Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

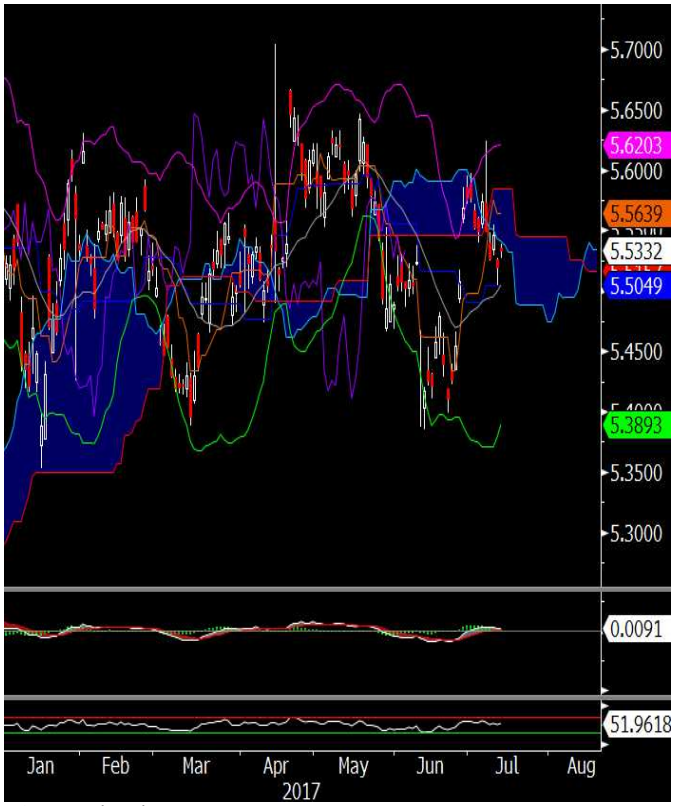
Indicative USDMYR 4.2905



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** on the back of a soft USD as Yellen testimony failed to provide fresh catalyst to the USD.
- **Weekly and monthly outlook bearish**.
- Upside momentum continues to fade, and USDMYR remains prone to a decline to 4.2902, below which bears will accelerate and push the pair to 4.2811.
- **Continue to expect a potential decline to 4.2820**, otherwise curbed by a close above 4.3030.
- **Key resistances:** 4.2985 (R1), 4.3001 (R2), 4.3030 (R3)
- **Key supports:** 4.2902 (S1), 4.2876 (S2), 4.2844 (S3)
- **Expected range for the day:** 4.2870 – 4.2950

Indicative GBPMYR 5.5326



Source: Bloomberg

- GBPMYR opened 151pips higher at 5.5350. **Daily outlook bullish**, driven by bullishness in the sterling and a higher opening.
- **Weekly and monthly outlook bearish**.
- GBPMYR remains weak while below 5.5428. We continue to set sights on GBPMYR dropping to circa 5.5209 in the next leg lower. Below 5.5209, a decline to 5.5049 will be exposed.
- **Continue to expect a potential drop to 5.5050**, otherwise curbed by a close above 5.5329.
- **Key resistances**: 5.5335 (R1), 5.5428 (R2), 5.5509 (R3)
- **Key supports**: 5.5210 (S1), 5.5175 (S2), 5.5049 (S3)
- **Expected range for the day:** 5.5200 – 5.5400

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

Indicative AUDUSD 0.7684



Source: Bloomberg

- AUDUSD opened unchanged at 0.7678. **Daily outlook bullish** in anticipation of a soft USD and return of risk appetite to the markets.
- **Weekly and monthly outlook bearish**.
- Breaking above 0.7667 has reinforced the bulls but we remain unconvinced that an extended rally can sustain given prevailing bearish bias. Expect failure circa 0.7686 – 0.7695 to push AUDUSD back on a downward trend again.
- **AUDUSD is now unlikely to decline to 0.7570**.
- **Key resistances:** 0.7688 (R1), 0.7700 (R2), 0.7712 (R3)
- **Key supports:** 0.7663 (S1), 0.7637 (S2), 0.7622 (S3)
- **Expected range for the day:** 0.7660 – 0.7700

Indicative AUDMYR 3.2965



Source: Bloomberg

- AUDMYR opened 129ips higher at 3.2965. **Daily outlook bullish** on a higher opening as well as extended AUD strength to outperform MYR.
- **Weekly and monthly outlook bearish**.
- Bullish momentum in AUDMYR has picked up. However, we anticipate failure approaching 3.2938, otherwise it will be on track to break 3.3028.
- **Continue to expect a potential drop to 3.2460**, otherwise curbed by a close above 3.2938.
- **Key resistances:** 3.3019 (R1), 3.3073 (R2), 3.3123 (R3)
- **Key supports:** 3.2902 (S1), 3.2824 (S2), 3.2756 (S3)
- **Expected range for the day:** 3.2900 – 3.3020

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Indicative EURUSD 1.1434



Source: Bloomberg

- EURUSD opened unchanged at 1.1412. **Daily outlook bullish** in anticipation of a softer USD.
- **Weekly and monthly outlook bearish**.
- EURUSD remains bullish but positive momentum was dampened by yesterday's lower closing. We still think the pair would attempt to test 1.1500 but rejection here could trigger a decline to 1.1361.
- **Key resistances:** 1.1480 (R1), 1.1500 (R2), 1.1520 (R3)
- **Key supports:** 1.1428 (S1), 1.1396 (S2), 1.1383 (S3)
- **Expected range for the day:** 1.1400 – 1.1480

Indicative EURMYR 4.9041



Source: Bloomberg

- EURMYR opened 155pips lower at 4.9025. **Daily outlook bearish**, suppressed by sharply lower opening.
- **Weekly outlook bearish, monthly outlook bearish**.
- EURMYR remains bullish but positive momentum has softened. Despite prevailing bullish bias, we continue to express doubt over its ability to climb higher and set sights on a decline going forward.
- **Key resistances:** 4.9095 (R1), 4.9182 (R2), 4.9304 (R3)
- **Key supports:** 4.9011 (S1), 4.8961 (S2), 4.8862 (S3)
- **Expected range for the day:** 4.8900 – 4.9100

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