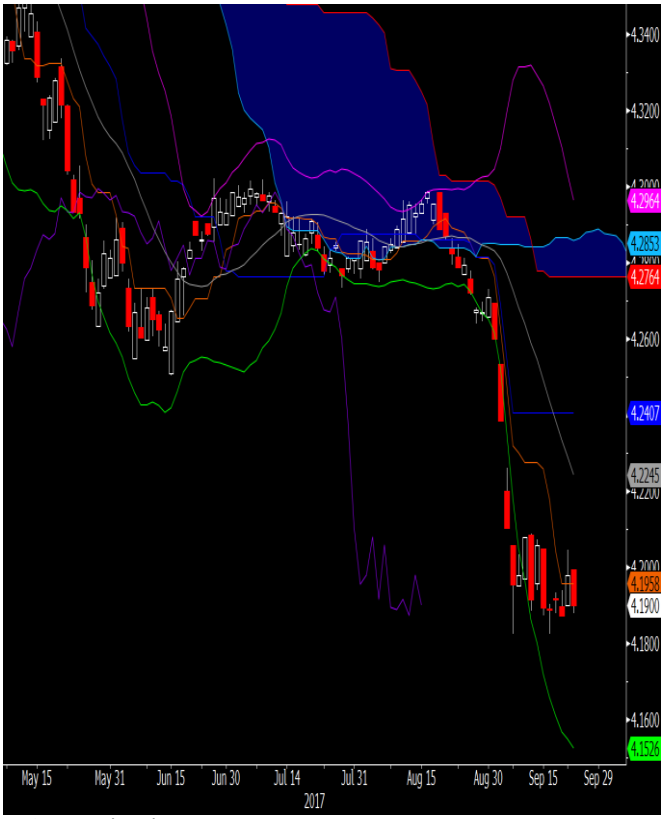
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FX Strategy

Daily Currency Outlook – 11am edition

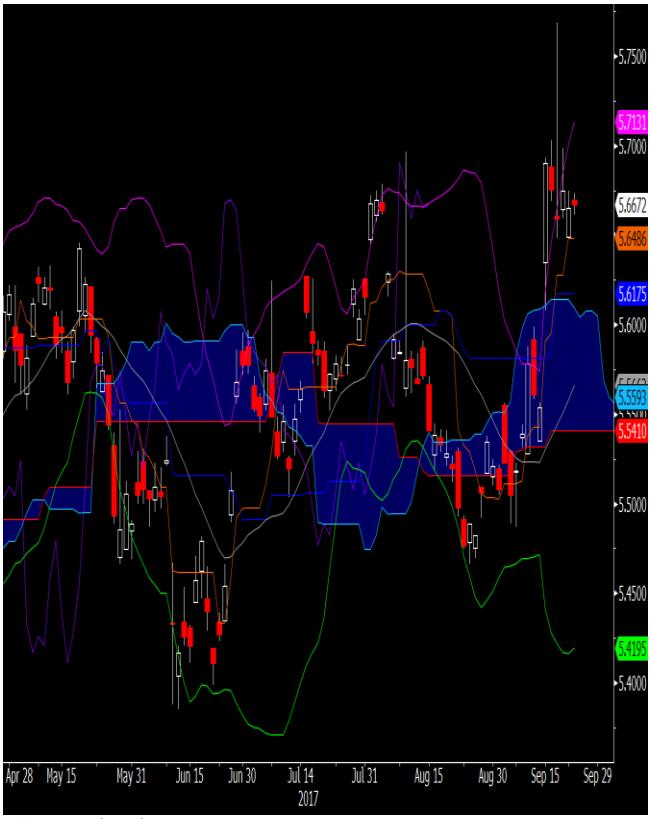
Indicative USDMYR 4.1900



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook slightly bullish** on the back of a resurgent USD.
- **Weekly outlook bullish, monthly outlook bearish**.
- We continue to caution that USDMYR may be readying for a rebound higher, with scope to test 4.2260 in the coming weeks. Losses could come by, but as long as the pair holds above 4.1800, chances of a rebound sustain.
- **Continue to expect a potential climb to 4.2260**, otherwise curbed by a close below 4.1820.
- **Key resistances:** 4.1900 (R1), 4.1958 (R2), 4.2000 (R3)
- **Key supports:** 4.1850 (S1), 4.1825 (S2), 4.1800 (S3)
- **Expected range for the day:** 4.1850 – 4.2070

Indicative GBPMYR 5.6672

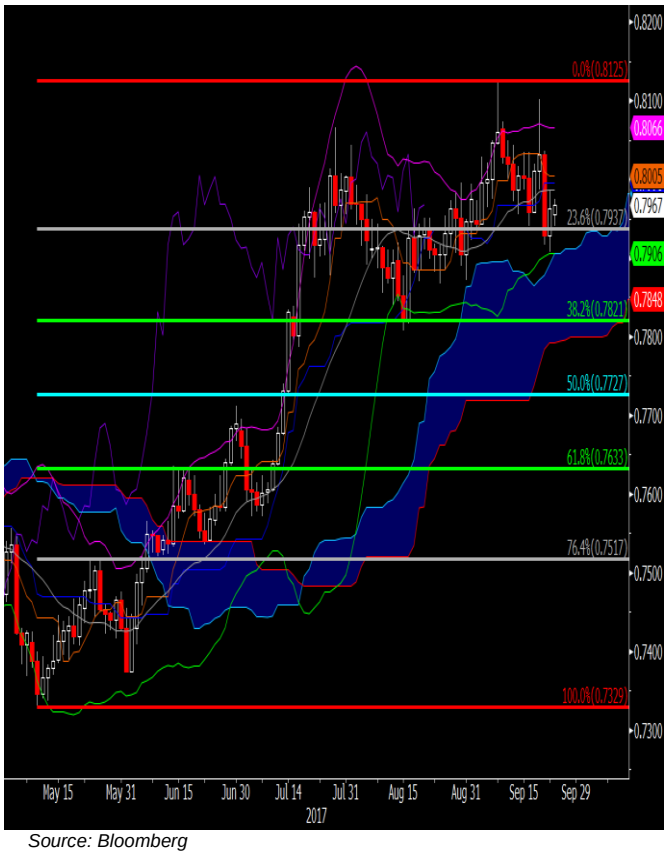


Source: Bloomberg

- GBPMYR opened 45pips higher at 5.6694. **Daily outlook bearish**, weighed down by weakness in GBP from UK credit rating cut by Moody's and Brexit uncertainties.
- **Weekly outlook bearish, monthly outlook bullish**.
- We maintain that GBPMYR will continue to retrace from recent surge. Expect modest gains to be rejected by 5.6967 and head lower to circa 5.6175.
- **Expect a potential decline to 5.6175**, otherwise curbed by a close above 5.6970.
- **Key resistances**: 5.6688 (R1), 5.6748 (R2), 5.6881 (R3)
- **Key supports**: 5.6486 (S1), 5.6391 (S2), 5.6288 (S3)
- **Expected range for the day:** 5.6550 – 5.6820

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

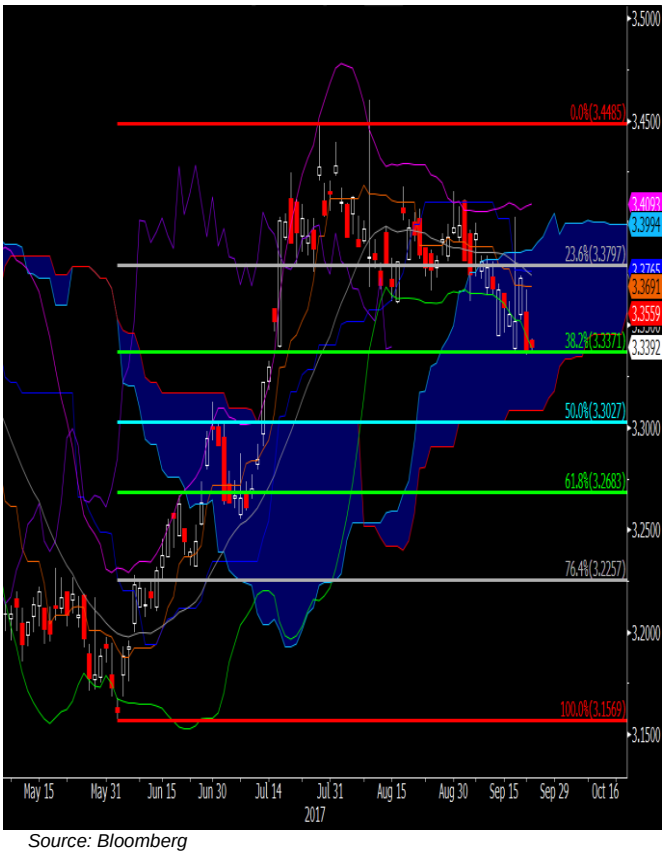
Indicative AUDUSD 0.7967



Source: Bloomberg

- AUDUSD opened 6pips lower at 0.7956. **Daily outlook bearish** on the back of a resurgent USD.
- **Weekly and monthly outlook bearish**.
- Bearish bias is still picking up, and we now set sights on a drop below 0.7906 soon. Closing below 0.7906 will bolster the bears that could push AUDUSD to circa 0.7821 going forward.
- **AUDUSD expectedly declined to 0.7930** last Friday.
- **Key resistances:** 0.7980 (R1), 0.8005 (R2), 0.8026 (R3)
- **Key supports:** 0.7937 (S1), 0.7906 (S2), 0.7890 (S3)
- **Expected range for the day:** 0.7930 – 0.8000

Indicative AUDMYR 3.3392

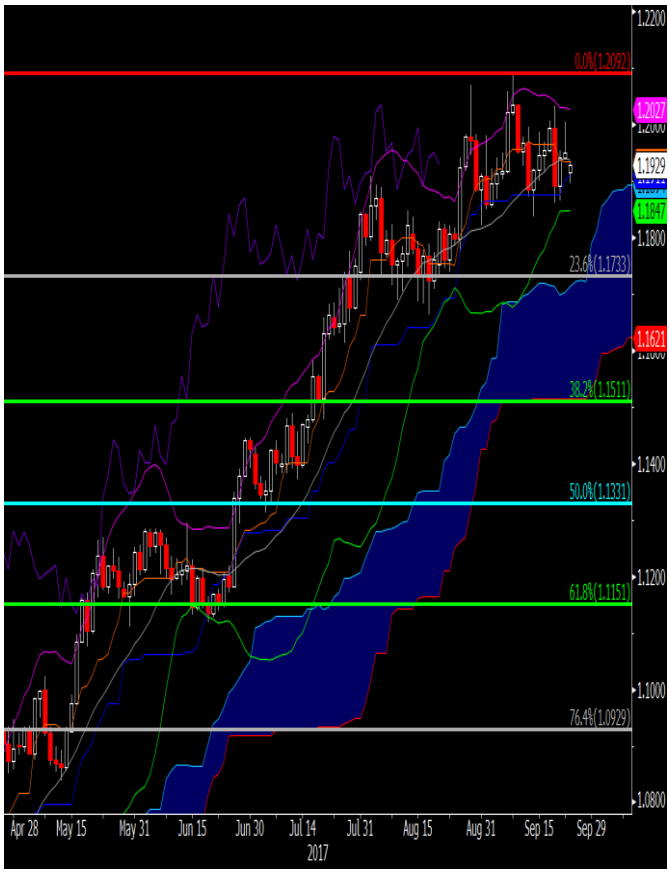


Source: Bloomberg

- AUDMYR opened 46pips higher at 3.3426. **Daily outlook bearish** as we expect AUD to underperform MYR on the back of retreat against USD.
- **Weekly and monthly outlook bearish**.
- Bearish bias has increased. AUDMYR remains technically weak and poised to break below 3.3371, which will push the pair lower to 3.3087 in the next leg lower.
- **Expect a potential decline to 3.3180**, otherwise curbed by a close above 3.3575
- **Key resistances:** 3.3431 (R1), 3.3464 (R2), 3.3575 (R3)
- **Key supports:** 3.3371 (S1), 3.3350 (S2), 3.3323 (S3)
- **Expected range for the day:** 3.3300 – 3.3480

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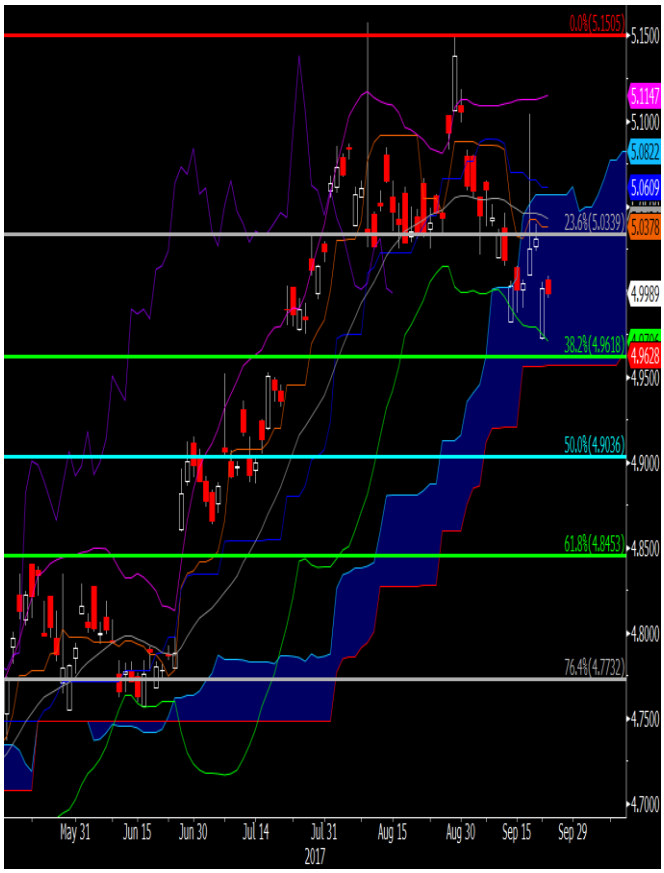
Indicative EURUSD 1.1929



Source: Bloomberg

- EURUSD opened 36pips lower at 1.1915. **Daily outlook bearish** as we anticipate buying interest in USD to sustain.
- **Weekly and monthly outlook bearish**.
- Bearish bias is expectedly firmer after EURUSD gapped below 1.1937 at opening. Losses are likely to prevail going forward, and there is room for EURUSD to close below 1.1885.
- **Continue to expect a potential decline to 1.1780**, otherwise curbed by a close above 1.1980.
- **Key resistances:** 1.1937 (R1), 1.1953 (R2), 1.1980 (R3)
- **Key supports:** 1.1911 (S1), 1.1892 (S2), 1.1847 (S3)
- **Expected range for the day:** 1.1850 – 1.1950

Indicative EURMYR 4.9989



Source: Bloomberg

- EURMYR opened 53pips higher at 5.0068. **Daily outlook slightly bearish** in anticipation of a softer EUR going into European trade.
- **Weekly and monthly outlook bearish**.
- EURMYR remains under pressure from the recent failed attempt to break 5.0339. We reckon that the pair continues to threaten to break below 4.9618 next.
- **Continue to expect a potential decline to 4.9618**, otherwise curbed by a close above 5.0150.
- **Key resistances:** 5.0000 (R1), 5.0066 (R2), 5.0100 (R3)
- **Key supports:** 4.9895 (S1), 4.9814 (S2), 4.9706 (S3)
- **Expected range for the day:** 4.9900 – 5.0090

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