.2380 (S3)
- **Expected range for the day:** 4.2420 – 4.2535

Indicative GBPMYR 5.5402

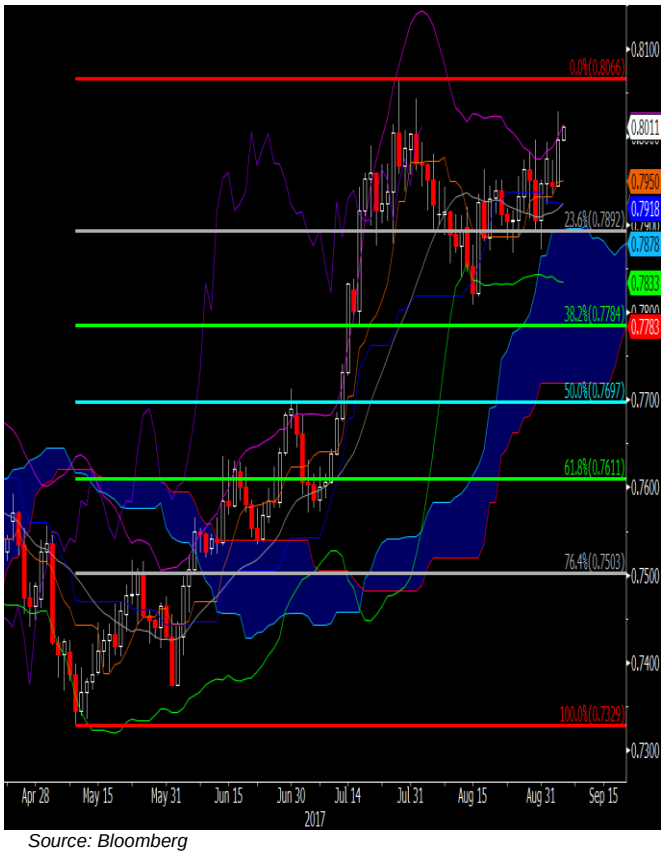


Source: Bloomberg

- GBPMYR opened 471pips higher at 5.5550. **Daily outlook bullish**, lifted by the sharply higher opening but we reckon that gains will be narrowed on the back of a firmer MYR.
- **Weekly and monthly outlook bearish**.
- We maintain a bearish view on GBPMYR after recent close below 5.5164. Despite today's stronger opening, we reckon that gains are likely to be rejected by 5.5475 – 5.5551 range, leading to a lower GBPMYR going forward.
- **Continue to expect a potential decline to 5.4550**, otherwise curbed by a close above 5.5475
- **Key resistances**: 5.5475 (R1), 5.5508 (R2), 5.5551 (R3)
- **Key supports**: 5.5388 (S1), 5.5340 (S2), 5.5266 (S3)
- **Expected range for the day:** 5.5300 – 5.5560

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

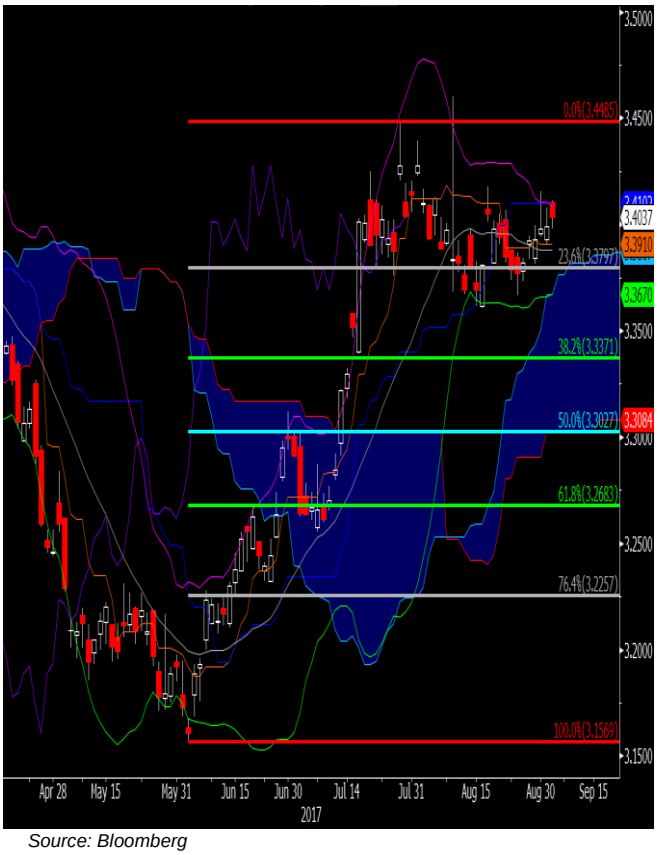
Indicative AUDUSD 0.8011



Source: Bloomberg

- AUDUSD opened unchanged at 0.7996. **Daily outlook slightly bullish** on the back of a soft USD, but lower than expected Australia 2Q GDP figure and prevailing risk-off in the markets may curb extended gains.
- **Weekly outlook neutral, monthly outlook bearish**.
- AUDUSD has cleared the 0.8000 hurdle and there is room for further gains, possibly to circa 0.8050. However, we caution that protracted closings above 0.7980 reversion level is likely to trigger a reversal to below the said level.
- **Continue expect a potential decline to 0.7800**, otherwise curbed by a close above 0.7990.
- **Key resistances:** 0.8015 (R1), 0.8028 (R2), 0.8050 (R3)
- **Key supports:** 0.8000 (S1), 0.7980 (S2), 0.7966 (S3)
- **Expected range for the day:** 0.7980 – 0.8050

Indicative AUDMYR 3.4037

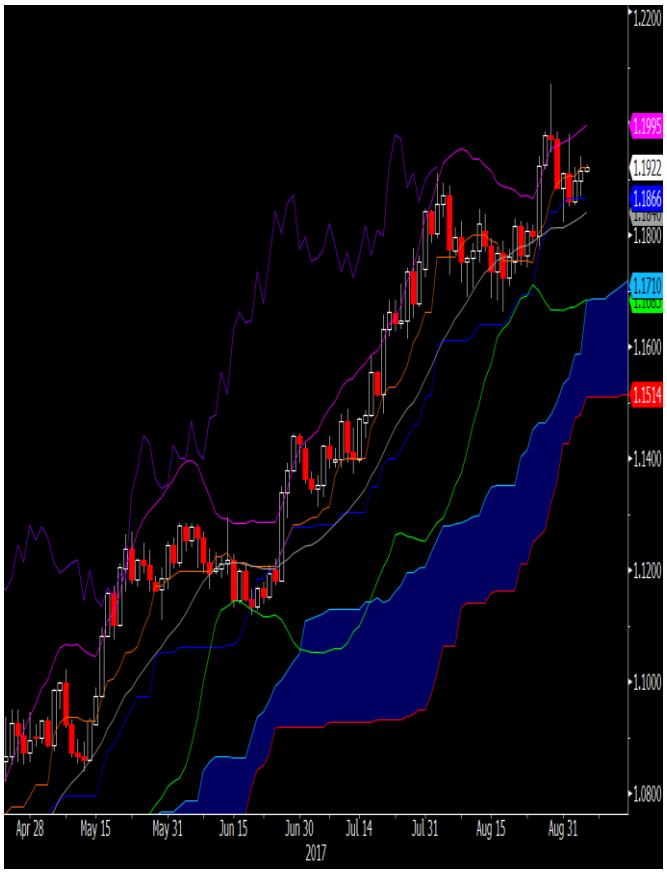


Source: Bloomberg

- AUDMYR opened 120pips higher at 3.4108. **Daily outlook slightly bearish** as we expect AUD to be weighed down, at least in Asian trade, by less than expected Australia GDP figures.
- **Weekly outlook neutral, monthly outlook bearish**.
- Today's higher opening that was strongly rejected continues to signal to us that upside strength is fading. AUDMYR may stay elevated but advances are likely rejected by 3.4153 – 3.4180 range. Continued failure to push higher will result in a decline going forward.
- **Key resistances:** 3.4077 (R1), 3.4102 (R2), 3.4153 (R3)
- **Key supports:** 3.4016 (S1), 3.3976 (S2), 3.3910 (S3)
- **Expected range for the day:** 3.3900 – 3.4110

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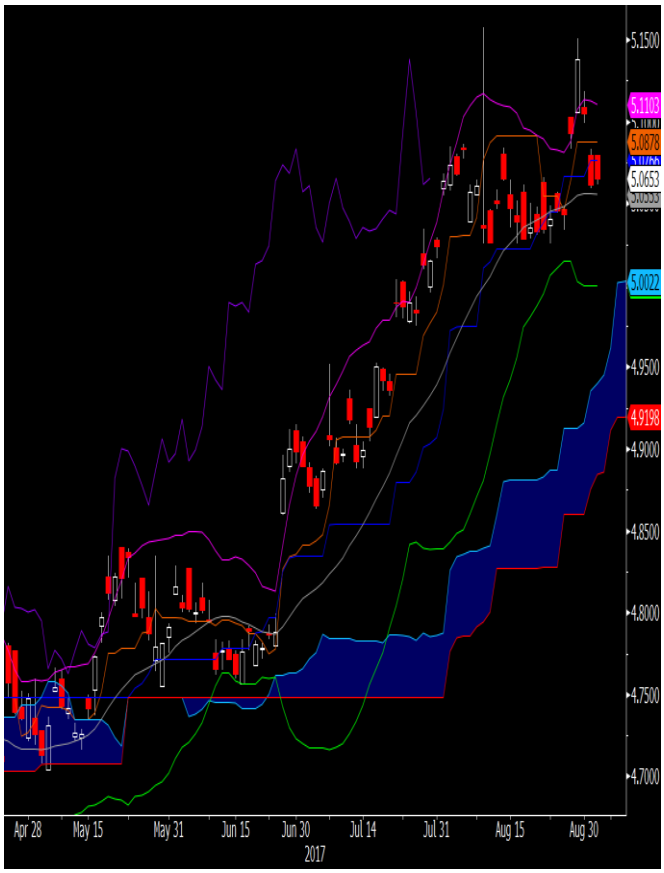
Indicative EURUSD 1.1922



Source: Bloomberg

- EURUSD opened unchanged at 1.1914. **Daily outlook slightly bullish** on the back of a soft USD, but we reckon that gains are likely contained amid risk aversion ahead of ECB meeting.
- **Weekly and monthly outlook bearish**.
- Even as EURUSD pushes higher, we caution that upside strength is fragile given prevailing bearish bias. Gains are likely, but the pair is prone to rejection approaching 1.1980 – 1.2000.
- Despite a slight bullish daily view, **we continue to expect a potential decline to 1.1755**, otherwise curbed by a close above 1.1970.
- **Key resistances:** 1.1941 (R1), 1.1980 (R2), 1.2000 (R3)
- **Key supports:** 1.1918 (S1), 1.1900 (S2), 1.1879 (S3)
- **Expected range for the day:** 1.1890 – 1.1950

Indicative EURMYR 5.0653



Source: Bloomberg

- EURMYR opened 177pips higher at 5.0794. **Daily outlook slightly bearish**, weighed down by a firmer MYR and an absence of positive catalysts to drive EUR.
- **Weekly and monthly outlook bearish**.
- Bearish bias has emerged, further tilting EURMYR lower. Caution that closing below 5.0548 will trigger a drop to circa 5.0274 in the next leg lower.
- **EURMYR expectedly fell to 5.0570** in early trade.
- **Key resistances:** 5.0662 (R1), 5.0766 (R2), 5.0878 (R3)
- **Key supports:** 5.0572 (S1), 5.0550 (S2), 5.0500 (S3)
- **Expected range for the day:** 5.0500 – 5.0800

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