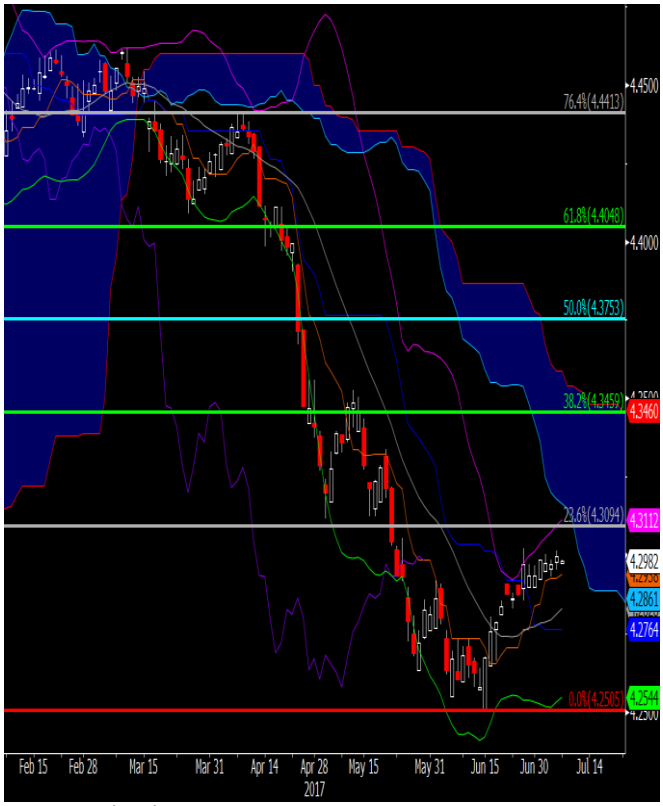
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FX Strategy

Daily Currency Outlook – 11am edition

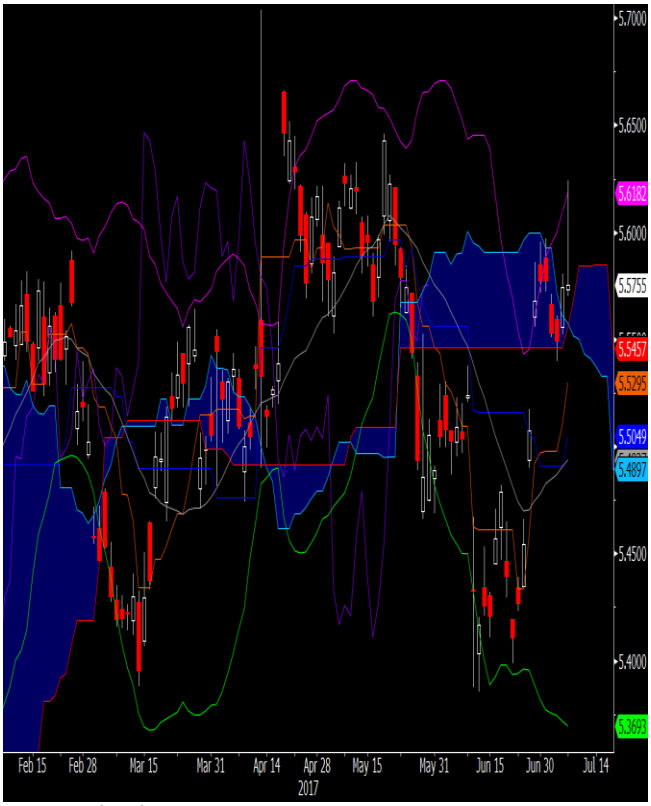
Indicative USDMYR 4.2982



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** in anticipation of a softer USD in Asian session; surprise upsides in Malaysia external trade data will boost MYr.
- **Weekly and monthly outlook bearish**.
- A fading upside momentum continues to be seen in USDMYR, thus limiting overall gains. We opine that the pair is fragile and prone to a decline to 4.2902; losing this accelerates the bears that could push USDMR to 4.2811.
- **Key resistances:** 4.3003 (R1), 4.3015 (R2), 4.3033 (R3)
- **Key supports:** 4.2970 (S1), 4.2938 (S2), 4.2902 (S3)
- **Expected range for the day:** 4.2950 – 4.3000

Indicative GBPMYR 5.5755

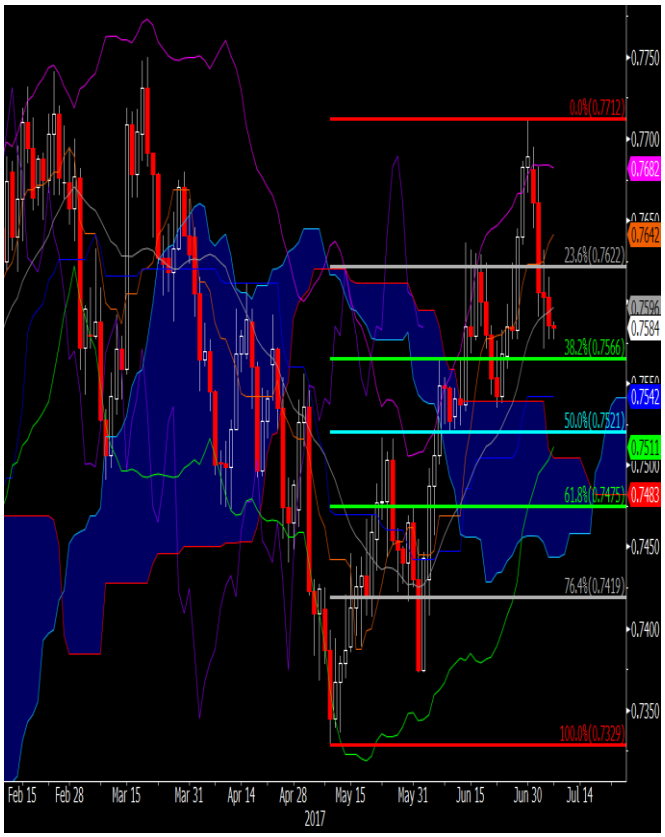


Source: Bloomberg

- GBPMYR opened 9pips lower at 5.5732. **Daily outlook slightly bearish** in anticipation of a softer GBP ahead of UK data in early European session.
- **Weekly and monthly outlook bearish**.
- Upside momentum continues to slow, and we expect this to gradually tilt GBPMYR into a bearish tone going forward. We now set sights on a break below 5.5459 to trigger a drop to circa 5.5209 in the next leg lower.
- **Continue to expect a potential decline to 5.5250**, otherwise curbed by a close above 5.5960.
- **Key resistances**: 5.5802 (R1), 5.5848 (R2), 5.5969 (R3)
- **Key supports**: 5.5700 (S1), 5.5575 (S2), 5.5446 (S3)
- **Expected range for the day:** 5.5610 – 5.6240

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

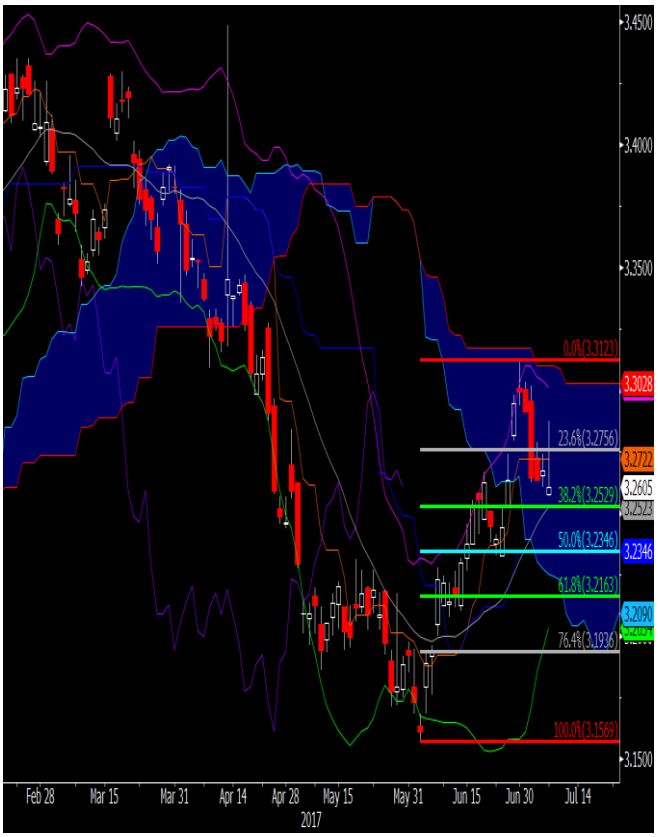
Indicative AUDUSD 0.7584



Source: Bloomberg

- AUDUSD opened unchanged at 0.7586. **Daily outlook bearish**, weighed down by extended weakness in market risk appetite.
- **Weekly outlook and monthly outlook bearish**.
- AUDUSD remains inclined 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**.
- **Key resistances:** 0.7596 (R1), 0.7606 (R2), 0.7622 (R3)
- **Key supports:** 0.7566 (S1), 0.7542 (S2), 0.7521 (S3)
- **Expected range for the day:** 0.7540 – 0.7620

Indicative AUDMYR 3.2605

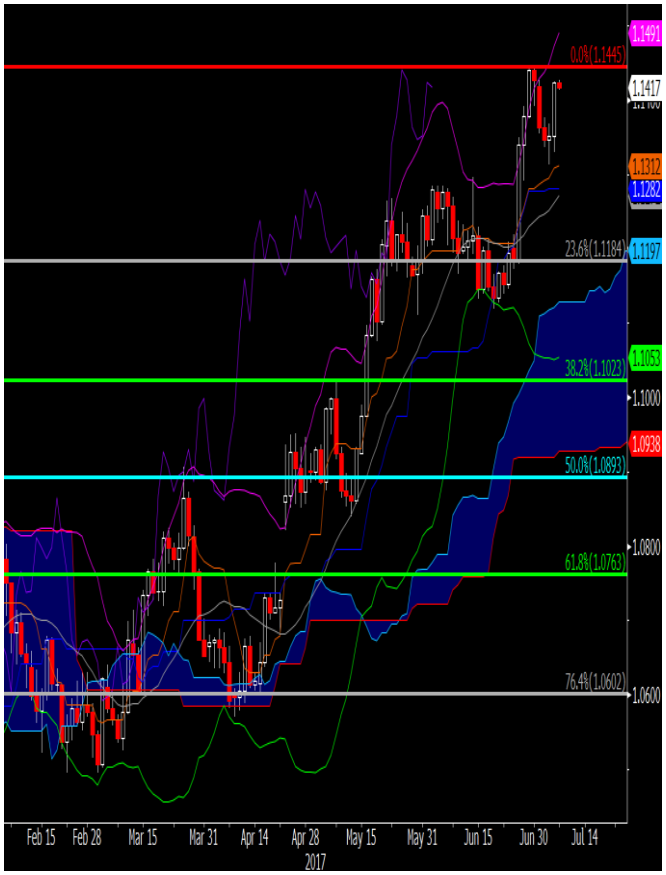


Source: Bloomberg

- AUDMYR opened 92pips lower at 3.2578. **Daily outlook bearish** on the back of a weaker AUD, weighed down by retreating risk appetite in the markets.
- **Weekly and monthly outlook bearish**.
- AUDMYR is remains 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.
- **Continue to expect a potential drop to 3.2460**, otherwise curbed by a close above 3.2670.
- **Key resistances:** 3.2624 (R1), 3.2652 (R2), 3.2722 (R3)
- **Key supports:** 3.2529 (S1), 3.2413 (S2), 3.2346 (S3)
- **Expected range for the day:** 3.2500 – 3.2870

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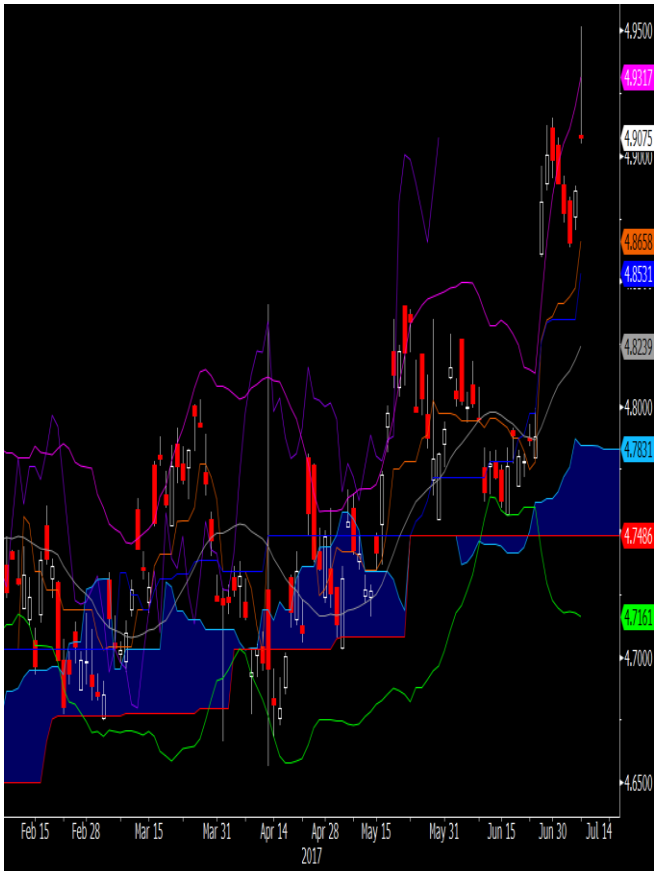
Indicative EURUSD 1.1417



Source: Bloomberg

- EURUSD opened unchanged at 1.1423. **Daily outlook bearish**; we reckon that after an overnight rally, EUR will be prone to sharp decline in the event that USD rallies.
- **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 1.1282.
- **Key resistances:** 1.1445 (R1), 1.1490 (R2), 1.1500 (R3)
- **Key supports:** 1.1400 (S1), 1.1381 (S2), 1.1361 (S3)
- **Expected range for the day:** 1.1350 – 1.1450

Indicative EURMYR 4.9075



Source: Bloomberg

- EURMYR opened 220pips higher at 4.9082. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- The sharply higher at opening has improved EURMYR's bullish bias and reignited potential to climb further. Nonetheless, we remain cautious at this juncture and reckon that continued failure to break above 4.9311 as a sign that current upsides may not sustain.
- **EURMYR is now unlikely to decline to 4.8436**.
- **Key resistances:** 4.9122 (R1), 4.9152 (R2), 4.9200 (R3)
- **Key supports:** 4.9004 (S1), 4.8921 (S2), 4.8879 (S3)
- **Expected range for the day:** 4.8920 – 4.9520

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