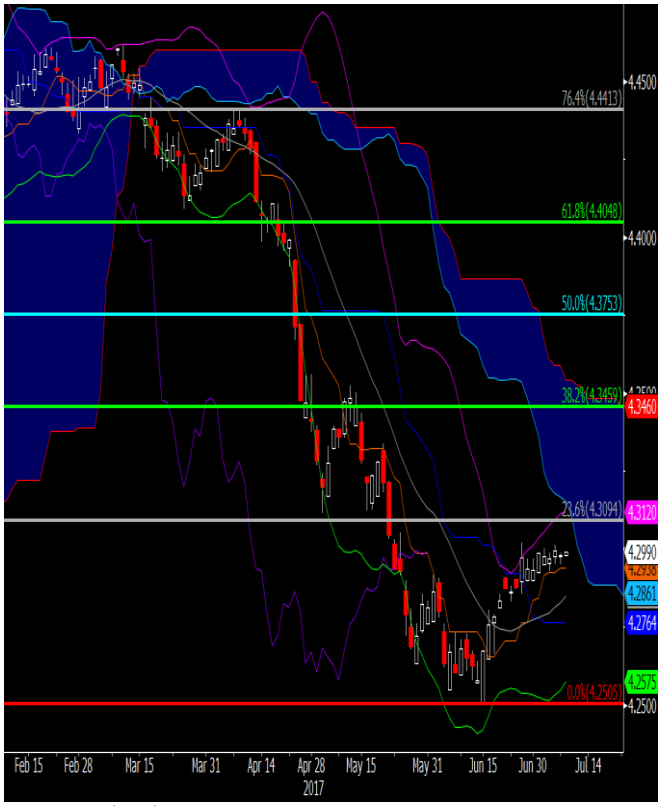
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FX Strategy

Daily Currency Outlook – 11am edition

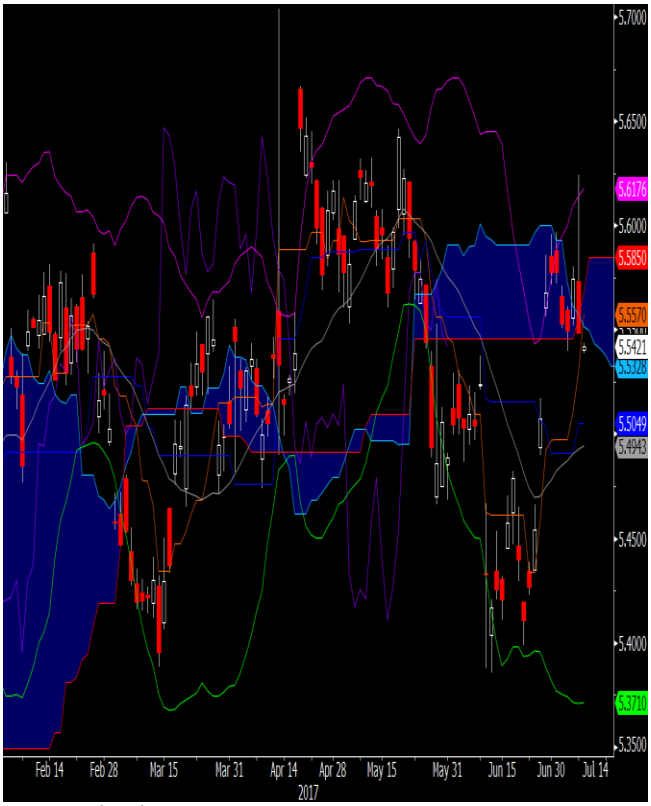
Indicative USDMYR 4.2990



Source: Bloomberg

- USDMYR opened barely changed today. **Daily outlook slightly bearish**, weighed down by a firmer MYR that is supported by improving risk appetite.
- **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 USDMYR to 4.2811.
- **Key resistances:** 4.3003 (R1), 4.3022 (R2), 4.3055 (R3)
- **Key supports:** 4.2968 (S1), 4.2950 (S2), 4.2938 (S3)
- **Expected range for the day:** 4.2960 – 4.3020

Indicative GBPMYR 5.5421

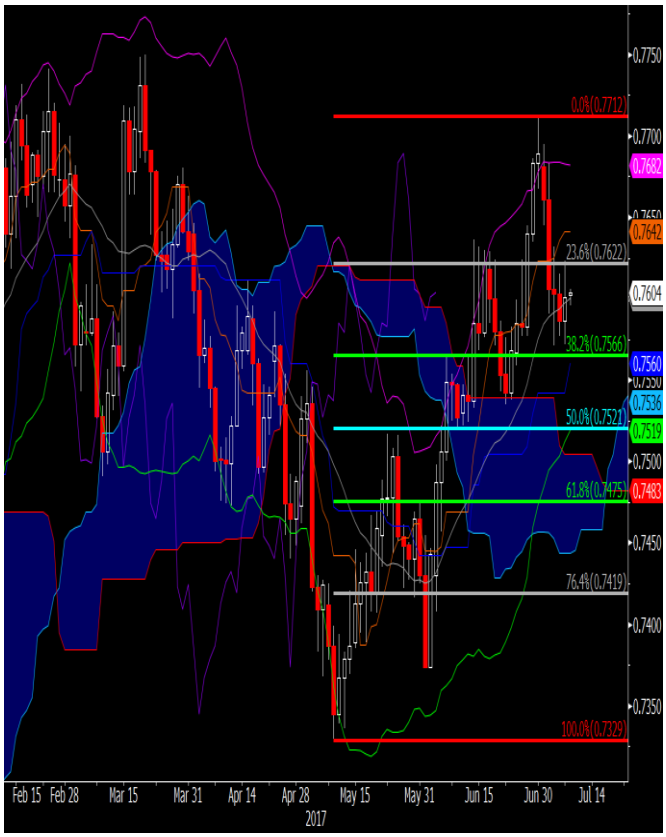


Source: Bloomberg

- GBPMYR opened 87pips lower at 5.5401. **Daily outlook bearish** as we expect GBP to remain weighed down by recent disappointing UK data.
- **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 close 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 5.5570.
- **Key resistances**: 5.5436 (R1), 5.5513 (R2), 5.5570 (R3)
- **Key supports**: 5.5376 (S1), 5.5304 (S2), 5.5231 (S3)
- **Expected range for the day:** 5.5370 – 5.5480

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

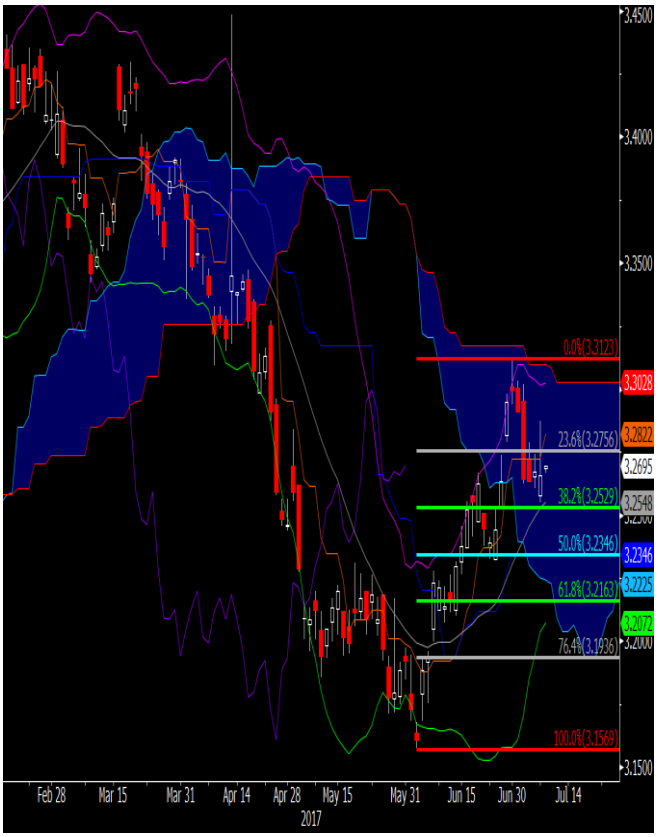
Indicative AUDUSD 0.7604



Source: Bloomberg

- AUDUSD opened unchanged at 0.7602. **Daily outlook slightly bearish** on the back of a potentially firmer USD, though improving risk appetite in the markets could keep losses contained.
- **Weekly outlook and monthly outlook bearish**.
- Bearish bias has increased and we continue to set sights on a test at 0.7566 next. Losing this level exposes a drop to 0.7521 next.
- **Continue to expect a potential decline to 0.7570**.
- **Key resistances:** 0.7612 (R1), 0.7622 (R2), 0.7642 (R3)
- **Key supports:** 0.7600 (S1), 0.7590 (S2), 0.7566 (S3)
- **Expected range for the day:** 0.7540 – 0.7620

Indicative AUDMYR 3.2695

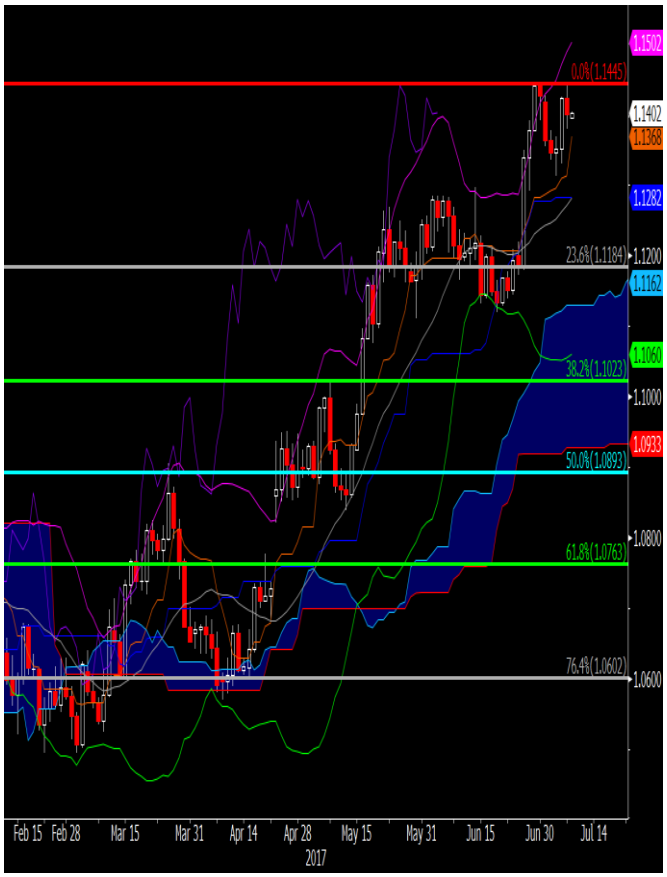


Source: Bloomberg

- AUDMYR opened 29pips higher at 3.2685. **Daily outlook bearish** as we expect the return of risk appetite in the markets to boost MYR more than AUD.
- **Weekly and monthly outlook bearish**.
- Upside bias continues to retreat, thus limiting AUDMYR's gains. We continue to expect AUDMYR testing 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 3.2740.
- **Key resistances:** 3.2740 (R1), 3.2756 (R2), 3.2822 (R3)
- **Key supports:** 3.2667 (S1), 3.2624 (S2), 3.2529 (S3)
- **Expected range for the day:** 3.2620 – 3.2760

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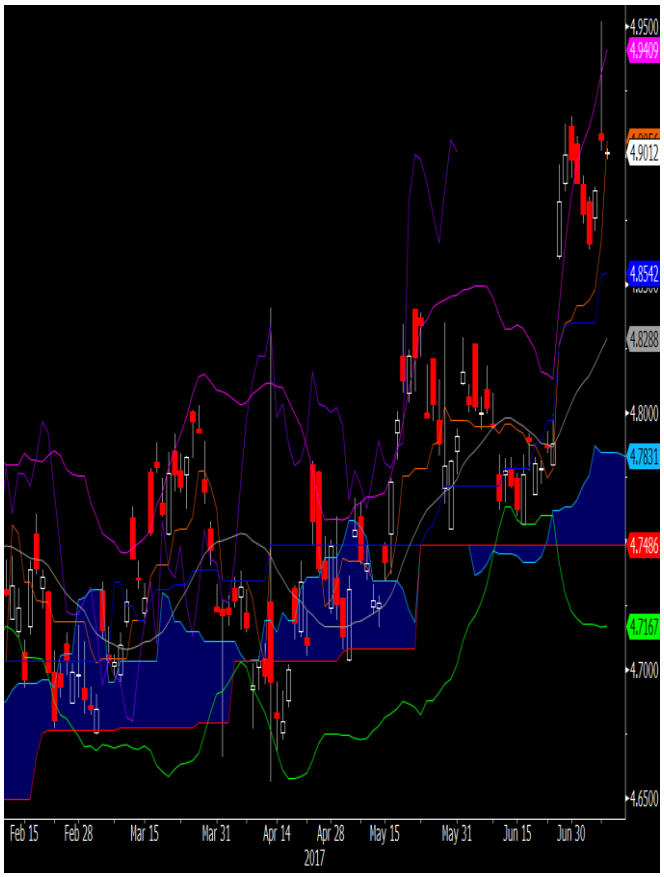
Indicative EURUSD 1.1402



Source: Bloomberg

- EURUSD opened 6pips higher at 1.1395. **Daily outlook bearish** on the back of a firm USD.
- **Weekly and monthly outlook bearish**.
- EURUSD remains inclined to losses as it continues to shy away from 1.1450. Caution that losing 1.1361 exposes a drop to 1.1282.
- **Key resistances:** 1.1425 (R1), 1.1445 (R2), 1.1480 (R3)
- **Key supports:** 1.1392 (S1), 1.1361 (S2), 1.1339 (S3)
- **Expected range for the day:** 1.1360 – 1.1420

Indicative EURMYR 4.9012



Source: Bloomberg

- EURMYR opened 52pips lower at 4.9008. **Daily outlook bearish**, weighed down by a firmer MYR and in anticipation of a soft EUR going into European trade.
- **Weekly and monthly outlook bearish**.
- EURMYR is showing signs of exhaustion after failing to hold on to sharp gains last Friday. Despite prevailing bullish bias, we continue to express doubt over its ability to climb higher.
- **Key resistances:** 4.9056 (R1), 4.9074 (R2), 4.9152 (R3)
- **Key supports:** 4.9000 (S1), 4.8962 (S2), 4.8921 (S3)
- **Expected range for the day:** 4.8920 – 4.9080

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