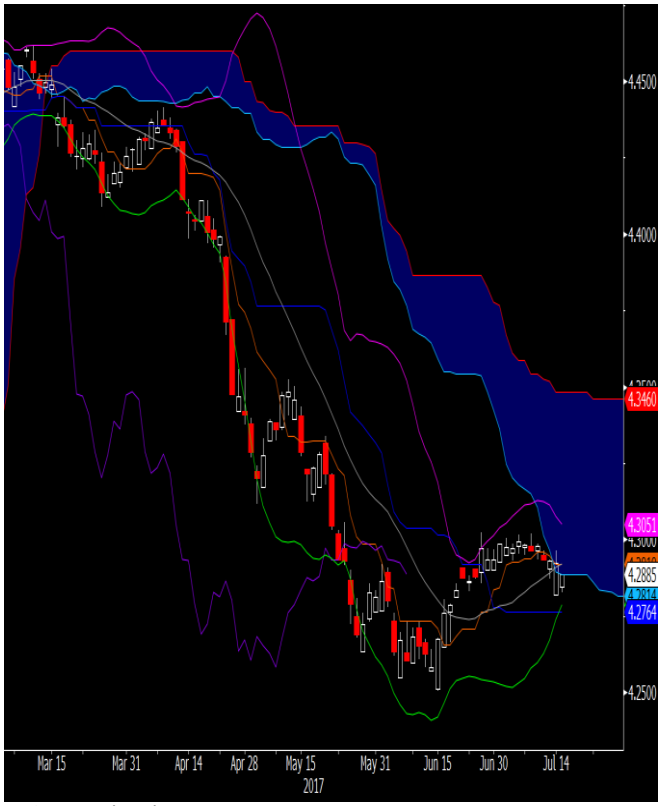
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

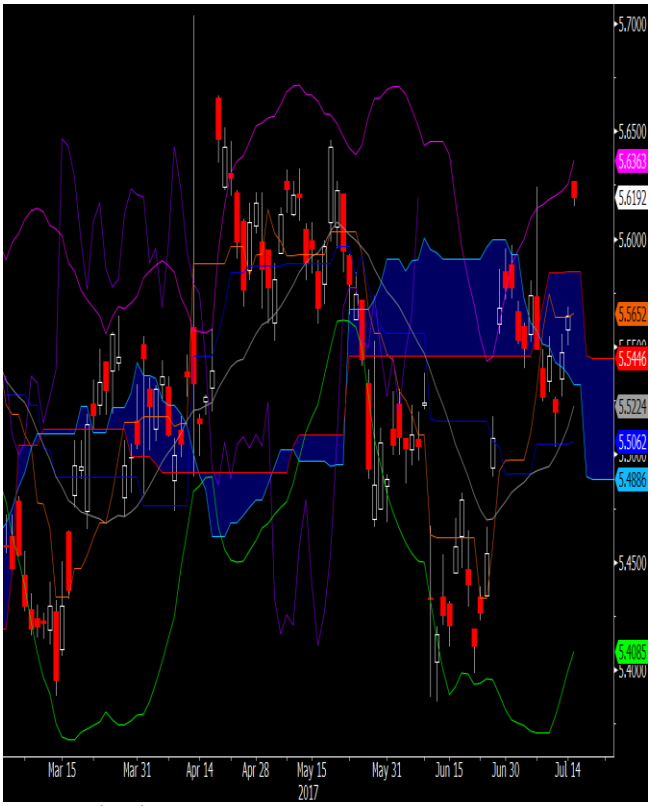
Indicative USDMYR 4.2885



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook slightly bearish** on the back of a weakened USD while MYR is likely to find support from firmer risk appetite.
- **Weekly and monthly outlook bearish**.
- Upside momentum continues to lose traction, limiting gains in USDMR. We reckon that 4.2886 – 4.2900 will prevent rebounds and reject the pair lower to 4.2785.
- **Expect a potential decline to 4.2785**, otherwise curbed by a close above 4.2920.
- **Key resistances:** 4.2886 (R1), 4.2919 (R2), 4.2953 (R3)
- **Key supports:** 4.2851 (S1), 4.2785 (S2), 4.2764 (S3)
- **Expected range for the day:** 4.2800 – 4.2920

Indicative GBPMYR 5.6192

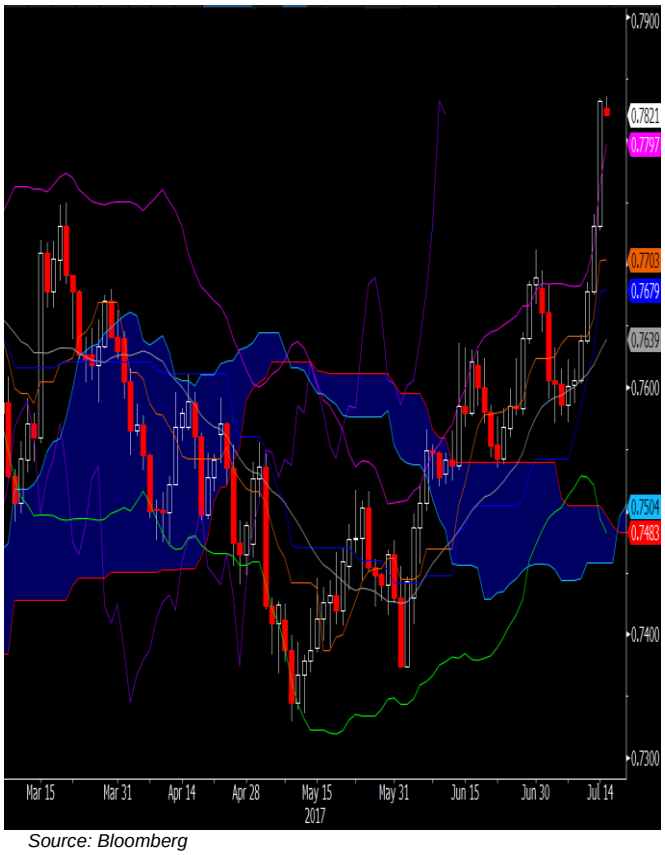


Source: Bloomberg

- GBPMYR opened 628pips higher at 5.6270. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- Bullish bias improved after gapping above 5.6000 at opening and GBPMYR is now poised to soon test 5.6360. However, we opine that such sharp upward move is hardly sustainable in the longer- term, thus anticipate potential rejection approaching 5.6500.
- **GBPMYR is now unlikely to fall to 5.5050**.
- **Key resistances**: 5.6244 (R1), 5.6360 (R2), 5.6461 (R3)
- **Key supports**: 5.6083 (S1), 5.6022 (S2), 5.6000 (S3)
- **Expected range for the day:** 5.6140 – 5.6270

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

Indicative AUDUSD 0.7821

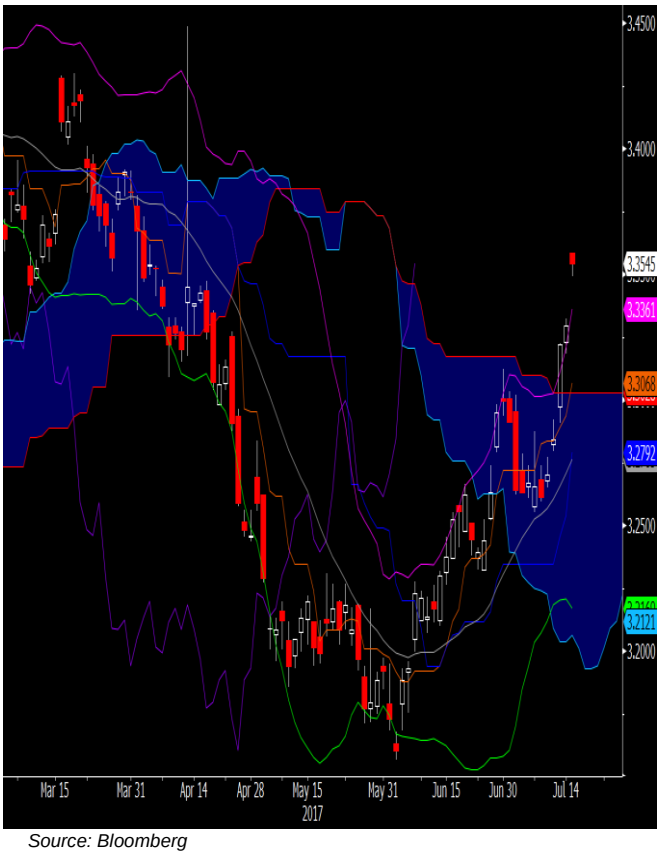


Source: Bloomberg

- AUDUSD opened 6pips lower at 0.7826. **Daily outlook slightly bearish** in anticipation of risk aversion ahead of RBA minute tomorrow.
- **Weekly and monthly outlook bearish**.
- Near-term outlook for AUDUSD has improved and we do not rule out a test at 0.7880 – 0.7900. However, we continue to caution that the pair remains trending with a territory that has historically rejected further advances, thus further gains may be soft.
- Despite a bullish daily outlook, **expect a potential decline to 0.7700** going forward, otherwise curbed by a close 0.7880.
- **Key resistances:** 0.7850 (R1), 0.7880 (R2), 0.7900 (R3)
- **Key supports:** 0.7798 (S1), 0.7740 (S2), 0.7719 (S3)
- **Expected range for the day:** 0.7770 – 0.7850

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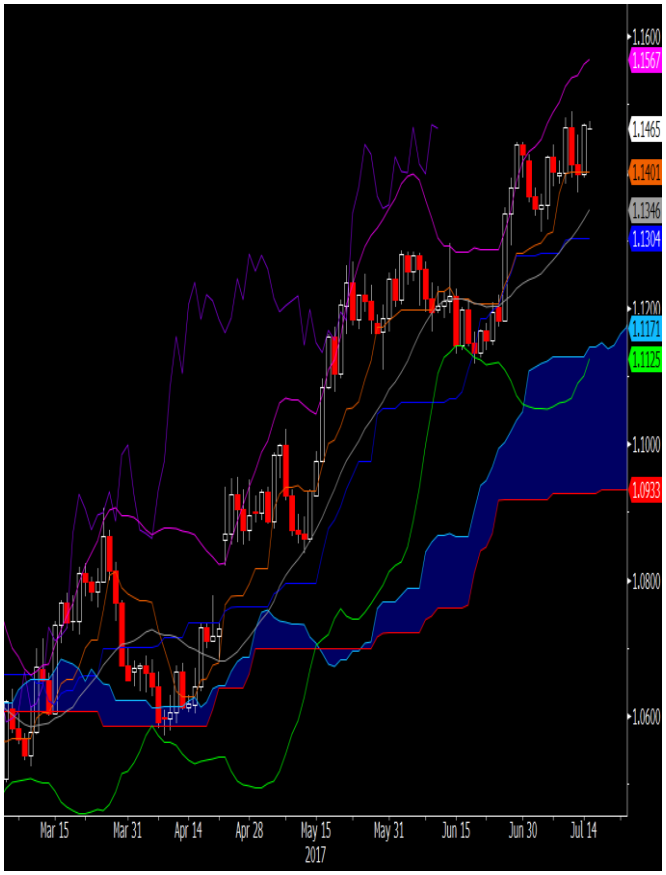
Indicative AUDMYR 3.3545



Source: Bloomberg

- AUDMYR opened 287pips higher at 3.3584. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- Bullish bias continues to strengthen in AUDMYR, suggesting some gains may still prevail before fizzling out. We suspect reversal towards lower levels may be approaching; extended closes above the reversion level at 3.3358 is likely to trigger a near-term decline below that level.
- **Key resistances:** 3.3616 (R1), 3.3670 (R2), 3.3730 (R3)
- **Key supports:** 3.3493 (S1), 3.3361 (S2), 3.3323 (S3)
- **Expected range for the day:** 3.3480 – 3.3620

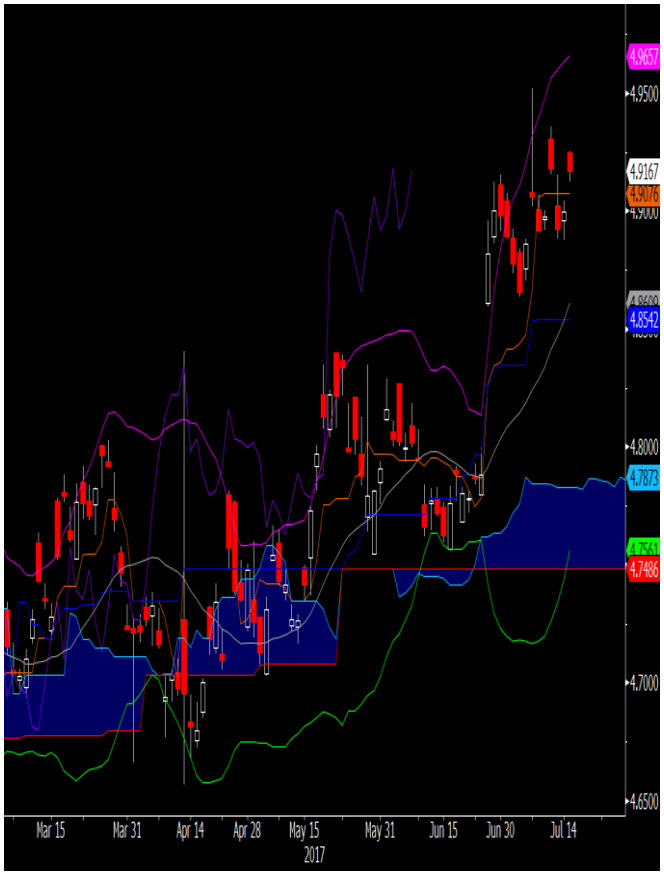
Indicative EURUSD 1.1465



Source: Bloomberg

- EURUSD opened 6pips lower at 1.1464. **Daily outlook bullish to the extent of USD's weakness**; caution that EUR will likely turn bearish if Eurozone CPI surprises to the downside.
- **Weekly and monthly outlook bearish**.
- Despite its resilience, we maintain the view that EURUSD is technically fragile as it hovers below 1.1500. We cannot rule out tests at 1.1500 – 1.1520 but remain unconvinced that current upside strength can be sustained.
- **Key resistances:** 1.1480 (R1), 1.1500 (R2), 1.1520 (R3)
- **Key supports:** 1.1456 (S1), 1.1427 (S2), 1.1401 (S3)
- **Expected range for the day:** 1.1380 – 1.1480

Indicative EURMYR 4.9167



Source: Bloomberg

- EURMYR opened 253pips higher at 4.9247. **Daily outlook slightly bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bearish**.
- Despite bullish bias, upside momentum continues to thin, therefore we maintain the view that gains are likely to soften going forward before turning bearish and head to 4.8542 in the next leg lower.
- Despite a bullish daily outlook, **continue to expect a potential decline to 4.8542**, otherwise curbed by a close above 4.9280.
- **Key resistances:** 4.9251 (R1), 4.9358 (R2), 4.9400 (R3)
- **Key supports:** 4.9133 (S1), 4.9076 (S2), 4.9000 (S3)
- **Expected range for the day:** 4.9080 – 4.9250

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