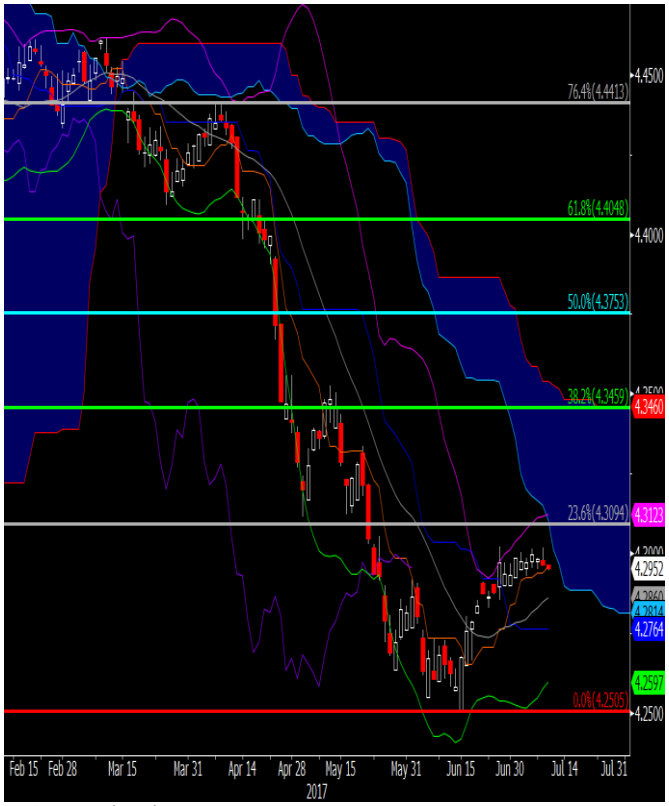
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

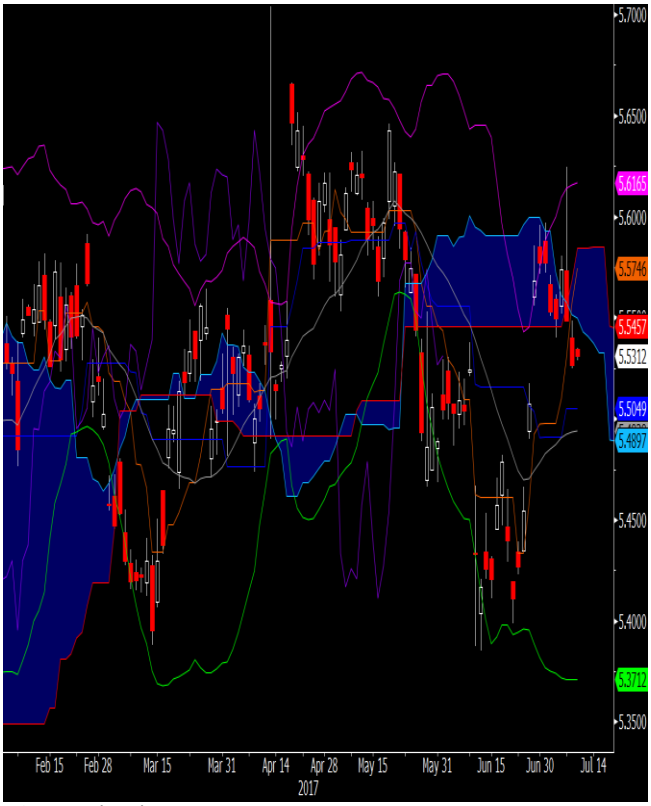
Indicative USDMYR 4.2952



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 clear rejection took place near 4.2981, further denting USDMYR's upside momentum. USDMYR remains prone to a decline to 4.2902, below which bears will accelerate and push the pair to 4.2811.
- **Expect a potential decline to 4.2820**, otherwise curbed by a close above 4.3030.
- **Key resistances:** 4.2968 (R1), 4.2992 (R2), 4.3018 (R3)
- **Key supports:** 4.2945 (S1), 4.2930 (S2), 4.2902 (S3)
- **Expected range for the day:** 4.2900 – 4.2990

Indicative GBPMYR 5.5312

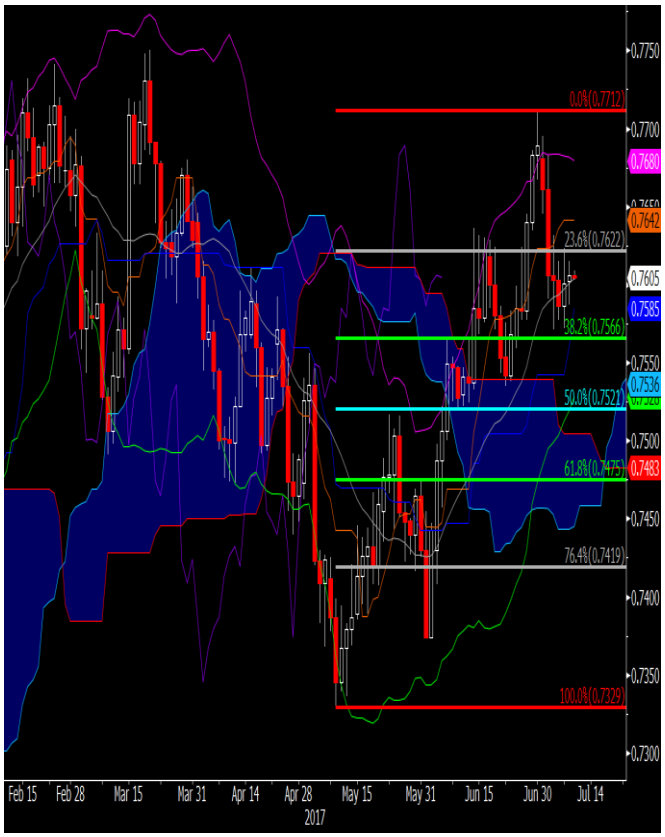


Source: Bloomberg

- GBPMYR opened 76pips higher at 5.5342. **Daily outlook bearish** as we expect GBP to be weighed down by receding demand for refuge in European markets while MYR holds firm.
- **Weekly and monthly outlook bearish**.
- GBPMYR has closed below 5.5459, thus we set sights on a drop to circa 5.5209 in the next leg lower. Below 5.5209, a decline to 5.5049 will be exposed.
- **GBPMYR expectedly declined to 5.5250** yesterday – expect a potential drop to 5.5050, otherwise curbed by a close above 5.5397.
- **Key resistances**: 5.5400 (R1), 5.5434 (R2), 5.5499 (R3)
- **Key supports**: 5.5236 (S1), 5.5175 (S2), 5.5049 (S3)
- **Expected range for the day:** 5.5200 – 5.5380

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

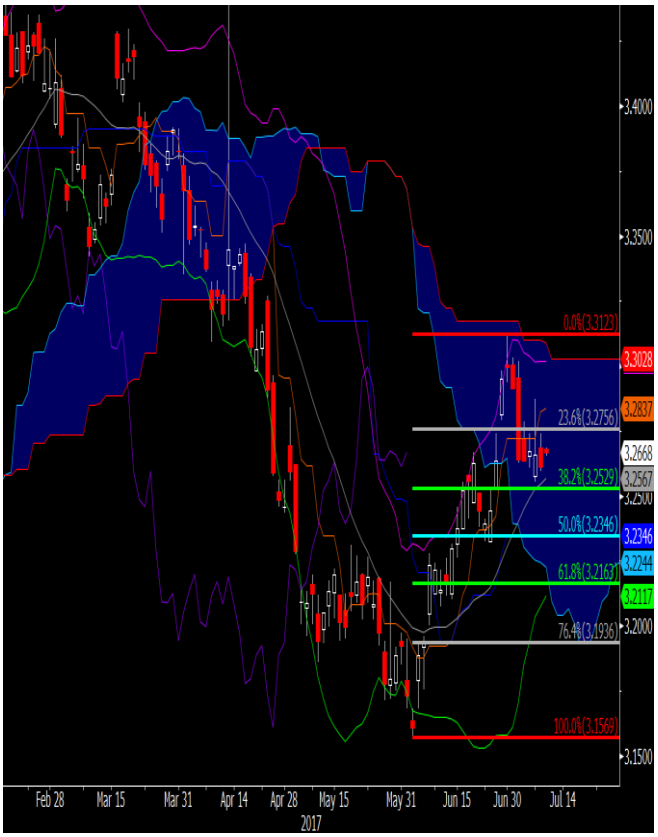
Indicative AUDUSD 0.7605



Source: Bloomberg

- AUDUSD opened unchanged at 0.7606. **Daily outlook bullish** in anticipation of a soft USD and support for AUD from firmer risk appetite in the markets.
- **Weekly outlook and monthly outlook bearish**.
- AUDUSD managed to close above 0.7600, which will likely inject some upward thrust to it. But given prevailing bearish bias, we reckon that AUDUSD is unlikely to bypass 0.7642.
- **Continue to expect a potential decline to 0.7570**, otherwise curbed by a close above 0.7622.
- **Key resistances:** 0.7622 (R1), 0.7642 (R2), 0.7667 (R3)
- **Key supports:** 0.7600 (S1), 0.7585 (S2), 0.7566 (S3)
- **Expected range for the day:** 0.7570 – 0.7620

Indicative AUDMYR 3.2668

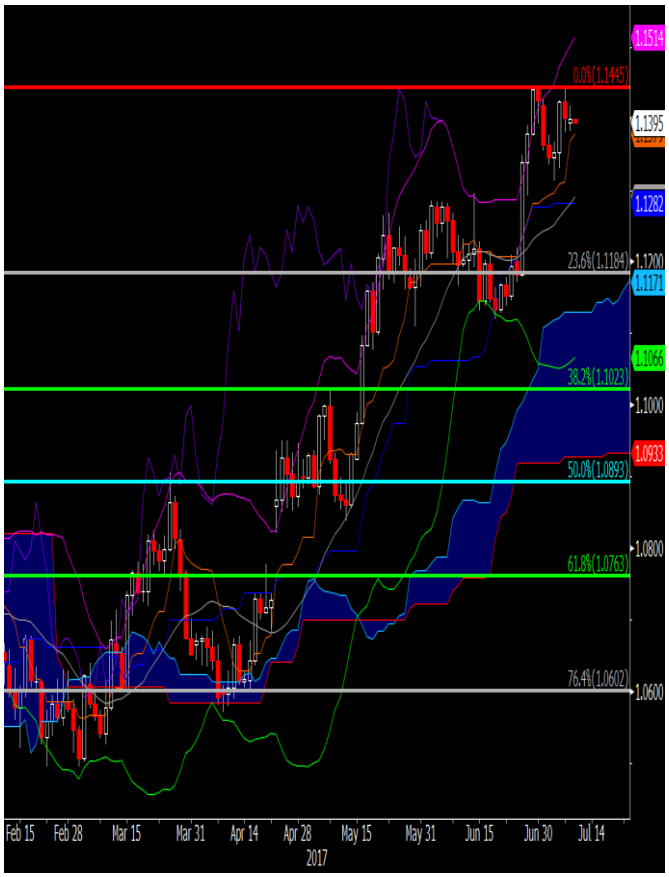


Source: Bloomberg

- AUDMYR opened 68ips higher at 3.2681. **Daily outlook slightly bearish** as we expect continued improvement in risk appetite in the markets to boost MYR more than AUD.
- **Weekly and monthly outlook bearish**.
- Upside momentum is now negligible and a mild bearish bias seems to have emerged. 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 3.2756.
- **Key resistances:** 3.2738 (R1), 3.2756 (R2), 3.2792 (R3)
- **Key supports:** 3.2666 (S1), 3.2624 (S2), 3.2567 (S3)
- **Expected range for the day:** 3.2560 – 3.2730

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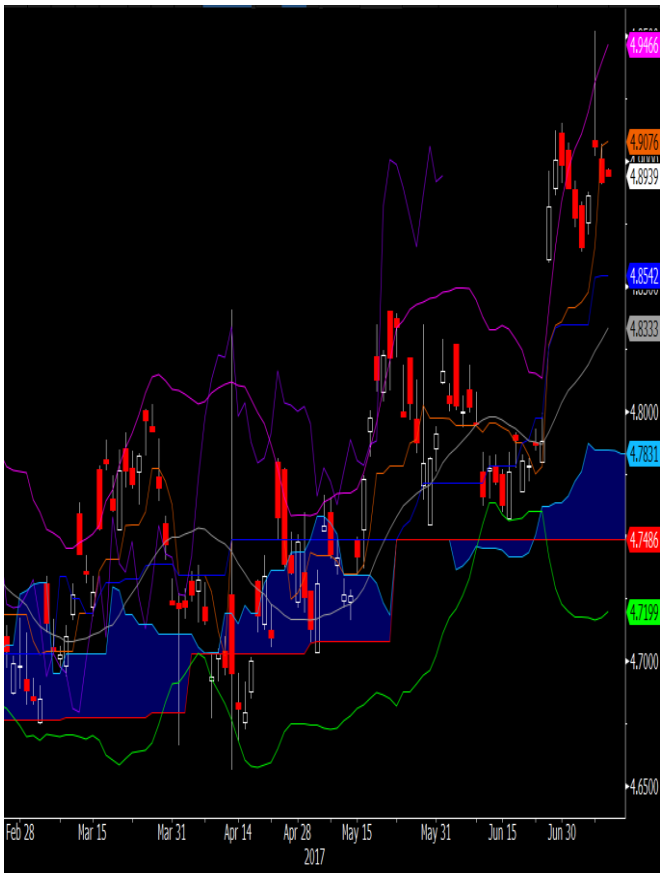
Indicative EURUSD 1.1395



Source: Bloomberg

- EURUSD opened unchanged at 1.1399. **Daily outlook slightly bullish** in expectation of a softer USD; strong Eurozone IPI will boost upsides.
- **Weekly and monthly outlook bearish**.
- Technically, there may be room for soft gains on a daily basis after resisting a drop below 1.1382. On a longer-term, EURUSD remains inclined to losses while below 1.1450; losing 1.1361 exposes a drop to 1.1282.
- Despite a bullish daily view, **expect a potential drop to 1.1280 going forward**, otherwise curbed by a close above 1.1445.
- **Key resistances:** 1.1402 (R1), 1.1445 (R2), 1.1480 (R3)
- **Key supports:** 1.1379 (S1), 1.1361 (S2), 1.1339 (S3)
- **Expected range for the day:** 1.1350 – 1.1420

Indicative EURMYR 4.8939



Source: Bloomberg

- EURMYR opened 47pips higher at 4.8965. **Daily outlook slightly bearish**, weighed down by a firmer MYR.
- **Weekly and monthly outlook bearish**.
- Upside momentum seems to have peaked in EURMYR and is now looking to recede. Despite prevailing bullish bias, we continue to express doubt over its ability to climb higher and set sights on a potential decline to 4.8542 going forward.
- **Expect a potential decline to 4.8542**, otherwise curbed by a close above 4.9180.
- **Key resistances:** 4.9000 (R1), 4.9076 (R2), 4.9152 (R3)
- **Key supports:** 4.8901 (S1), 4.8862 (S2), 4.8734 (S3)
- **Expected range for the day:** 4.8830 – 4.9060

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