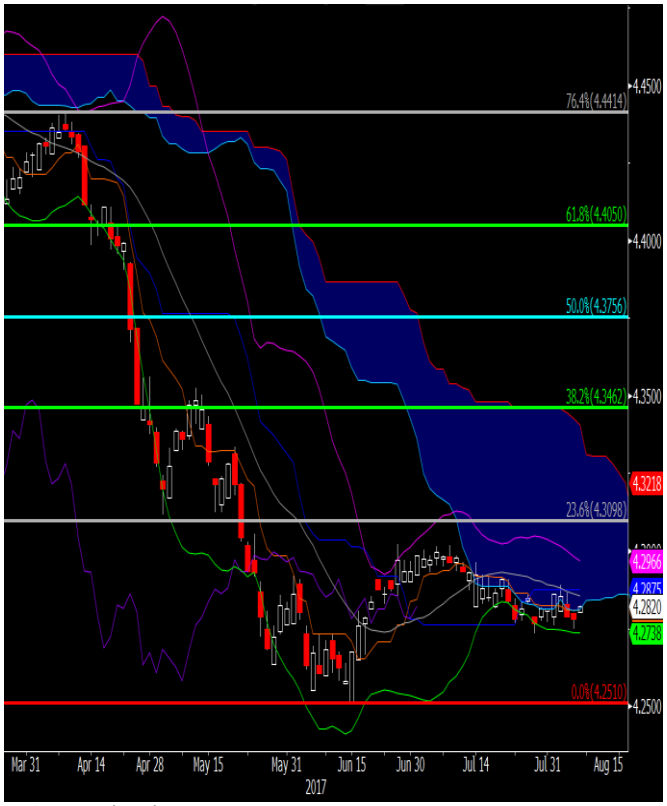
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FX Strategy

Daily Currency Outlook – 11am edition

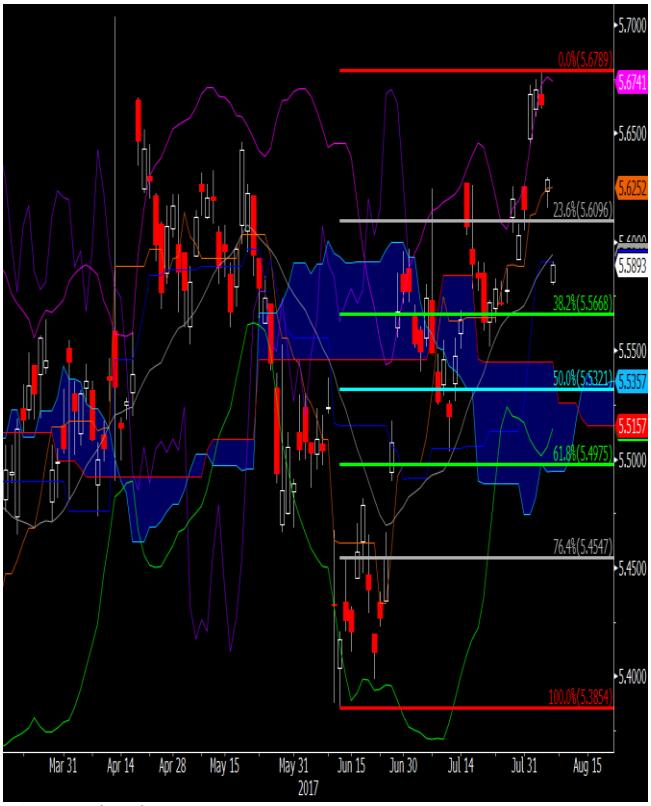
Indicative USDMYR 4.2820



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook slightly bullish** on the back of a firmer USD.
- **Weekly outlook bullish, monthly outlook neutral**.
- Downside momentum continues to thin, indicating a lack of pace for losses in USDMR. An early retake above 4.28 is a bullish sign that could push the pair higher to circa 4.2875.
- **Expect a potential climb to 4.2977**, otherwise curbed by a close below 4.2775.
- **Key resistances:** 4.2851 (R1), 4.2875 (R2), 4.2909 (R3)
- **Key supports:** 4.2811 (S1), 4.2800 (S2), 4.2773 (S3)
- **Expected range for the day:** 4.2800 – 4.2850

Indicative GBPMYR 5.5893

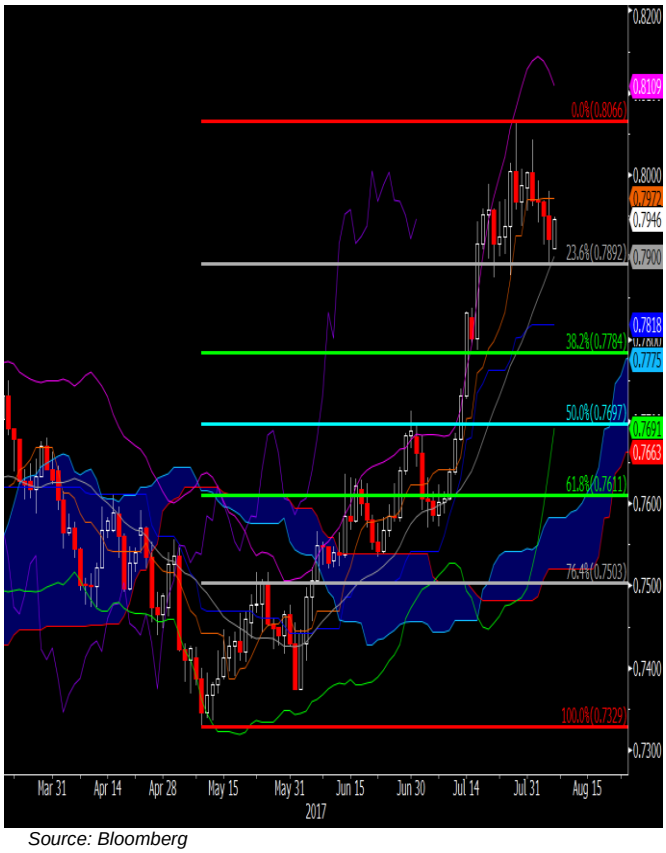


Source: Bloomberg

- GBPMYR opened 473pips lower at 5.5814. **Daily outlook bearish**, weighed down by the sharply lower opening and potential for further GBP retreat in European trade.
- **Weekly and monthly outlook bearish**.
- Two sharp gap-downs in a span of 3 trading days is bearish sign. GBPMYR is poised to test 5.5668 in the next leg lower, and breaking below this exposes a long-term drop to 5.5321.
- **GBPMYR expectedly declined to 5.5920**, and below – expect a potential decline to 5.5540, otherwise curbed by a close above 5.6040.
- **Key resistances**: 5.5911 (R1), 5.5939 (R2), 5.6000 (R3)
- **Key supports**: 5.5800 (S1), 5.5771 (S2), 5.5668 (S3)
- **Expected range for the day:** 5.5780 – 5.5940

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

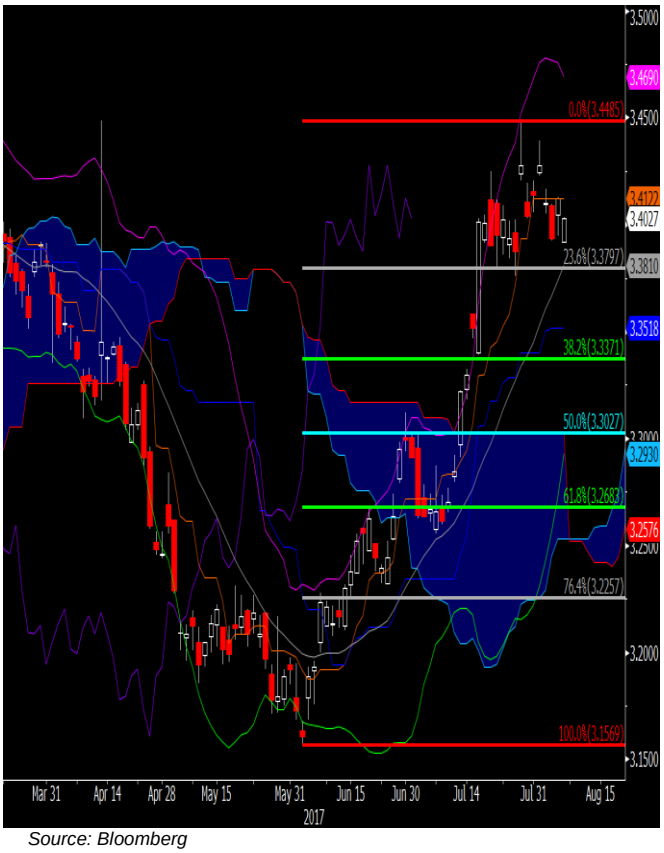
Indicative AUDUSD 0.7946



Source: Bloomberg

- AUDUSD opened 11pips lower at 0.7911. **Daily outlook slightly bearish** on the back of a recovering USD, but losses are likely contained by relatively firmer risk appetite.
- **Weekly and monthly outlook bearish**.
- Bearish bias continues to prevail. We still expect AUDUSD to soon break below 0.7914 and initiate a path towards 0.7818.
- **Expect a potential decline to 0.7850**, otherwise curbed by a close above 0.7990.
- **Key resistances:** 0.7957 (R1), 0.7972 (R2), 0.8004 (R3)
- **Key supports:** 0.7900 (S1), 0.7878 (S2), 0.7850 (S3)
- **Expected range for the day:** 0.7900 – 0.7970

Indicative AUDMYR 3.4027

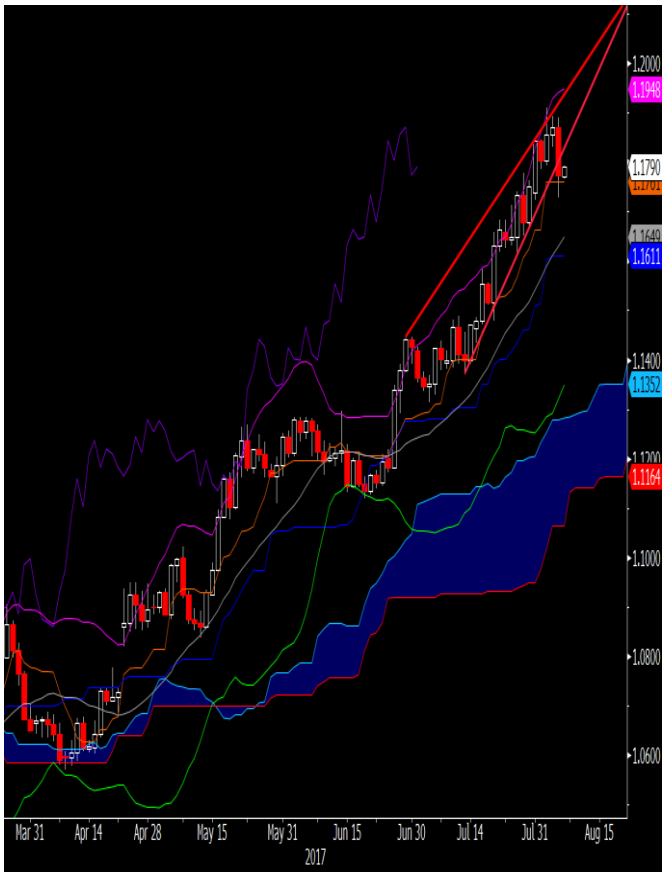


Source: Bloomberg

- AUDMYR opened 203pips lower at 3.3920. **Daily outlook slightly bearish**, weighed down by the sharply lower opening.
- **Weekly and monthly outlook bearish**.
- Bearish bias continues to pick up in AUDMYR. We continue to set sights on a potential drop to 3.3797, below which a firmer path to 3.3371 will emerge.
- **Continue to expect a potential decline to 3.3797**, otherwise curbed by a close above 3.4122.
- **Key resistances:** 3.4054 (R1), 3.4100 (R2), 3.4122 (R3)
- **Key supports:** 3.4000 (S1), 3.3923 (S2), 3.3857 (S3)
- **Expected range for the day:** 3.3890 – 3.4040

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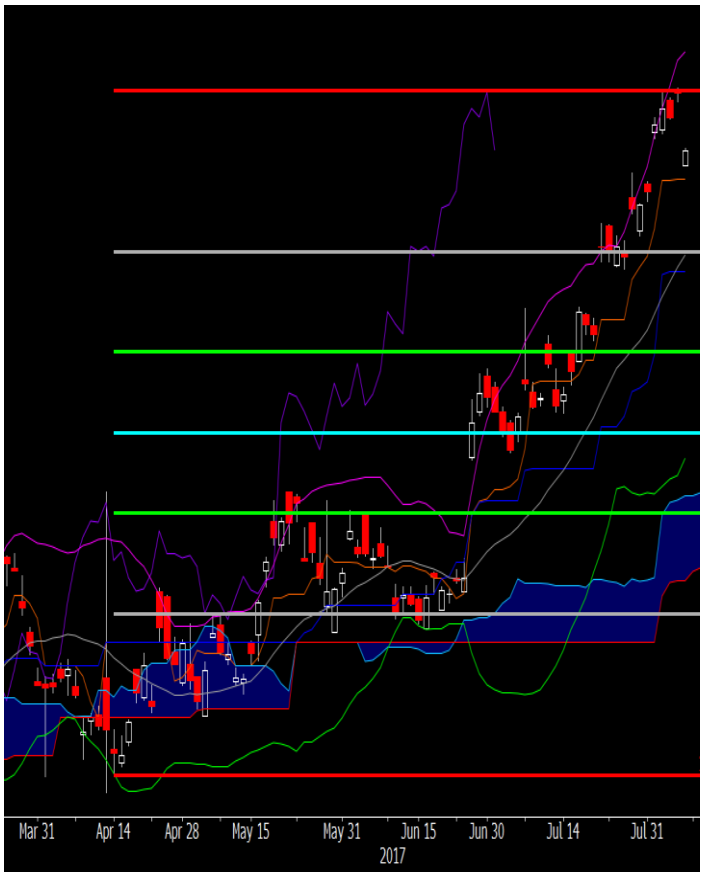
Indicative EURUSD 1.1790



Source: Bloomberg

- EURUSD opened barely changed at 1.1771. **Daily outlook bearish** against a rebounding USD.
- **Weekly and monthly outlook bearish**.
- EURUSD broke down from a reversal pattern and that is likely the onset of a sustained decline going forward. We set sights on a drop to 1.1586 in the coming weeks. Rebounds short of 1.1900 remains a bearish sign.
- **EURUSD expectedly declined to 1.1796**, and below – expect a potential decline to 1.1650, otherwise curbed by a close above 1.1850.
- **Key resistances:** 1.1798 (R1), 1.1831 (R2), 1.1850 (R3)
- **Key supports:** 1.1761 (S1), 1.1744 (S2), 1.1728 (S3)
- **Expected range for the day:** 1.1720 – 1.1810

Indicative EURMYR 5.0483



Source: Bloomberg

- EURMYR opened 449pips lower at 5.0387. **Daily outlook bearish**, weighed down by the sharply lower opening and potential for further declines in European trade.
- **Weekly and monthly outlook bearish**.
- EURMYR upsides to fizzle out approaching 5.0850 – 5.0880, which resulting in a strong gap down today. We reckon that bearish bias will gradually improve and lead EURMYR lower below 5.0246, the reversion level.
- **Continue to expect a potential decline to 5.0300**.
- **Key resistances:** 5.0500 (R1), 5.0547 (R2), 5.0600 (R3)
- **Key supports:** 5.0400 (S1), 5.0345 (S2), 5.0246 (S3)
- **Expected range for the day:** 5.0300 – 5.0500

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