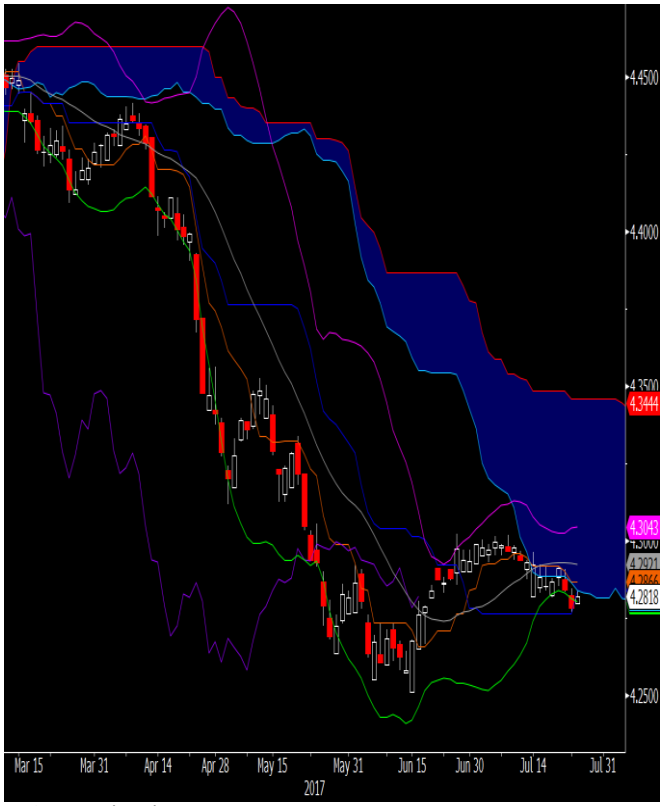
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

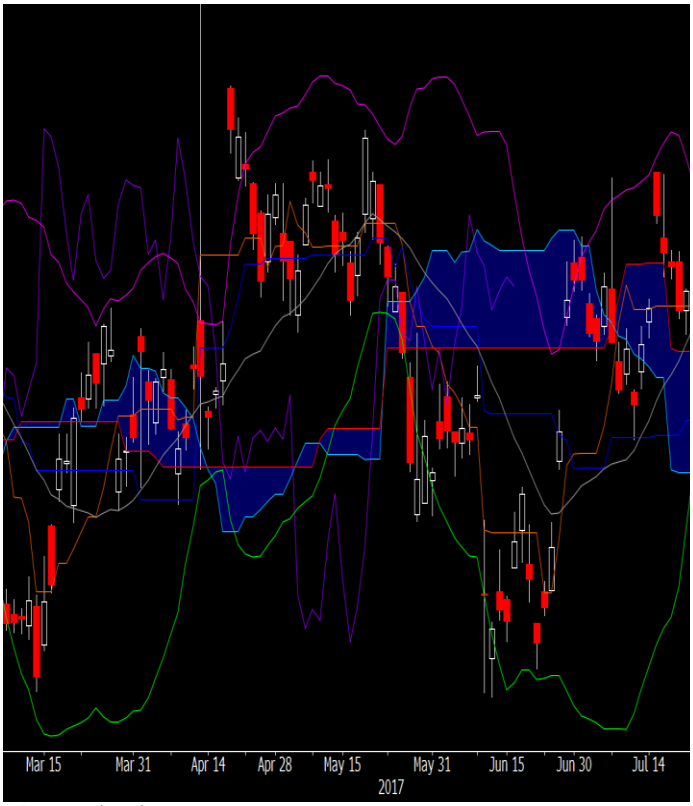
Indicative USDMYR 4.2818



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook slightly bearish** but expect losses to be modest on the back of soft market sentiment.
- **Weekly outlook neutral, monthly outlook bearish**.
- Bearish bias builds and adds to downside pressure on USDMYR. The pair remains inclined to losses going forward, but momentum is likely to diminish approaching the strong support at 4.2730.
- **USDMYR expectedly declined to 4.2785** yesterday.
- **Key resistances:** 4.2835 (R1), 4.2866 (R2), 4.2883 (R3)
- **Key supports:** 4.2798 (S1), 4.2768 (S2), 4.2734 (S3)
- **Expected range for the day:** 4.2750 – 4.2830

Indicative GBPMYR 5.5742

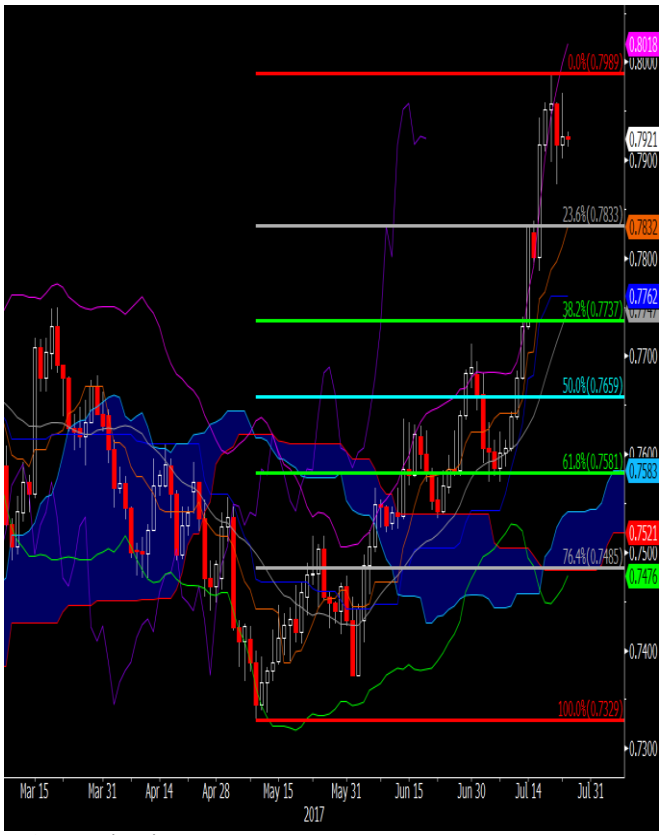


Source: Bloomberg

- GBPMYR opened 64pips lower at 5.5719. **Daily outlook slightly bearish** as we anticipate GBP to retreat in European trade on Brexit concerns.
- **Weekly and monthly outlook bearish**.
- Holding above 5.5652 continues to allow GBPMYR to register soft gains time being, but we reckon that extended advances are likely repelled by 5.5880. We anticipate a close below 5.5633 soon.
- **Continue to expect a potential decline to 5.5460**, otherwise curbed by a close above 5.5850.
- **Key resistances**: 5.5768 (R1), 5.5851 (R2), 5.5880 (R3)
- **Key supports**: 5.5630 (S1), 5.5613 (S2), 5.5558 (S3)
- **Expected range for the day:** 5.5630 – 5.5780

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

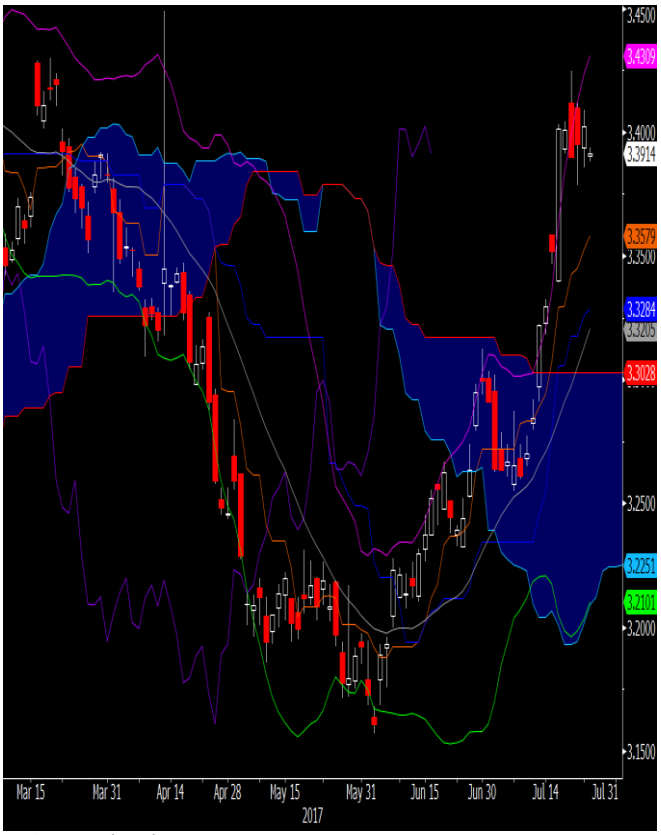
Indicative AUDUSD 0.7921



Source: Bloomberg

- AUDUSD opened unchanged at 0.7924. **Daily outlook bearish** amid pressure from extended soft market sentiment.
- **Weekly and monthly outlook bearish**.
- Despite a soft overnight bounce, we still opine that AUDUSD has peaked and will be heading lower overall going forward. We set sights on a drop to 0.7833, below which 0.7737 will be targeted in the coming weeks.
- **Continue to expect a potential decline to 0.7850**, otherwise curbed by a close above 0.7950.
- **Key resistances:** 0.7943 (R1), 0.7960 (R2), 0.7980 (R3)
- **Key supports:** 0.7900 (S1), 0.7883 (S2), 0.7833 (S3)
- **Expected range for the day:** 0.7870 – 0.7930

Indicative AUDMYR 3.3914

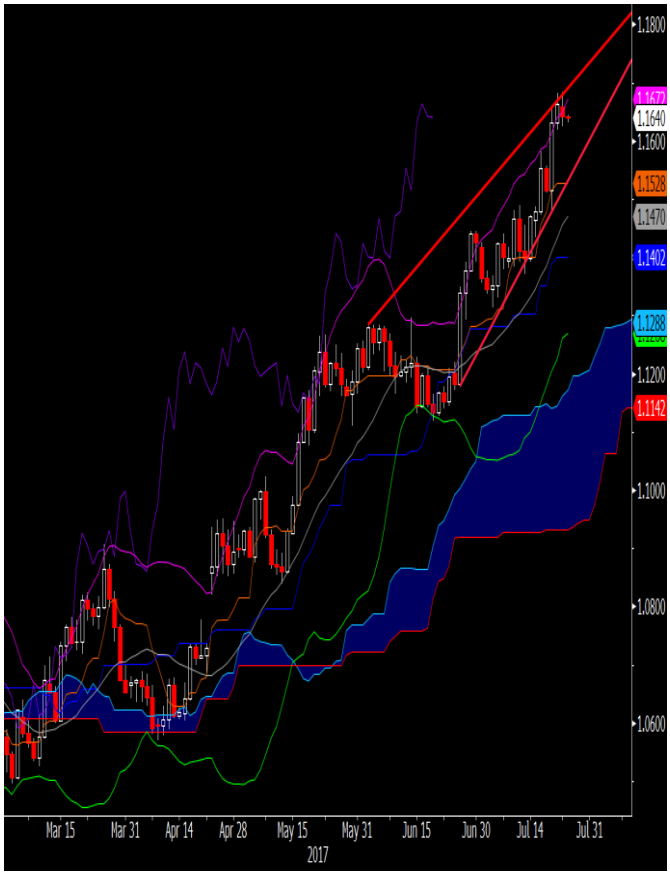


Source: Bloomberg

- AUDMYR opened 116pips lower at 3.3905. **Daily outlook slightly bearish** as AUD is likely to be weighed down by soft market sentiment.
- **Weekly outlook bearish, monthly outlook bullish**.
- We maintain that AUDMYR 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. Losing 3.3754 will establish a longer-term decline.
- **Continue to expect a potential drop to 3.3580**, otherwise curbed by a close above 3.4080.
- **Key resistances:** 3.3953 (R1), 3.4000 (R2), 3.4080 (R3)
- **Key supports:** 3.3880 (S1), 3.3857 (S2), 3.3784 (S3)
- **Expected range for the day:** 3.3780 – 3.3950

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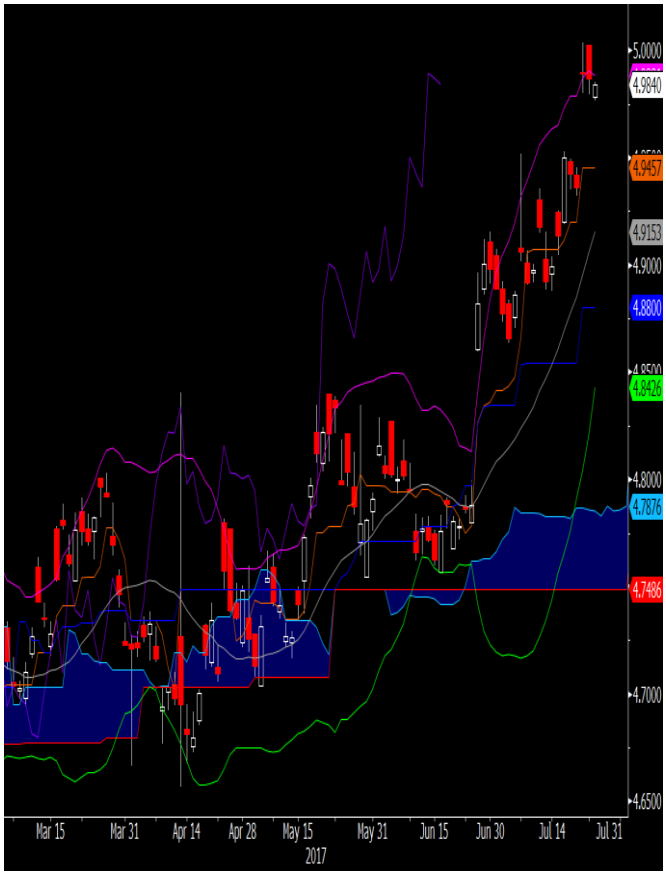
Indicative EURUSD 1.1640



Source: Bloomberg

- EURUSD opened unchanged at 1.1643. **Daily outlook slightly bullish** on the back of a soft USD but gains are likely modest after recent sharp advances.
- **Weekly and monthly outlook bearish**.
- EURUSD is inclined to a close above 1.1631 by tomorrow, but we caution that signs of reversal still prevail, putting current uptrend in doubt. Gains are likely limited by 1.1700 – 1.1720 before a rejection.
- **Key resistances:** 1.1658 (R1), 1.1670 (R2), 1.1684 (R3)
- **Key supports:** 1.1619 (S1), 1.1600 (S2), 1.1586 (S3)
- **Expected range for the day:** 1.1580 – 1.1660

Indicative EURMYR 4.9840



Source: Bloomberg

- EURMYR opened 87pips lower at 4.9781. **Daily outlook slightly bearish**, weighed down by the lower opening.
- **Weekly and monthly outlook bearish**.
- Despite bullish bias, price-momentum has diverged further, continuing to hint at potential reversal to lower levels going forward. We maintain that recent sharp gap up is unsustainable in the long term.
- **Continue to expect a potential decline to 4.9520**, otherwise curbed by a close above 4.9950.
- **Key resistances:** 4.9873 (R1), 4.9900 (R2), 4.9950 (R3)
- **Key supports:** 4.9768 (S1), 4.9700 (S2), 4.9620 (S3)
- **Expected range for the day:** 4.9700 – 4.9880

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