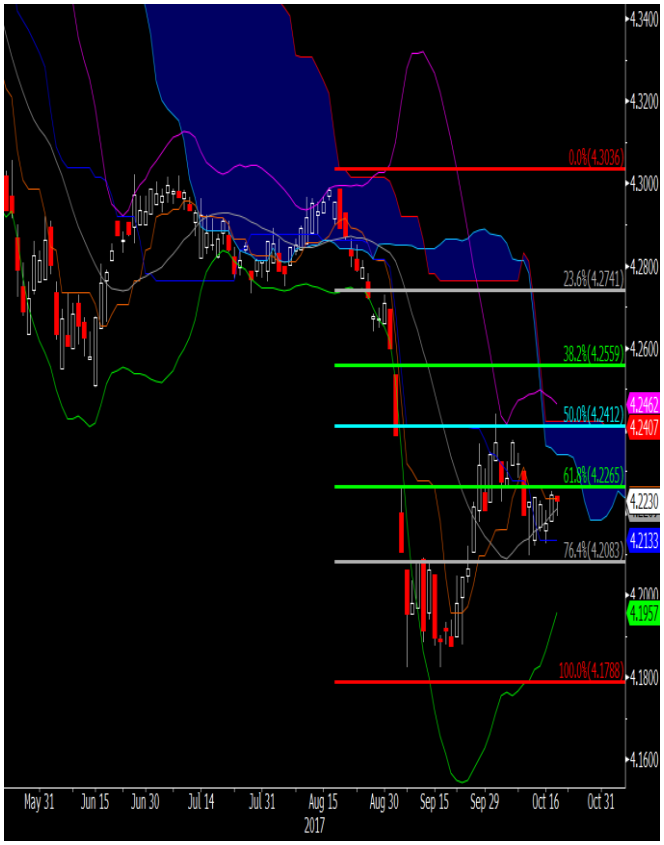
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FX Strategy

Daily Currency Outlook – 11am edition

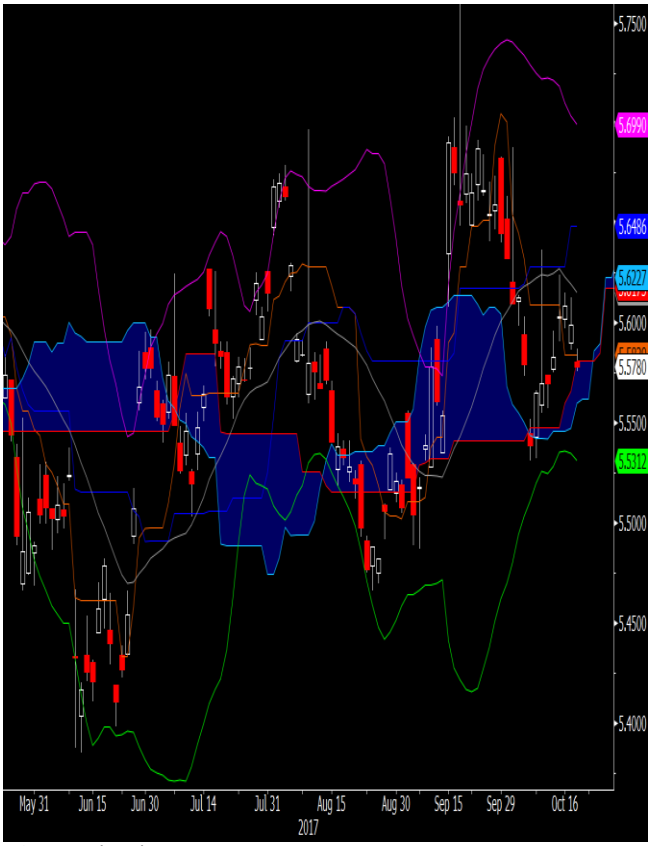
Indicative USDMYR 4.2230



Source: Bloomberg

- USDMYR opened barely changed today. **Daily outlook bearish** in anticipation of renewed buying interest in MYR as Malaysia market reopens, though losses may be narrowed going into European trade when USD is expected to firm up.
- **Weekly outlook bearish, monthly outlook neutral**.
- Technically, bullish bias appears to be fading after several closures above 4.2200 that ended in failure to climb higher. A close below 4.2200 today will likely trigger a move t 4.2133 in the next leg lower.
- **Key resistances:** 4.2235 (R1), 4.2265 (R2), 4.2308 (R3)
- **Key supports:** 4.2210 (S1), 4.2178 (S2), 4.2083 (S3)
- **Expected range for the day:** 4.2180 – 4.2250

Indicative GBPMYR 5.5780

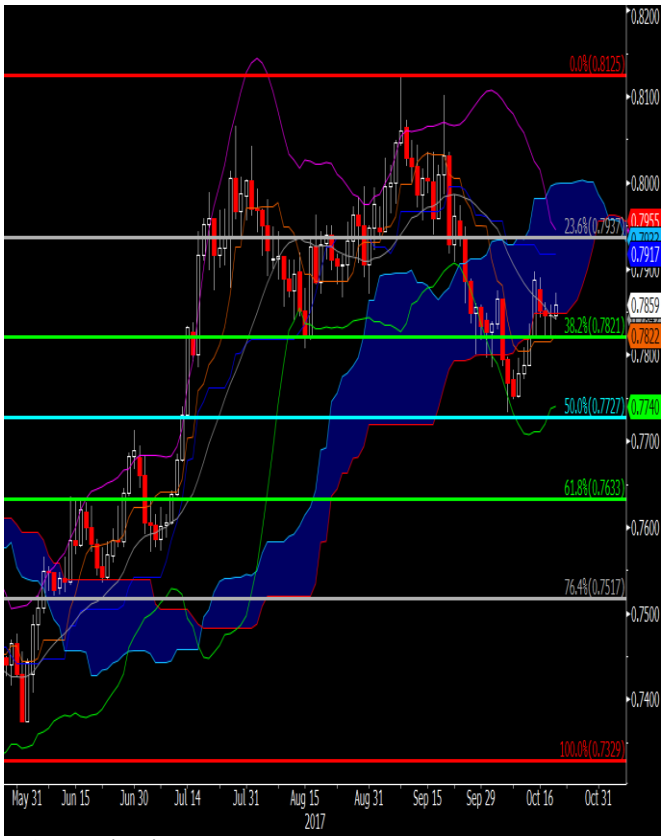


Source: Bloomberg

- GBPMYR opened 184pips lower at 5.5808. **Daily outlook bearish**, weighed down by a sharply lower opening.
- **Weekly and monthly outlook bearish**.
- Technicals and price action diverged; GBPMYR must close above 5.5828 today, and 5.6033 tomorrow, to alleviate the risk of renewed decline. Otherwise, a drop to 5.5600 is highly likely going forward.
- Despite a bearish outlook, **we continue to expect a potential climb to 5.6250**, invalidated by a close below 5.5800.
- **Key resistances**: 5.5810 (R1), 5.5839 (R2), 5.5888 (R3)
- **Key supports**: 5.5736 (S1), 5.5661 (S2), 5.5594 (S3)
- **Expected range for the day:** 5.5730 – 5.5880

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

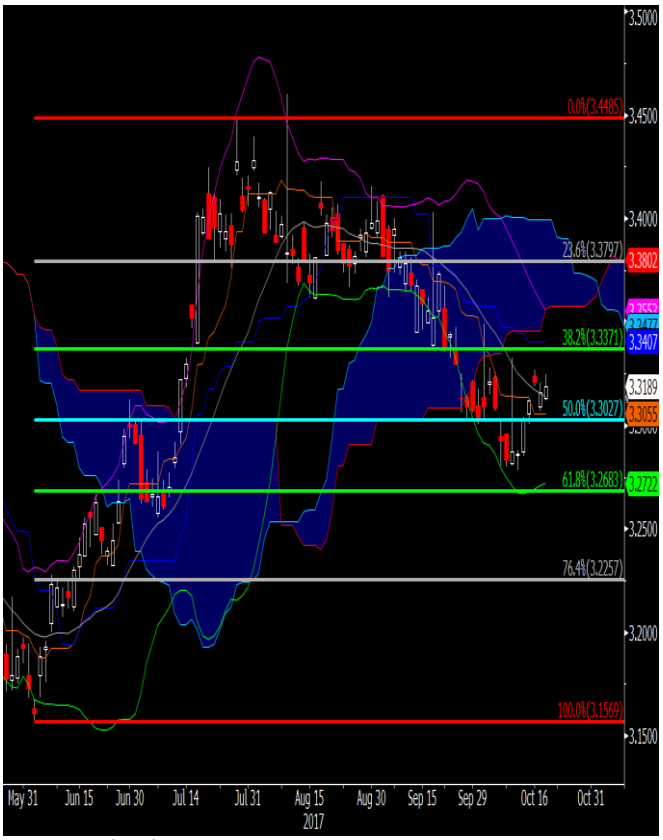
Indicative AUDUSD 0.7859



Source: Bloomberg

- AUDUSD opened unchanged at 0.7846. **Daily outlook slightly bearish** amid build-up in risk aversion in the markets and continually soft metal prices.
- **Weekly and monthly outlook bearish**.
- Another close below 0.7848 has dented the bullish bias. Caution that a close below 0.7841 today increases the chances of a drop below 0.7800 going forward.
- **Key resistances:** 0.7875 (R1), 0.7894 (R2), 0.7917 (R3)
- **Key supports:** 0.7842 (S1), 0.7821 (S2), 0.7791 (S3)
- **Expected range for the day:** 0.7820 – 0.7880

Indicative AUDMYR 3.3189

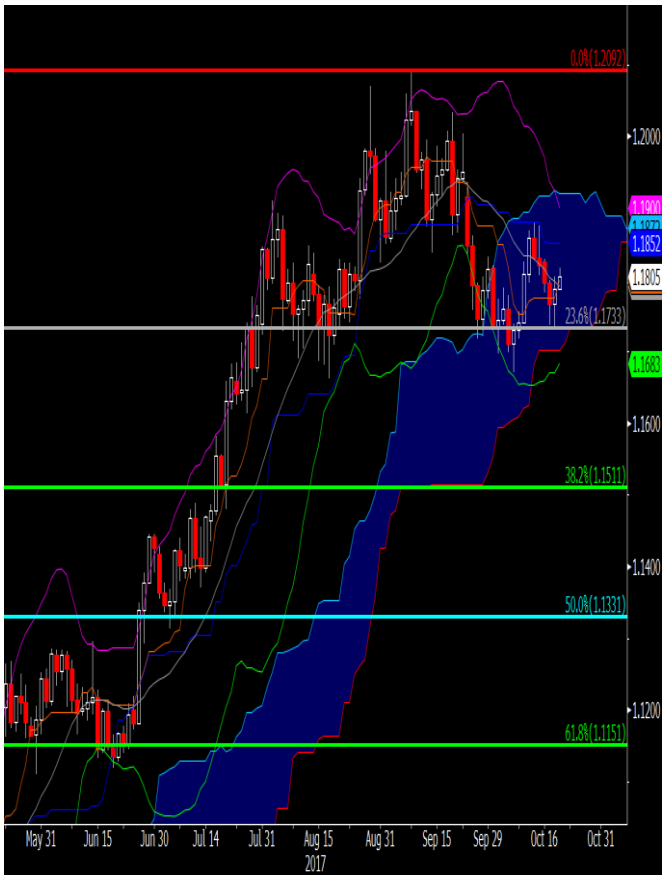


Source: Bloomberg

- AUDMYR opened 33pips lower at 3.3129. **Daily outlook slightly bullish**, supported by firmer Australia data though gains may be narrowed going into European trade.
- **Weekly outlook bullish, monthly outlook bearish**.
- Momentum indicator continues to firm up, reaffirming that the pair is on track to test 3.3370 in the next leg higher. A close below 3.3120 will invalidate the current build-up in momentum.
- **Expect a potential climb to 3.3370**, otherwise invalidated by a close below 3.3120.
- **Key resistances:** 3.3200 (R1), 3.3267 (R2), 3.3347 (R3)
- **Key supports:** 3.3180 (S1), 3.3138 (S2), 3.3100 (S3)
- **Expected range for the day:** 3.3110 – 3.3280

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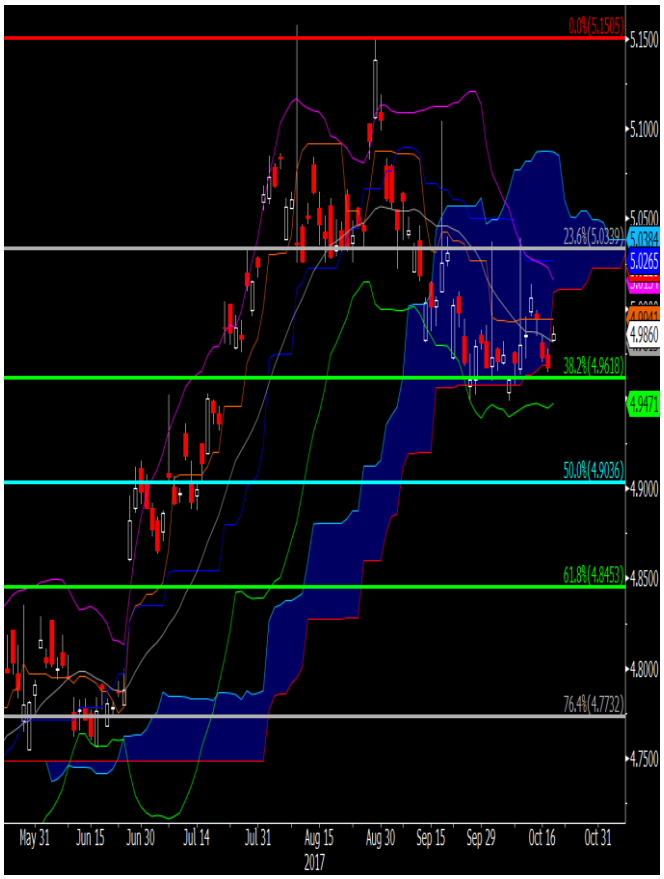
Indicative EURUSD 1.1805



Source: Bloomberg

- EURUSD opened unchanged at 1.1787. **Daily outlook slightly bearish** as buying interest in EUR wanes going into EU summit and discussion on Brexit negotiations.
- **Weekly and monthly outlook bearish**.
- Downside bias in EURUSD has increased, thus we set sights on a break below 1.1766 soon. Caution that this view will be invalidated by a close above 1.1820 today, otherwise, we reckon that EURUSD is on track to complete a bearish pattern that could see it slide to 1.1511 in the longer term.
- **Key resistances:** 1.1802 (R1), 1.1844 (R2), 1.1859 (R3)
- **Key supports:** 1.1775 (S1), 1.1733 (S2), 1.1708 (S3)
- **Expected range for the day:** 1.1750 – 1.1800

Indicative EURMYR 4.9860



Source: Bloomberg

- EURMYR opened 150pips higher at 4.9823. **Daily outlook bullish**, supported by the sharply higher opening.
- **Weekly and monthly outlook bearish**.
- Despite a higher opening and slightly bullish bias, signs are gradually pointing to renewed weakness that could see EURMYR slide lower before bouncing off 4.9618.
- **Expect a potential decline to 4.9620**, otherwise curbed by a close above 4.9940.
- **Key resistances:** 4.9941 (R1), 4.9984 (R2), 5.0000 (R3)
- **Key supports:** 4.9814 (S1), 4.9800 (S2), 4.9774 (S3)
- **Expected range for the day:** 4.9780 – 4.9900

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