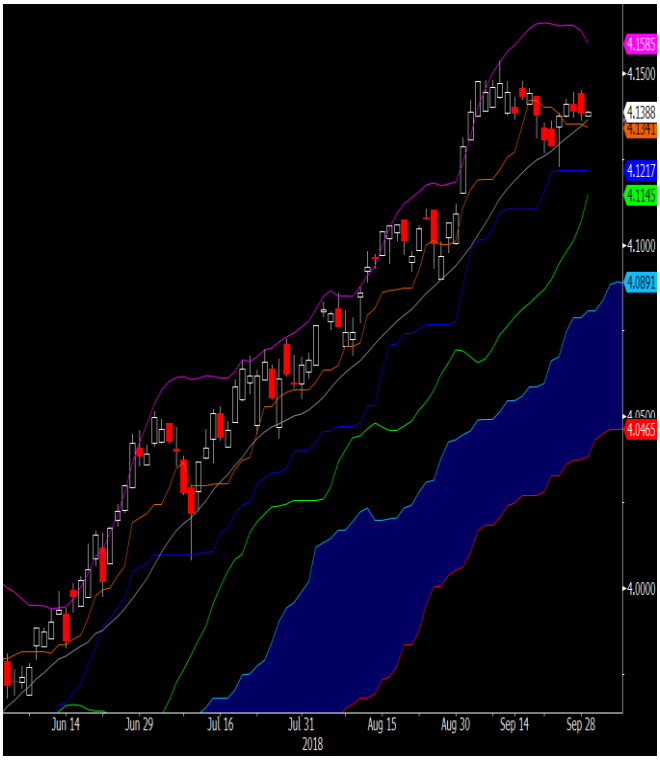
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FX Strategy

Daily Currency Outlook – 11am edition

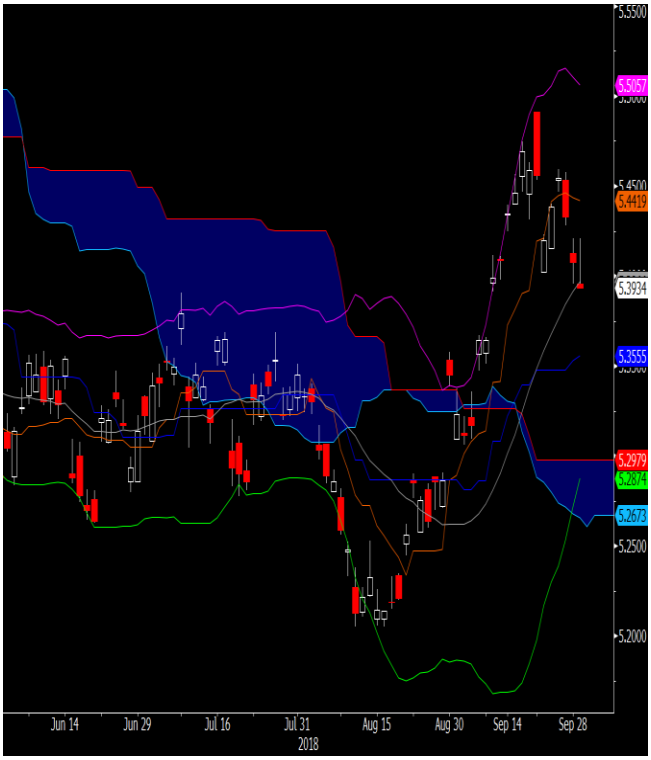
Indicative USDMYR 4.1388



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook neutral** with room for slight gains amid lingering global concerns in the markets that weigh down sentiment.
- **Weekly outlook neutral, monthly outlook bullish**.
- Bullish trend still prevails and USDMYR is likely headed for a break above 4.1410, otherwise the bullish trend will be nullified and a new direction will be established.
- **Key resistances:** 4.1400 (R1), 4.1410 (R2), 4.1430 (R3)
- **Key supports:** 4.1365 (S1), 4.1340 (S2), 4.1320 (S3)
- **Expected range for the day:** 4.1360 – 4.1410

Indicative GBPMYR 5.3934

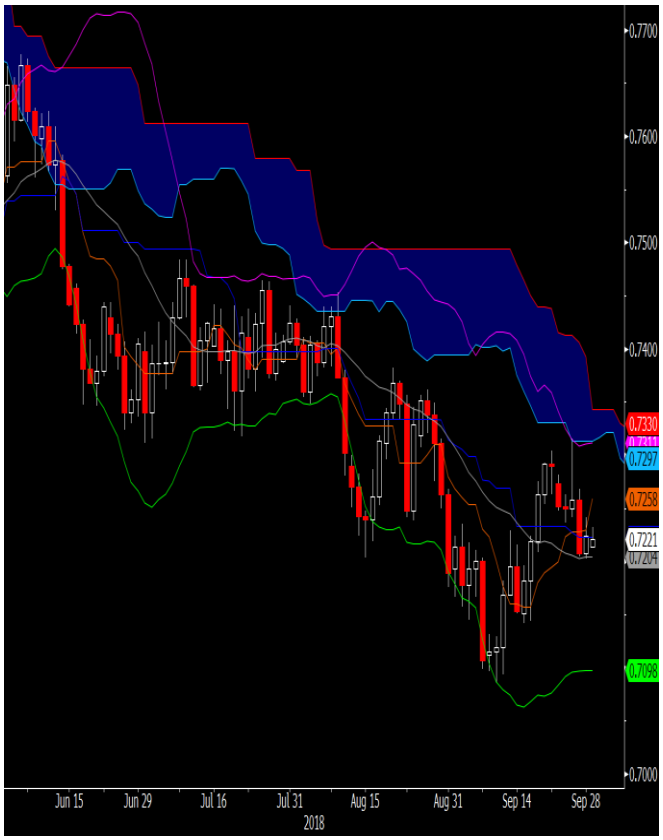


Source: Bloomberg

- GBPMYR opened 120pips lower at 5.3955 today. **Daily outlook bearish**, weighed down by the sharply lower opening and in anticipation of further losses in GBP amid soft Brexit sentiment.
- **Weekly and monthly outlook bearish**.
- Bearish trend prevails in GBPMYR, more so after yet another gapping lower at opening. Further losses are likely, with scope to slide to 4.3917, below which GBPMYR could target 5.3530.
- **Continue to expect a potential decline to 4.3917**.
- **Key resistances**: 5.3966 (R1), 5.4023 (R2), 5.4075 (R3)
- **Key supports**: 5.3910 (S1), 5.3850 (S2), 5.3800 (S3)
- **Expected range for the day:** 5.3850 – 5.4210

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

Indicative AUDUSD 0.7221

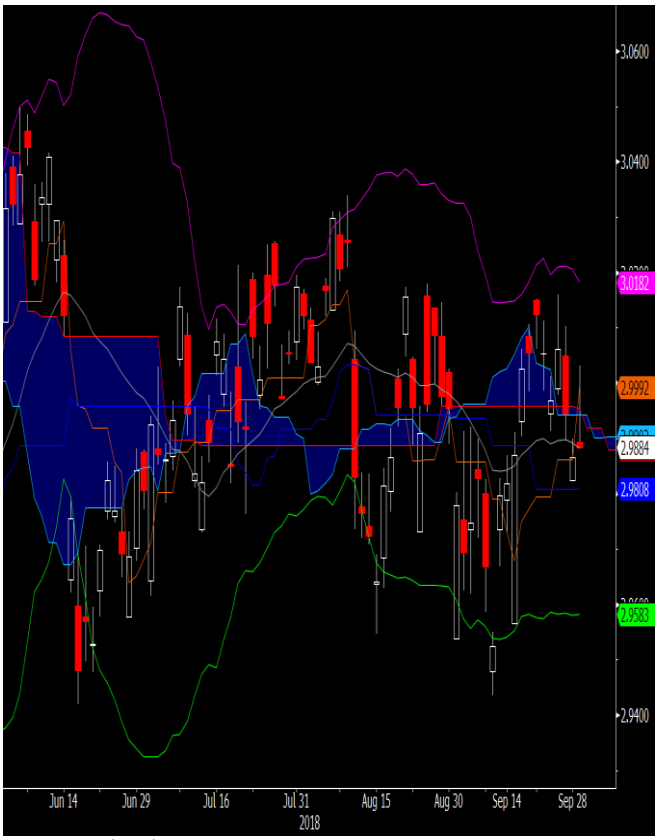


Source: Bloomberg

- AUDUSD opened 10pips lower at 0.7214 today. **Daily outlook slightly bearish** on the back of a firm USD, and further weighed down by lingering global concerns, but note that mild gains may metalize if commodities extend their upsides.
- **Weekly outlook bearish, monthly outlook bullish**.
- Technical outlook remains tilted to the downside, with scope for a drop below 0.7205 soon. Bearish trend will be nullified with a close above 0.7250, otherwise, expect extended losses going forward.
- **Key resistances:** 0.7224 (R1), 0.7232 (R2), 0.7258 (R3)
- **Key supports:** 0.7204 (S1), 0.7180 (S2), 0.7158 (S3)
- **Expected range for the day:** 0.7190 – 0.7230

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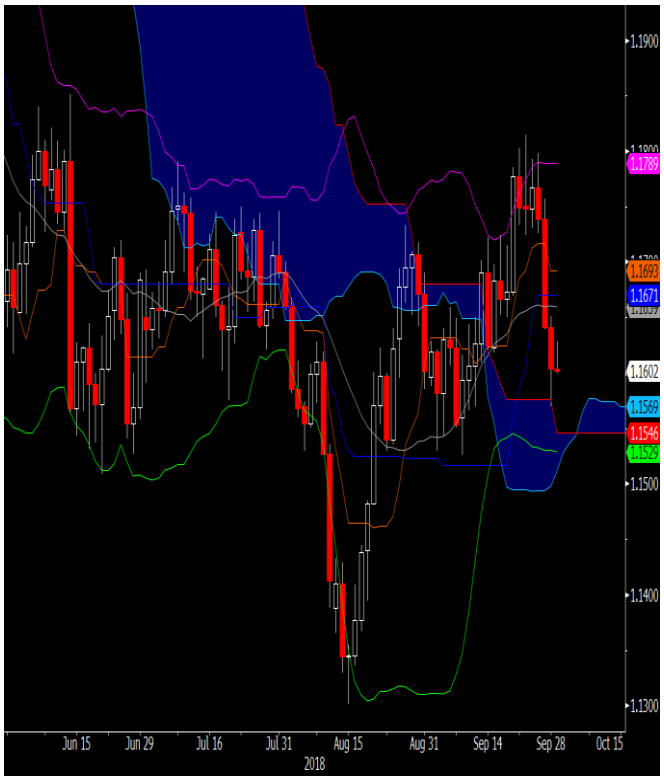
Indicative AUDMYR 2.9884



Source: Bloomberg

- AUDMYR opened 27pips higher at 2.9893 today. **Daily outlook slightly bearish**, weighed down by extended risk aversion in the markets that pressures AUD.
- **Weekly and monthly outlook bearish**.
- AUDMYR remains tilted to the downside while below 2.9959. Expect further losses going forward, possibly testing 2.9737, below which AUDMYR would likely target 2.9582.
- **Continue to expect a potential decline to 2.9737**, otherwise curbed by a close above 2.9943.
- **Key resistances:** 2.9882 (R1), 2.9922 (R2), 2.9949 (R3)
- **Key supports:** 2.9864 (S1), 2.9828 (S2), 2.9808 (S3)
- **Expected range for the day:** 2.9820 – 3.0030

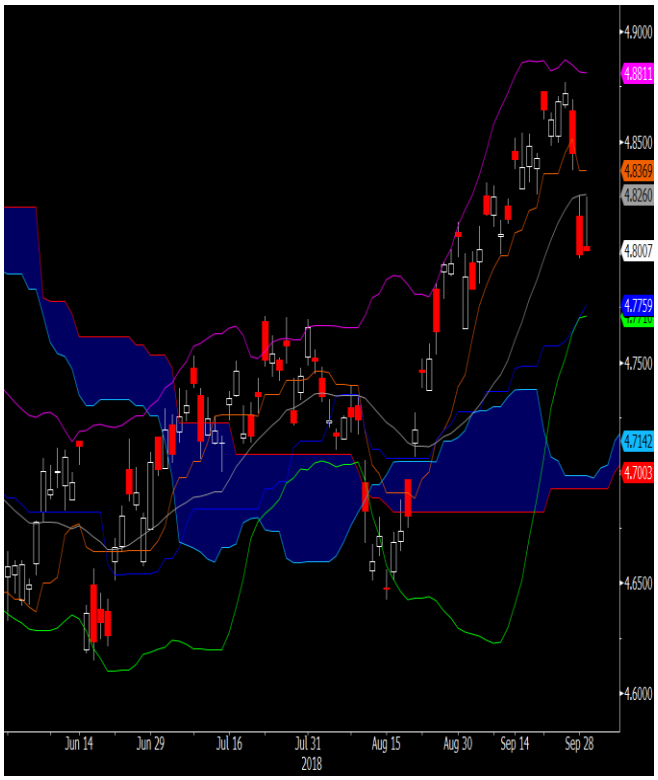
Indicative EURUSD 1.1602



Source: Bloomberg

- EURUSD opened unchanged at 1.1604 today. **Daily outlook bearish**, weighed down by extended concerns over Italy's fiscal health; caution that an improvement in European sentiment would rally EUR.
- **Weekly outlook bearish, monthly outlook bullish**.
- EURUSD remains in a bearish trend and likely to break below 1.1594 soon, below which it would challenge 1.1570, then 1.1546.
- **Key resistances:** 1.1616 (R1), 1.1639 (R2), 1.1659 (R3)
- **Key supports:** 1.1593 (S1), 1.1570 (S2), 1.1546 (S3)
- **Expected range for the day:** 1.1570 – 1.1615

Indicative EURMYR 4.8007



Source: Bloomberg

- EURMYR opened 38pips higher at 4.8025 today. **Daily outlook slightly bearish** on potential for EUR to slide further in European session amid lingering concerns over Italian fiscal health.
- **Weekly and monthly outlook bearish**.
- EURMYR remains in a bearish trend that is likely to accelerate lower once 4.7984 is broken. Expect further losses going forward but we reckon that 4.7830 may stall declines for a short time.
- **EURMYR expectedly declined to 4.8085** last Friday. Expect a potential decline to 4.7820, otherwise curbed by a close above 4.8120.
- **Key resistances:** 4.8050 (R1), 4.8071 (R2), 4.8130 (R3)
- **Key supports:** 4.7984 (S1), 4.7942 (S2), 4.7890 (S3)
- **Expected range for the day:** 4.7940 – 4.8250

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