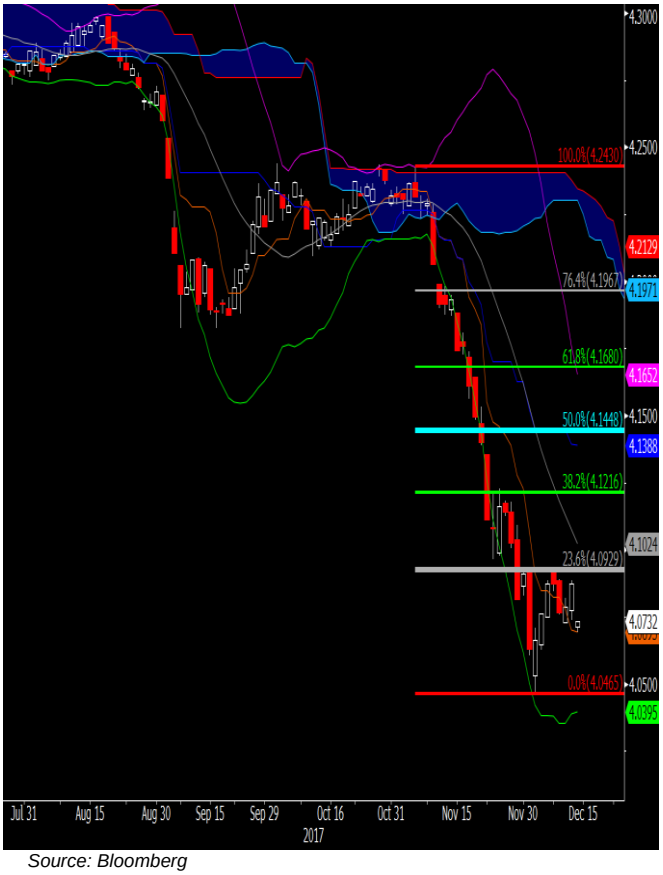
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

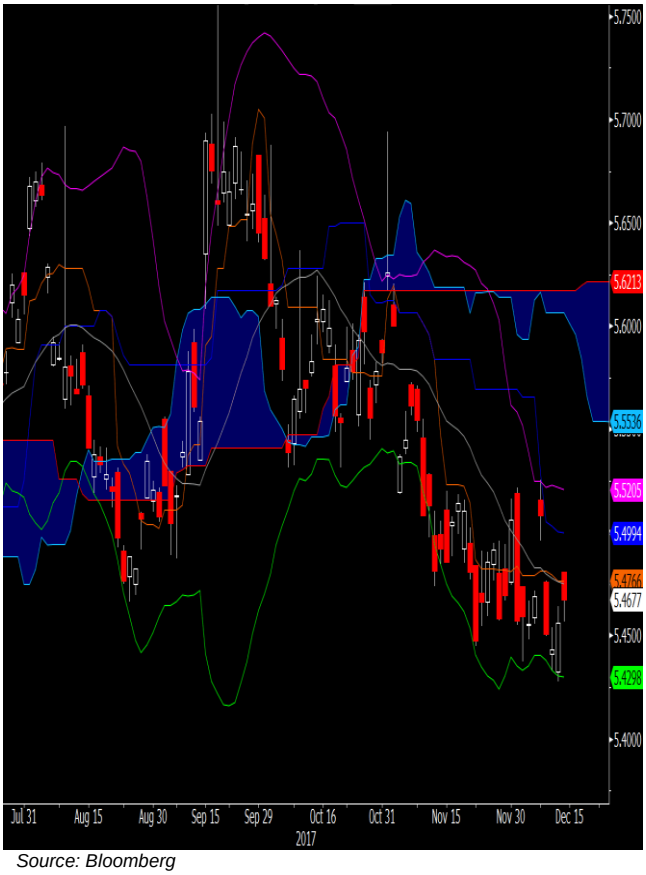
Indicative USDMYR 4.0732



Source: Bloomberg

- USDMYR opened sharply lower today. **Daily outlook bearish** on the back of a weakened USD and support for MYR from revival in market risk appetite.
- **Weekly outlook bearish, monthly outlook neutral**.
- USDMYR remains tilted to the downside after recent failure to beat 4.0929. With technical bias still deep in bearish territory, expect further losses going forward, possibly testing 4.0600 – 4.0625 in the next leg lower.
- **Expect a potential decline to 4.0600**, otherwise curbed by a close above 4.0800.
- **Key resistances:** 4.0763 (R1), 4.0800 (R2), 4.0833 (R3)
- **Key supports:** 4.0693 (S1), 4.0650 (S2), 4.0625 (S3)
- **Expected range for the day:** 4.0650 – 4.0740

Indicative GBPMYR 5.4677

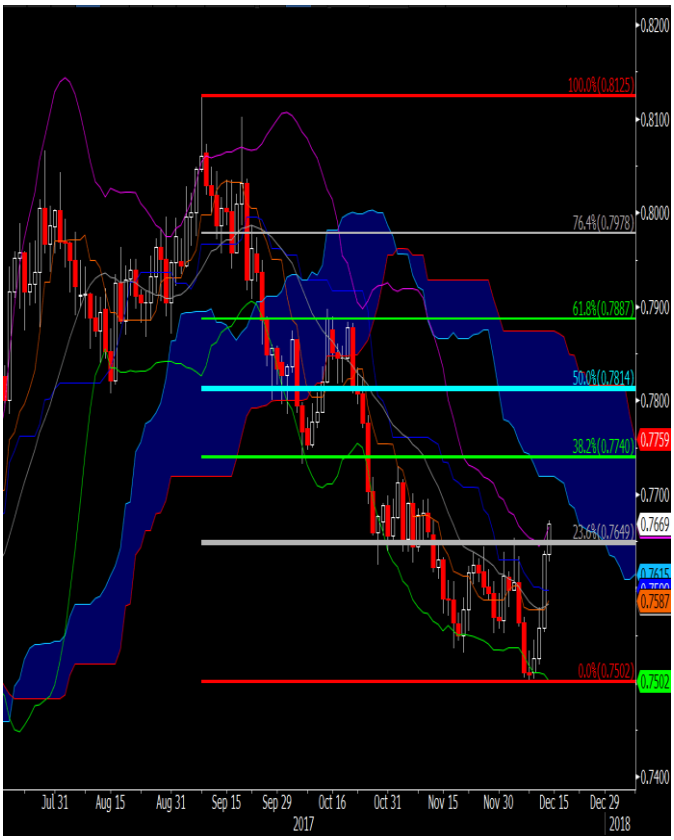


Source: Bloomberg

- GBPMYR opened 249pips higher at 5.4808. **Daily outlook slightly bearish** as we anticipate potential decline in European session to overturn current gains.
- **Weekly and monthly outlook bearish**.
- Sings still point to a close below 5.4509 tomorrow, failing which technical outlook will improve and tilt GBPMYR higher. Until that happens, we maintain a bearish view on this pair.
- **GBPMYR expectedly declined to 5.4365** yesterday.
- **Key resistances**: 5.4681 (R1), 5.4700 (R2), 5.4766 (R3)
- **Key supports**: 5.4518 (S1), 5.4451 (S2), 5.4373 (S3)
- **Expected range for the day:** 5.4500 – 5.4810

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

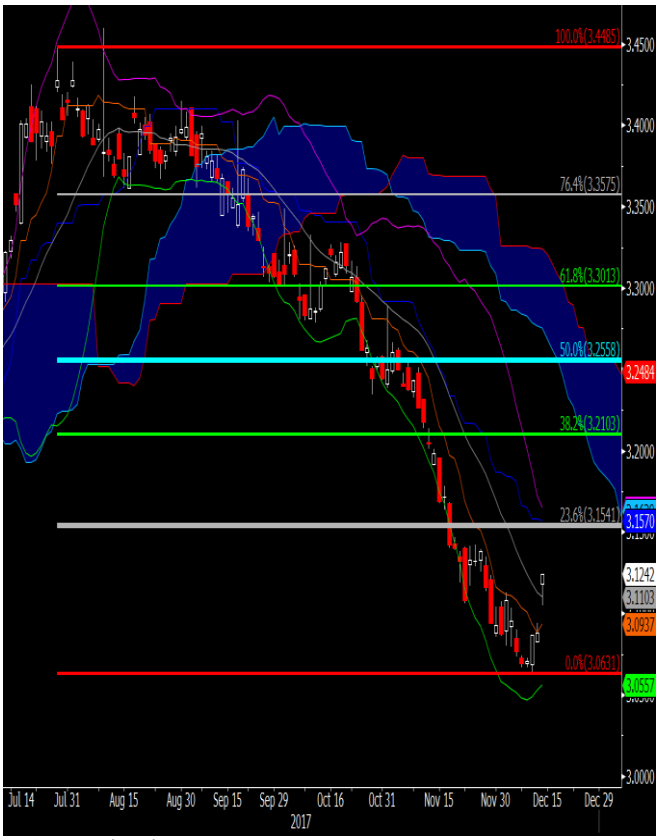
Indicative AUDUSD 0.7669



Source: Bloomberg

- AUDUSD opened barely changed at 0.7637. **Daily outlook bullish**, buoyed by firmer Australia data as well as rebound in commodities.
- **Weekly outlook bullish, monthly outlook neutral**.
- Despite an early rally, AUDUSD must close 0.7649 to sustain a bullish bias. Overnight breakout is likely a reversal that could see AUDUSD climbing to 0.7740 before relenting.
- **AUDUSD is now unlikely to decline to 0.7440**.
- **Key resistances:** 0.7684 (R1), 0.7700 (R2), 0.7740 (R3)
- **Key supports:** 0.7649 (S1), 0.7619 (S2), 0.7603 (S3)
- **Expected range for the day:** 0.7620 – 0.7690

Indicative AUDMYR 3.1242

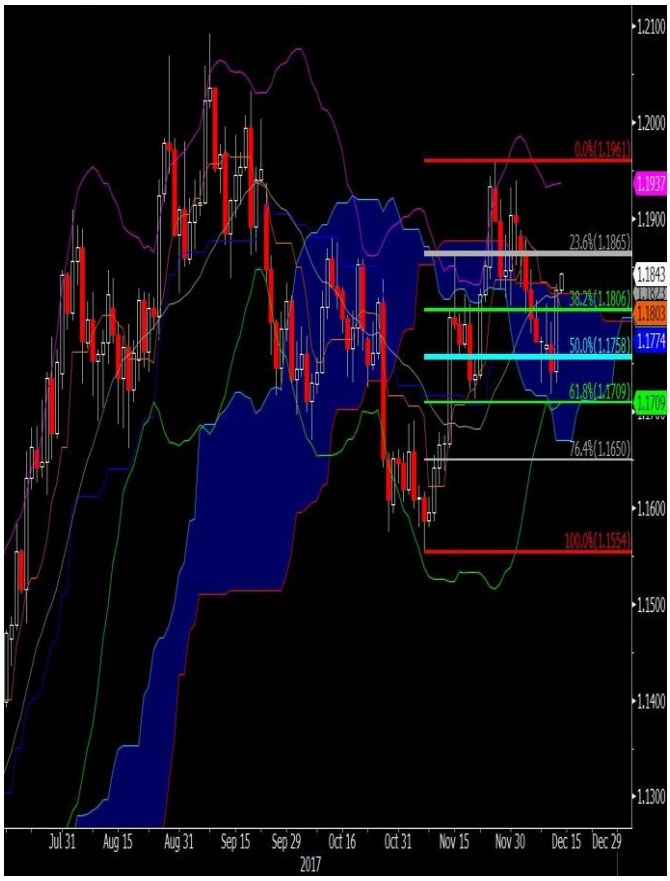


Source: Bloomberg

- AUDMYR opened 302pips higher at 3.1184. **Daily outlook bullish**, lifted by the sharply higher opening and firmer AUD from better than expected Australia data.
- **Weekly and monthly outlook bearish**.
- AUDMYR has breached 3.1103, a crucial level that could sustain current upside strength. There is room to climb higher to 3.1417 – 3.1541, but we caution that with trend still deep in negative territory, current rebound may be shallow.
- **Expect a potential advance to 3.1417**, otherwise curbed by a close below 3.1103.
- **Key resistances:** 3.1255 (R1), 3.1345 (R2), 3.1417 (R3)
- **Key supports:** 3.1103 (S1), 3.1048 (S2), 3.1000 (S3)
- **Expected range for the day:** 3.1050 – 3.1285

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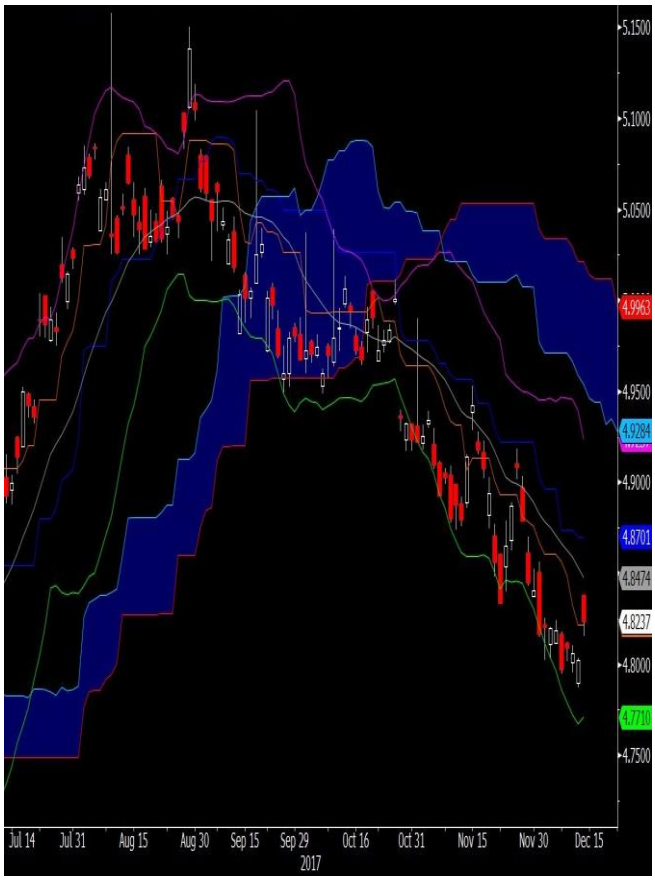
Indicative EURUSD 1.1842



Source: Bloomberg

- EURUSD opened unchanged at 1.1826. **Daily outlook slightly bearish** as we anticipate a modest pullback after strong overnight gains.
- **Weekly and monthly outlook bearish**.
- We caution that failure by EURUSD to close above 1.1880 in the next leg higher is a continuation of a bearish pattern that, if completed, could trigger a drop to circa 1.1600 thereafter.
- **EURUSD is now unlikely to decline to 1.1709**.
- **Key resistances:** 1.1865 (R1), 1.1880 (R2), 1.1900 (R3)
- **Key supports:** 1.1823 (S1), 1.1806 (S2), 1.1774 (S3)
- **Expected range for the day:** 1.1800 – 1.1860

Indicative EURMYR 4.8237



Source: Bloomberg

- EURMYR opened 356pips higher at 4.8379. **Daily outlook slightly bullish**, supported by the sharply higher opening, but caution that gains may narrow in European trade.
- **Weekly outlook bullish, monthly outlook bearish**.
- EURMYR appears to be initiating a rebound, but given that the pair remains in deep bearish territory, we reckon rebounds are likely capped by 4.8619 – 4.8700 before resuming the current downtrend.
- **Continue to expect a potential decline to 4.7780**, otherwise curbed by a close above 4.8473.
- **Key resistances:** 4.8293 (R1), 4.8429 (R2), 4.8473 (R3)
- **Key supports:** 4.8200 (S1), 4.8090 (S2), 4.8035 (S3)
- **Expected range for the day:** 4.8120 – 4.8400

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