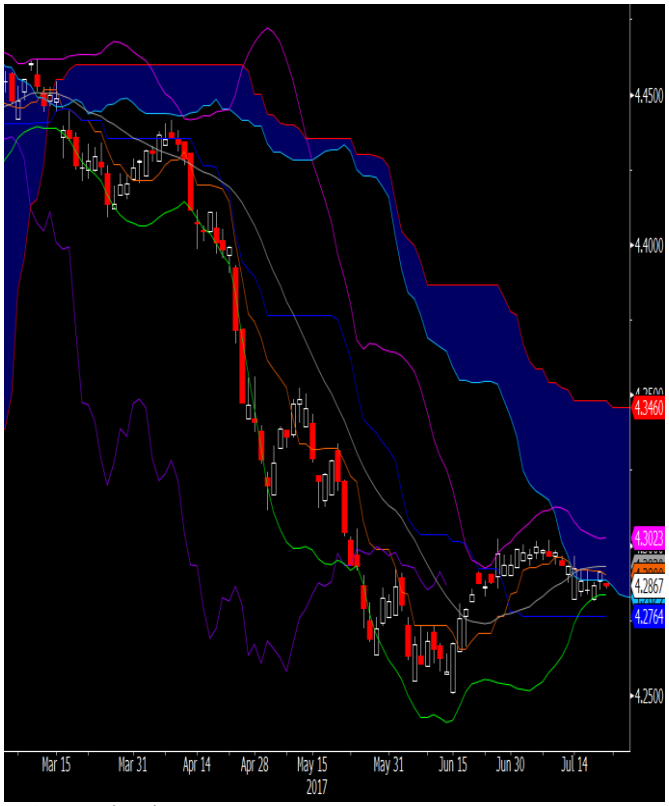
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FX Strategy

Daily Currency Outlook – 11am edition

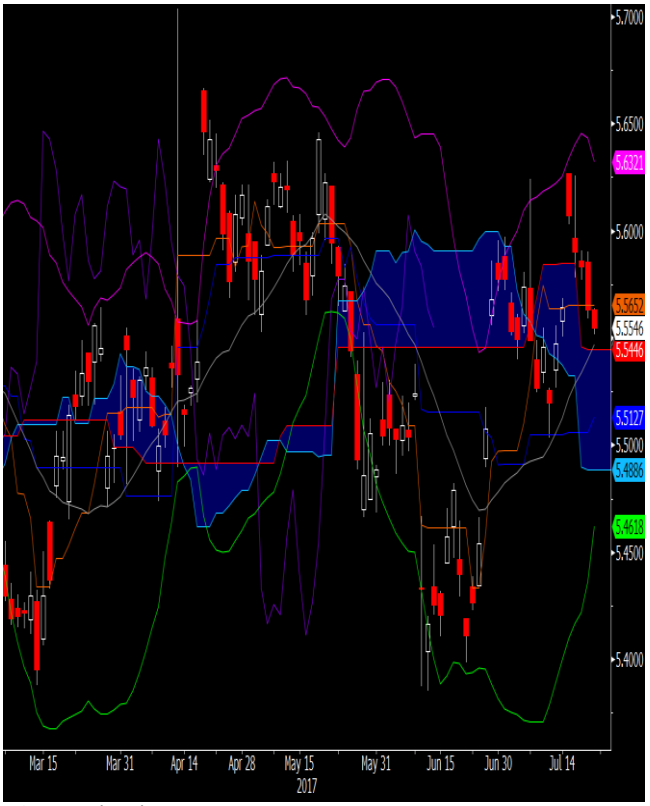
Indicative USDMYR 4.2867



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish** on the back of a weak USD though gains may be limited by softer risk appetite going into the weekend.
- **Weekly and monthly outlook bearish**.
- Bearish bias continues to build and USDMYR remains inclined to further losses. We expect the pair to be heading to 4.2764 in the next leg lower.
- **Continue to expect a potential decline to 4.2785**, otherwise curbed by a close above 4.2916.
- **Key resistances:** 4.2883 (R1), 4.2900 (R2), 4.2929 (R3)
- **Key supports:** 4.2850 (S1), 4.2836 (S2), 4.2800 (S3)
- **Expected range for the day:** 4.2820 – 4.2880

Indicative GBPMYR 5.5546

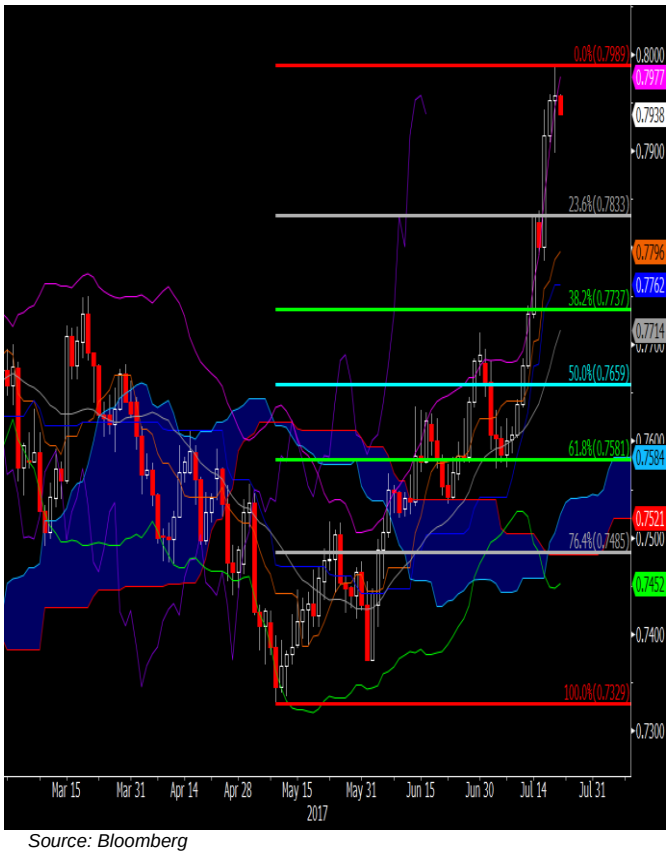


Source: Bloomberg

- GBPMYR opened unchanged at 5.5633. **Daily outlook bearish** as we anticipate GBP to retreat in European trade on Brexit concerns.
- **Weekly and monthly outlook bearish**.
- GBPMYR lost 5.5652 overnight and is now further tilted towards the downside. We anticipate bearish bias to soon emerge and add more downside pressure that could see the pair slide lower to 5.5344, or below.
- **Continue to expect a potential decline to 5.5460**.
- **Key resistances**: 5.5596 (R1), 5.5652 (R2), 5.5687 (R3)
- **Key supports**: 5.5446 (S1), 5.5337 (S2), 5.5289 (S3)
- **Expected range for the day:** 5.5440 – 5.5637

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

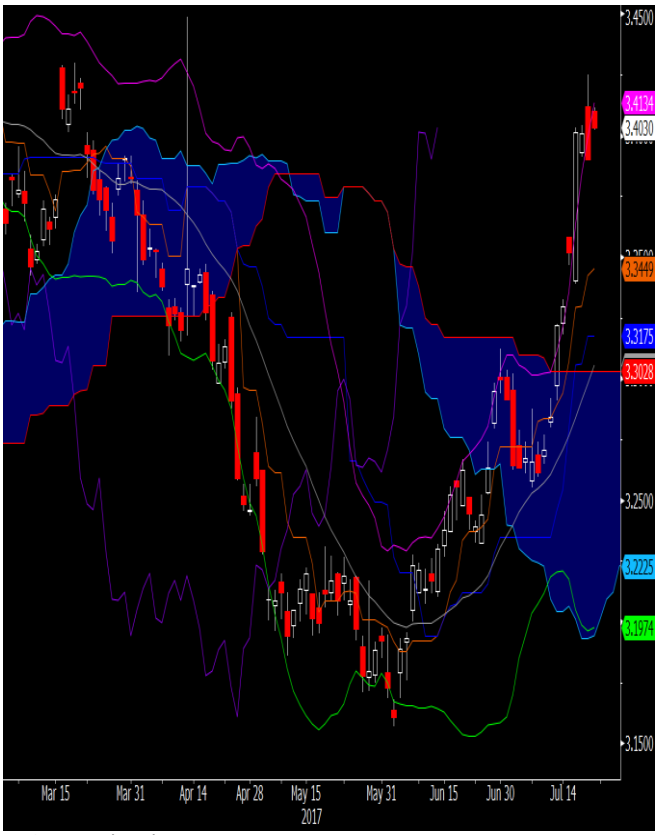
Indicative AUDUSD 0.7938



Source: Bloomberg

- AUDUSD opened unchanged at 0.7958. **Daily outlook bearish** as we anticipate AUD to be weighed down by risk aversion going into the weekend and signs of weakness in commodities.
- **Weekly outlook bullish, monthly outlook bearish**.
- We suspect that AUDUSD has reached the peak of its recent upward move and will likely reverse first before resuming its ascend. Gains will likely fizzle approaching 0.7980 – 0.8000.
- **Expect a potential decline to 0.7850**, otherwise curbed by a close above 0.7980.
- **Key resistances:** 0.7943 (R1), 0.7960 (R2), 0.8000 (R3)
- **Key supports:** 0.7909 (S1), 0.7846 (S2), 0.7833 (S3)
- **Expected range for the day:** 0.7900 – 0.8000

Indicative AUDMYR 3.4030

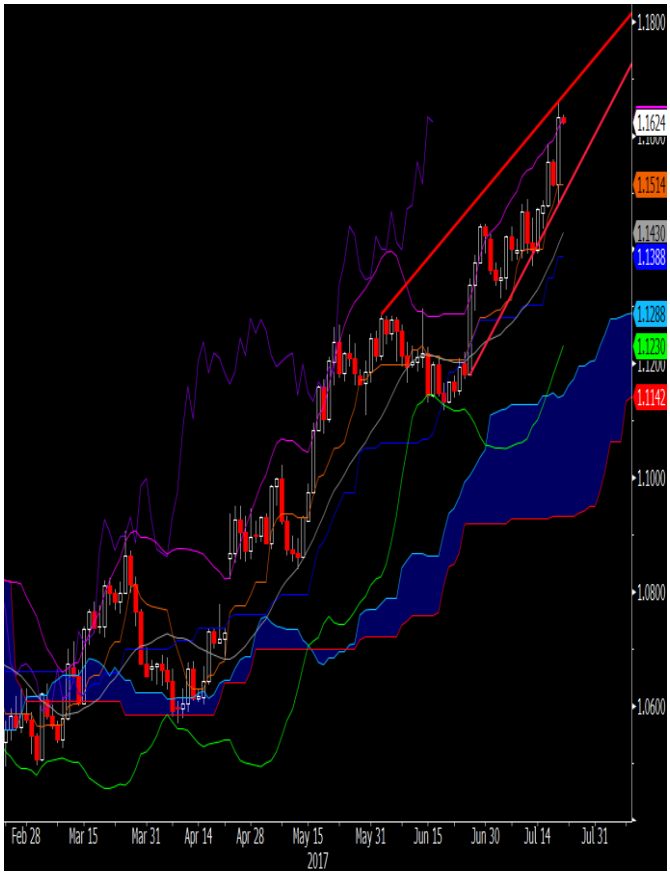


Source: Bloomberg

- AUDMYR opened 200pips higher at 3.4101. **Daily outlook slightly bullish**, lifted by the sharply higher opening but current gains may be narrowed.
- **Weekly and monthly outlook bullish**.
- We opine that AUDMYR has peaked and will likely be heading lower going forward. Though we cannot rule out another test at 3.4250 or higher, such attempt will be viewed as a last-ditch effort to turn bullish.
- **Continue to expect a potential drop to 3.3580**, otherwise curbed by a close above 3.4280.
- **Key resistances:** 3.4142 (R1), 3.4200 (R2), 3.4280 (R3)
- **Key supports:** 3.4030 (S1), 3.4000 (S2), 3.3895 (S3)
- **Expected range for the day:** 3.4000 – 3.4120

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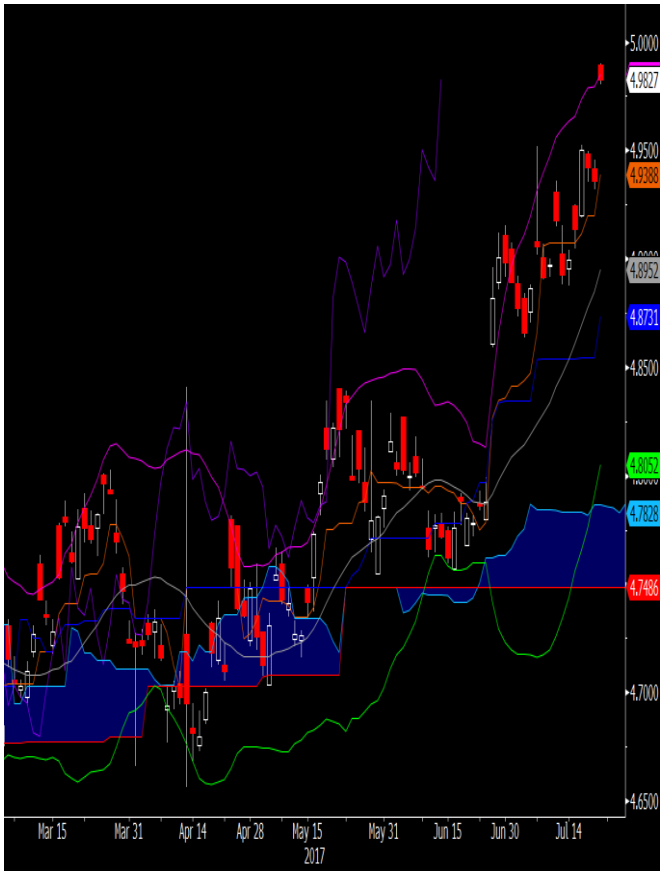
Indicative EURUSD 1.1624



Source: Bloomberg

- EURUSD opened unchanged at 1.1631. **Daily outlook bullish** on the back of a weak USD and amid rising bets that the ECB is drawing closer to unwinding its stimulus programme.
- **Weekly outlook bullish, monthly outlook bearish**.
- Strong overnight surge has improved EURUSD's chances of extending current upsides and it is now poised to soon test 1.1680. Nonetheless, we caution that signs of reversal continue to persist.
- **Key resistances:** 1.1658 (R1), 1.1680 (R2), 1.1700 (R3)
- **Key supports:** 1.1600 (S1), 1.1586 (S2), 1.1531 (S3)
- **Expected range for the day:** 1.1600 – 1.1680

Indicative EURMYR 4.9827



Source: Bloomberg

- EURMYR opened 534pips higher at 4.9896. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- Despite bullish bias, price-momentum has diverged further, continuing to hint at potential reversal to lower levels going forward. Sharp gap-up at opening today has serve to only reinforce our view that such gains are hardly sustainable in the longer-term.
- **Expect a potential decline to 4.9520**, otherwise curbed by a close above 5.0000.
- **Key resistances:** 4.9850 (R1), 4.9900 (R2), 4.9950 (R3)
- **Key supports:** 4.9808 (S1), 4.9720 (S2), 4.9650 (S3)
- **Expected range for the day:** 4.9800 – 4.9920

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