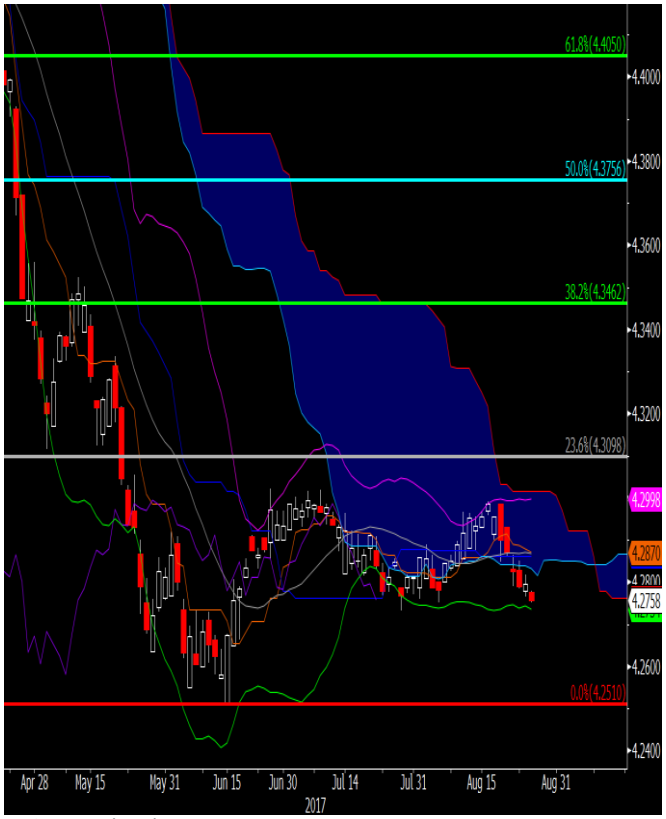
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FX Strategy

Daily Currency Outlook – 11am edition

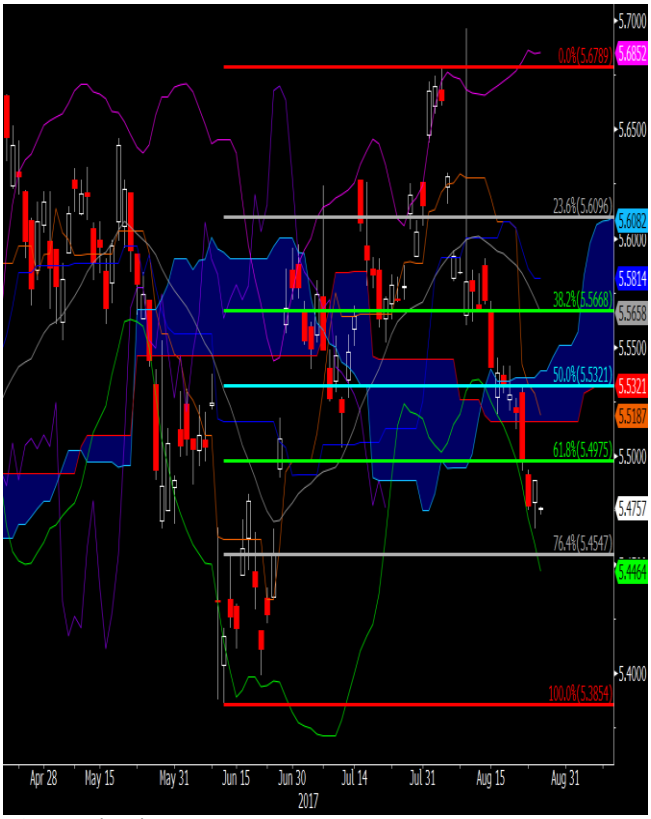
Indicative USDMYR 4.2758



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bullish** as we anticipate pressure on MYR to build amid risk aversion ahead of the weekend and Jackson Hole.
- **Weekly and monthly outlook bearish**.
- Technical viewpoint suggests that downsides continue to prevail, and even though there is room for a rebound, USDMYR is likely to stay on track for a test at 4.2746.
- Despite a daily bullish outlook, **continue to expect a potential decline to 4.2746** going forward.
- **Key resistances:** 4.2765 (R1), 4.2785 (R2), 4.2802 (R3)
- **Key supports:** 4.2737 (S1), 4.2720 (S2), 4.2700 (S3)
- **Expected range for the day:** 4.2730 – 4.2800

Indicative GBPMYR 5.4757

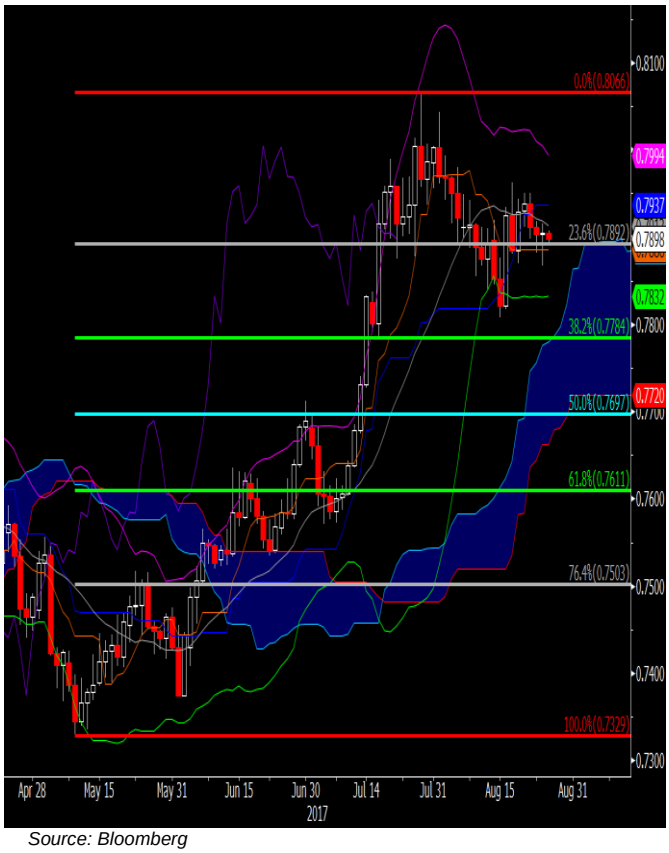


Source: Bloomberg

- GBPMYR opened 133pips lower at 5.4752. **Daily outlook bearish**, weighed down by the sharply lower opening.
- **Weekly and monthly outlook bearish**.
- GBPMYR remains tilted to the downside amid pick up in negative momentum. The pair is likely heading towards 5.4547 next.
- **Continue to expect a potential decline to 5.4550**, otherwise curbed by a close above 5.4885.
- **Key resistances**: 5.4820 (R1), 5.4887 (R2), 5.4935 (R3)
- **Key supports**: 5.4706 (S1), 5.4662 (S2), 5.4600 (S3)
- **Expected range for the day:** 5.4680 – 5.4880

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

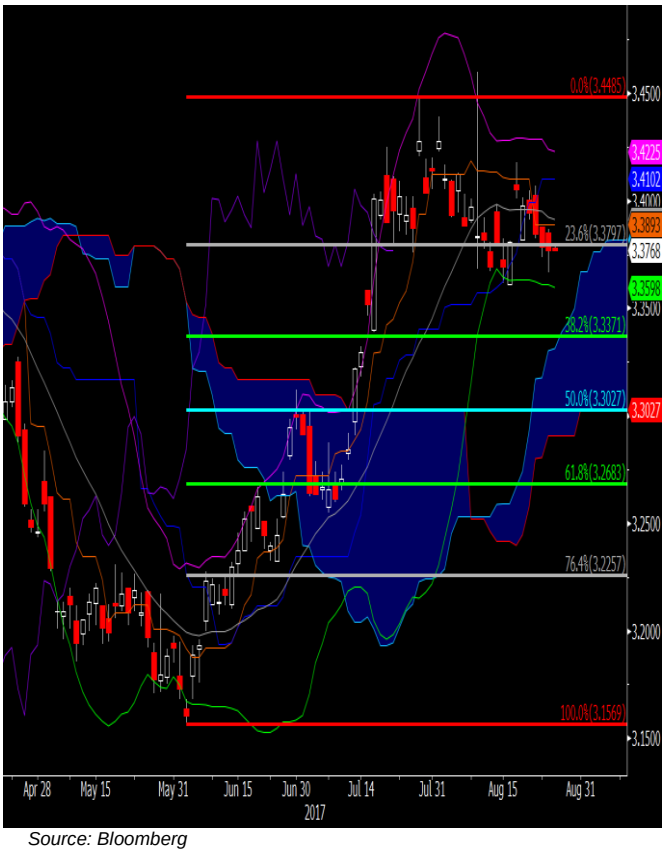
Indicative AUDUSD 0.7898



Source: Bloomberg

- AUDUSD opened unchanged at 0.7905. **Daily outlook bearish**, weighed down by risk aversion in the markets.
- **Weekly and monthly outlook bearish**.
- AUDUSD remains inclined to the downsides; losing 0.7892 will increase the current downside momentum that could see the pair testing 0.7831 in the next leg lower.
- **Continue expect a potential decline to 0.7800**, otherwise curbed by a close above 0.7950.
- **Key resistances:** 0.7913 (R1), 0.7937 (R2), 0.7953 (R3)
- **Key supports:** 0.7892 (S1), 0.7873 (S2), 0.7832 (S3)
- **Expected range for the day:** 0.7870 – 0.7910

Indicative AUDMYR 3.3768

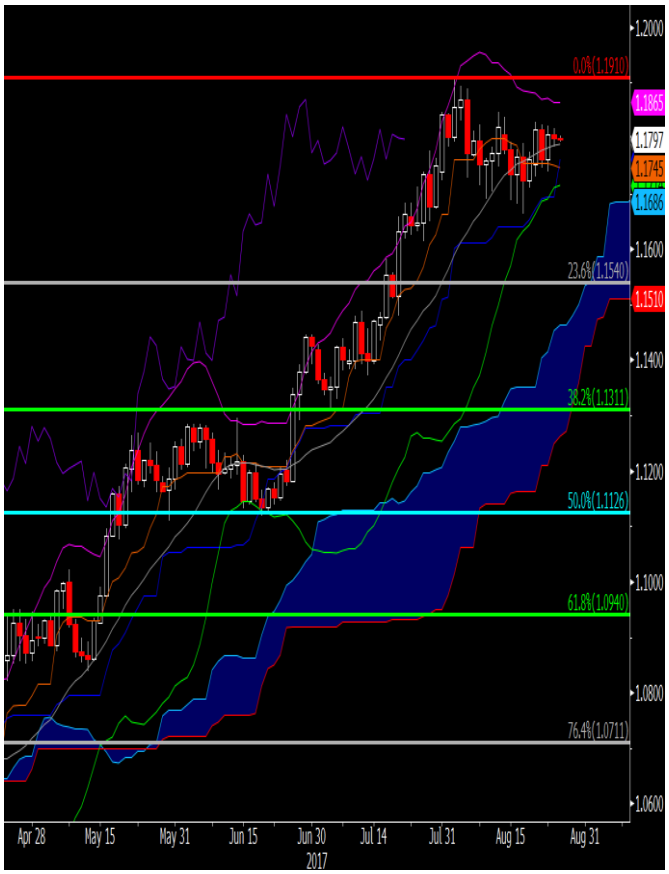


Source: Bloomberg

- AUDMYR opened 9pips higher at 3.3781. **Daily outlook slightly bearish** as prevailing risk aversion in the markets is likely to bear down more on AUD than MYR.
- **Weekly and monthly outlook bearish**.
- Breaking below 3.3797 will exert further downside pressure on AUDMYR. We anticipate a drop to 3.3371 in the next leg lower, but due to the distance from current level, expect this move to take some time.
- **Expect a potential drop to 3.3371**, otherwise curbed by a close above 3.3950.
- **Key resistances:** 3.3797 (R1), 3.3830 (R2), 3.3893 (R3)
- **Key supports:** 3.3755 (S1), 3.3700 (S2), 3.3684 (S3)
- **Expected range for the day:** 3.3720 – 3.3800

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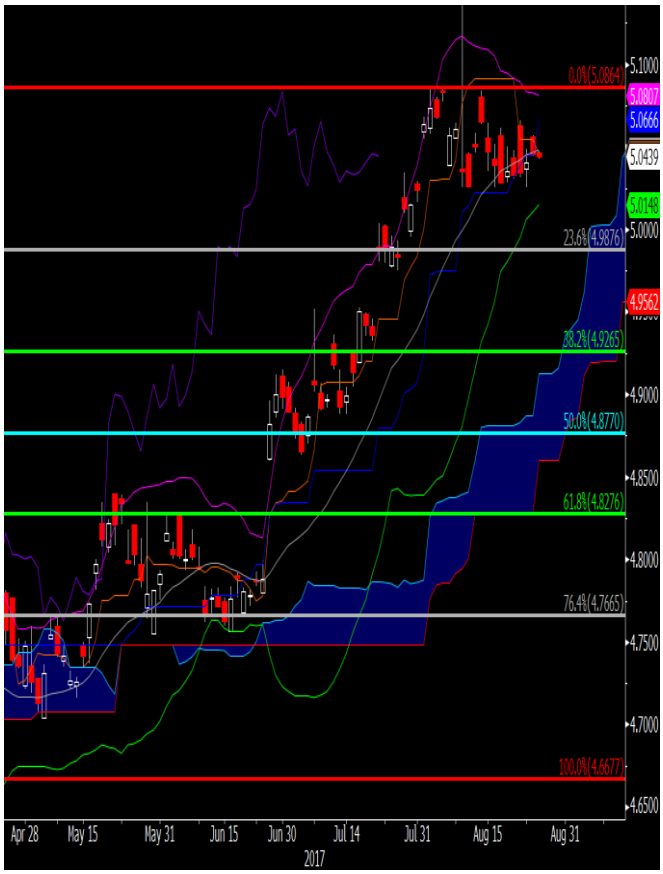
Indicative EURUSD 1.1797



Source: Bloomberg

- EURUSD opened unchanged at 1.1799. **Daily outlook bearish** on the back of risk aversion in European majors ahead of Jackson Hole.
- **Weekly and monthly outlook bearish**.
- We note that downside momentum has increased amid continued failure to beat the firm resistance at 1.1827. Sliding below 1.1789 will expose a move to 1.1714 in the next leg lower.
- **Continue to expect a potential decline to 1.1650**, otherwise curbed by a close above 1.1850.
- **Key resistances:** 1.1804 (R1), 1.1827 (R2), 1.1865 (R3)
- **Key supports:** 1.1789 (S1), 1.1761 (S2), 1.1745 (S3)
- **Expected range for the day:** 1.1750 – 1.1820

Indicative EURMYR 5.0439



Source: Bloomberg

- EURMYR opened 5pips higher at 5.0464. **Daily outlook slightly bearish** in anticipation of weakness in EUR going into European session.
- **Weekly and monthly outlook bearish**.
- Sliding below 5.0478 and building negative momentum continue to point towards further losses going forward. We expect EURMYR slide to 5.0313 in the next leg lower, below which it will head to 5.0100.
- **Continue to expect a potential drop to 5.0100**, otherwise curbed by a close above 5.0580.
- **Key resistances:** 5.0478 (R1), 5.0516 (R2), 5.0567 (R3)
- **Key supports:** 5.0405 (S1), 5.0313 (S2), 5.0246 (S3)
- **Expected range for the day:** 5.0380 – 5.0500

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