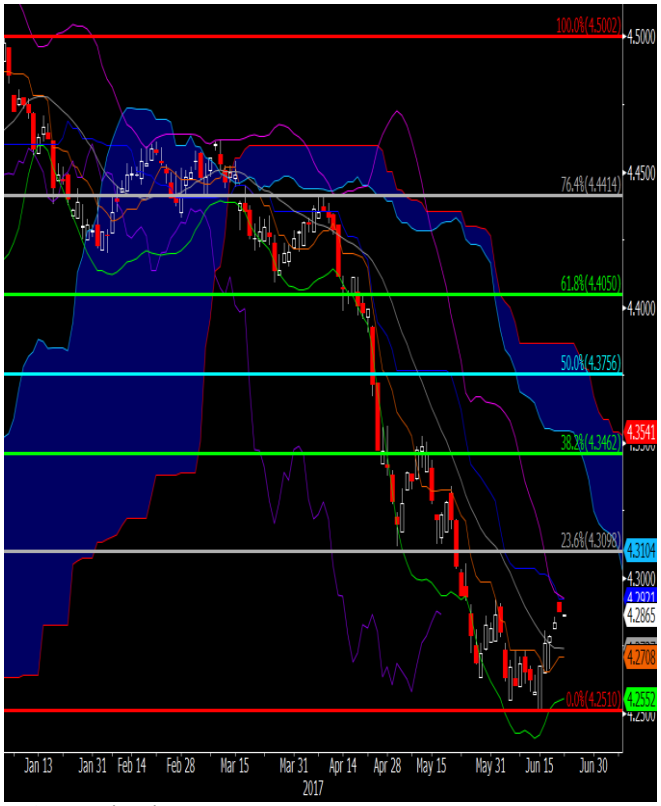
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FX Strategy

Daily Currency Outlook – 11am edition

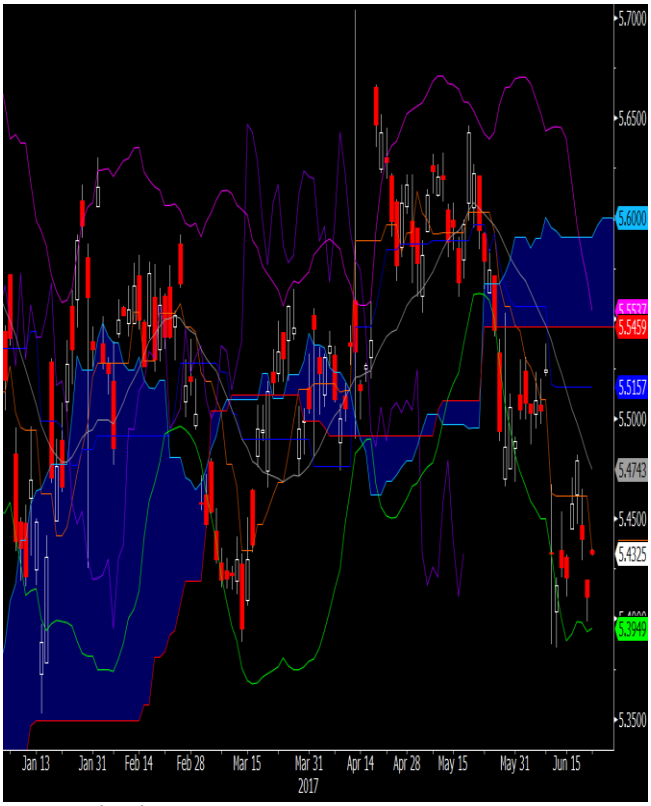
Indicative USDMYR 4.2865



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook bullish** in anticipation of a rebound in USD and pressure on MYR amid retreating risk appetite.
- **Weekly and monthly outlook bullish**.
- USDMYR remain technically bullish despite an early gap down and more inclined to gains. We set sights on a potentially test at 4.2921, above which 4.3030 will be targeted.
- **Continue to expect a potential advance to 4.3030**, otherwise curbed by a close below 4.2800.
- **Key resistances:** 4.2875 (R1), 4.2900 (R2), 4.2921 (R3)
- **Key supports:** 4.2829 (S1), 4.2800 (S2), 4.2790 (S3)
- **Expected range for the day:** 4.2850 – 4.2950

Indicative GBPMYR 5.4325

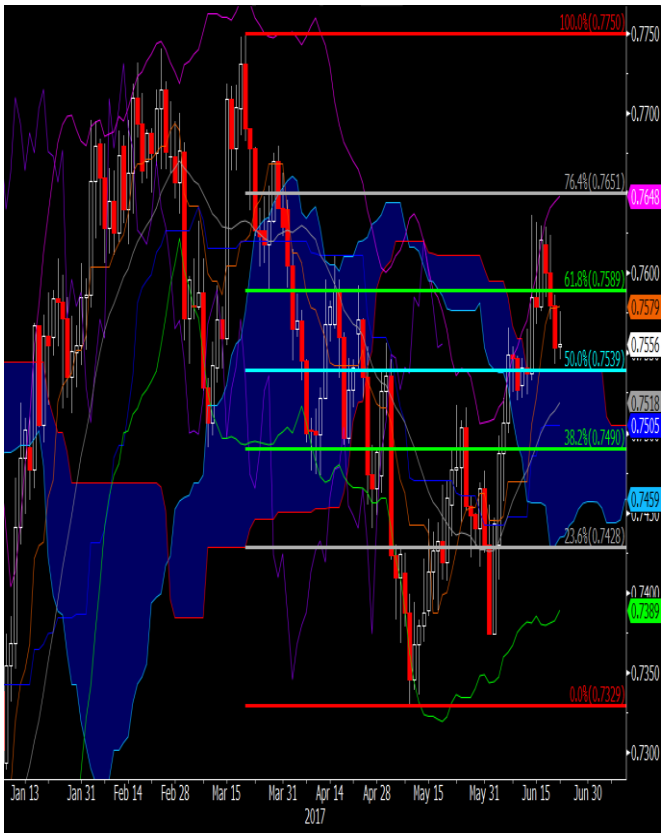


Source: Bloomberg

- GBPMYR opened 232pips higher at 5.4342. **Daily outlook slightly bullish**, lifted by the sharply higher opening, but we reckon that current gains will likely narrow going into European trade on GBP weakness.
- **Weekly and monthly outlook bearish**.
- Bearish bias prevails thus we maintain that GBPMYR remains prone to further losses. Rebounds are likely stemmed near 5.4530 before extending its decline to test 5.4020.
- **Continue to expect a potential decline to 5.3960**, otherwise curbed by a close above 5.4470.
- **Key resistances**: 5.4346 (R1), 5.4408 (R2), 5.4534 (R3)
- **Key supports**: 5.4292 (S1), 5.4208 (S2), 5.4110 (S3)
- **Expected range for the day:** 5.4210 – 5.4350

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

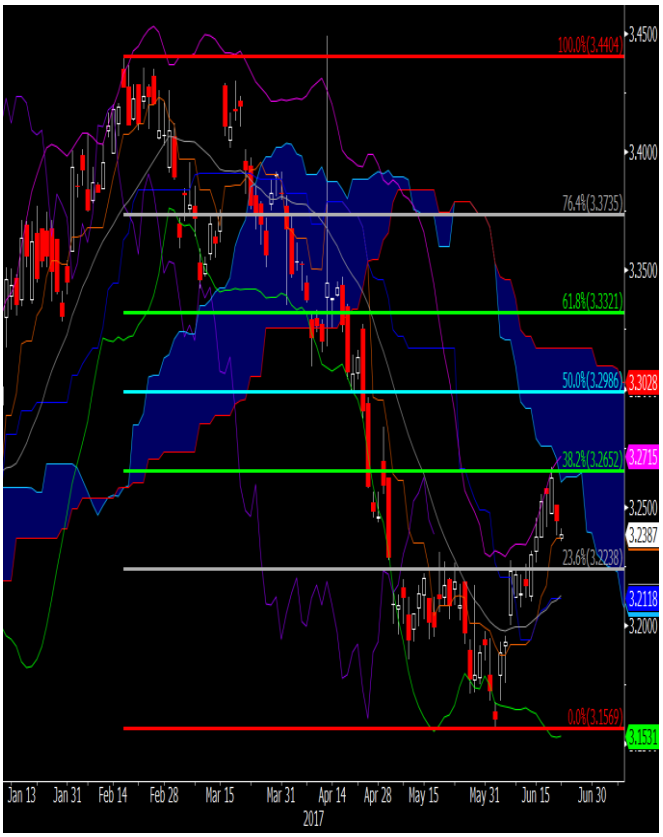
Indicative AUDUSD 0.7556



Source: Bloomberg

- AUDUSD opened unchanged at 0.7554. **Daily outlook bearish** on the back of a firm USD, further pressured by extended weakness in risk appetite and commodities.
- **Weekly outlook bearish, monthly outlook bullish**.
- AUDUSD remains technically bearish and we continue to set sights on a test at 0.7539, below which a decline to 0.7490 is imminent.
- **Continue to expect a potential decline to 0.7460**, otherwise curbed by a close above 0.7590.
- **Key resistances:** 0.7579 (R1), 0.7589 (R2), 0.7600 (R3)
- **Key supports:** 0.7539 (S1), 0.7519 (S2), 0.7500 (S3)
- **Expected range for the day:** 0.7490 – 0.7570

Indicative AUDMYR 3.2387

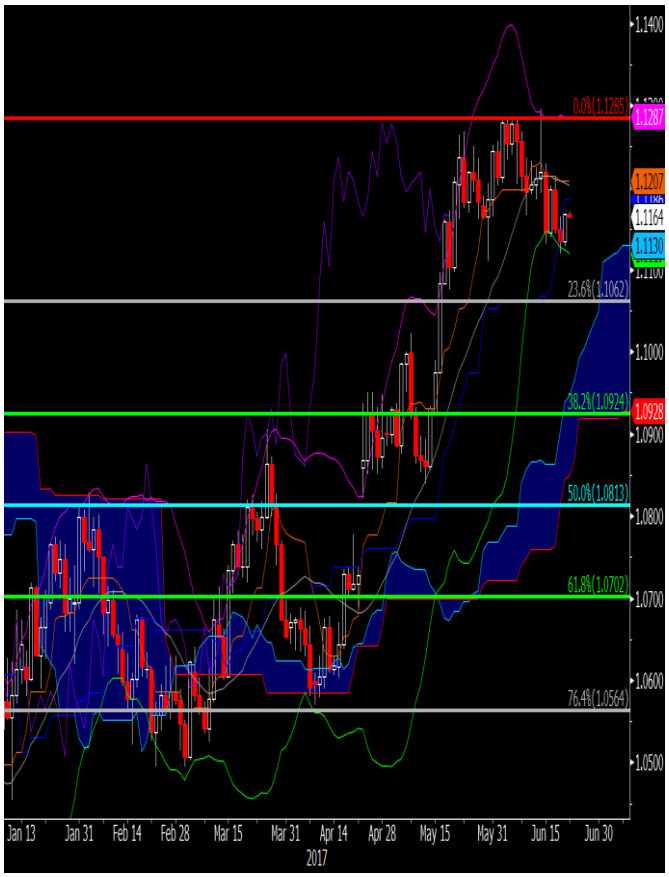


Source: Bloomberg

- AUDMYR opened 73pips lower at 3.2372. **Daily outlook bearish** as we expect AUD to be more impacted by retreating risk appetite in the markets than MYR.
- **Weekly outlook bearish, monthly outlook bullish**.
- It appears that AUDMYR has been rejected by 3.2652, which is likely the onset of a longer-termed reversal to lower levels. Expect imminent test at 3.2238, below which a drop to 3.2000 will be exposed.
- **Continue to expect a potential decline to 3.2250**, otherwise curbed by a close above 3.2415.
- **Key resistances:** 3.2421 (R1), 3.2494 (R2), 3.2554 (R3)
- **Key supports:** 3.2371 (S1), 3.2292 (S2), 3.2238 (S3)
- **Expected range for the day:** 3.2280 – 3.2410

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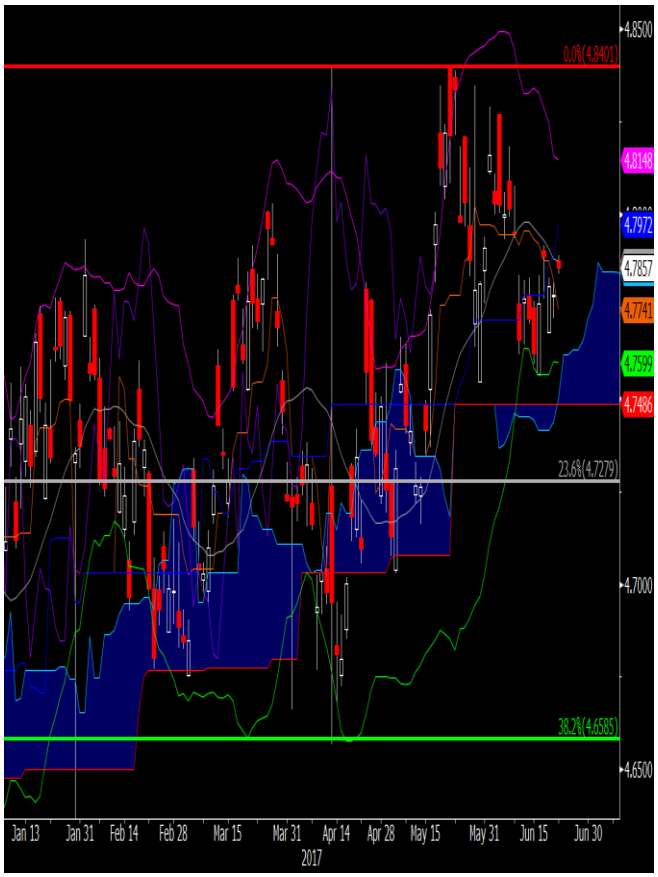
Indicative EURUSD 1.1164



Source: Bloomberg

- EURUSD opened unchanged at 1.1168. **Daily outlook bearish** in anticipation of a rebound in USD, supported by rising risk-off sentiment in the markets.
- **Weekly and monthly outlook bearish**.
- EURUSD is still technically bearish, on top of preliminary sign of a drop below 1.1134 in the coming days. Rebound is still possible, but unlikely to be sustained if below 1.1207.
- **Continue to expect a potential decline to 1.1060**, otherwise curbed by a close above 1.1207
- **Key resistances:** 1.1186 (R1), 1.1207 (R2), 1.1245 (R3)
- **Key supports:** 1.1161 (S1), 1.1143 (S2), 1.1119 (S3)
- **Expected range for the day:** 1.1100 – 1.1190

Indicative EURMYR 4.7857



Source: Bloomberg

- EURMYR opened 94pips higher at 4.7876. **Daily outlook slightly bullish**, supported by the higher opening as well as potential for rising MYR weakness.
- **Weekly and monthly outlook bearish**.
- Signs indicate a preliminary retreat in bearish bias. A rebound may be in the works, confirmed by a close above 4.7835 today. If so, expect a test at 4.8000 in the next leg higher.
- **EURMYR is now unlikely to fall to 4.7550**.
- **Key resistances:** 4.7873 (R1), 4.7972 (R2), 4.8011 (R3)
- **Key supports:** 4.7834 (S1), 4.7741 (S2), 4.7736 (S3)
- **Expected range for the day:** 4.7730 – 4.7790

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