Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

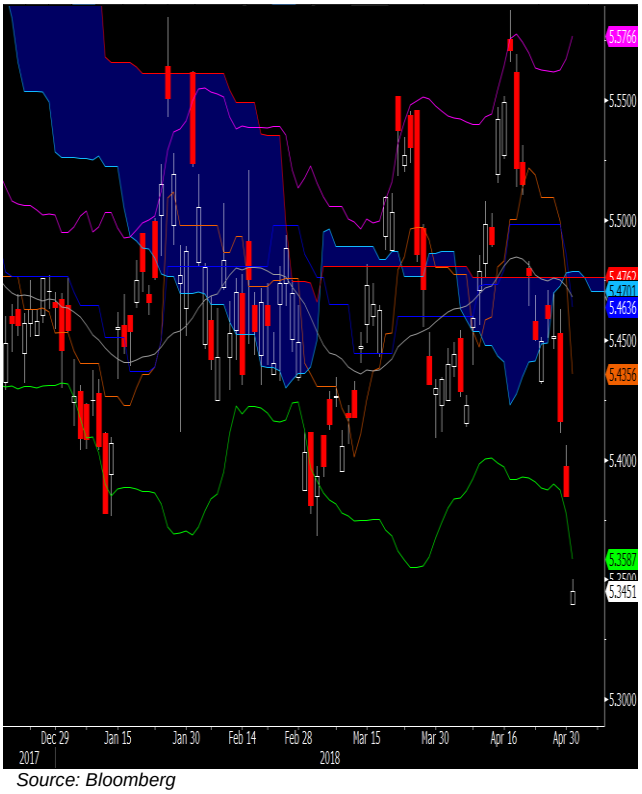
Indicative USDMYR 3.9255



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook slightly bullish** as MYR is likely weighed down by subdued risk appetite in the markets ahead of FOMC policy decision.
- **Weekly outlook bullish, monthly outlook neutral**.
- Upside bias sustains and now USDMYR is expected to test 3.9409 going forward. A break here exposes a move to 3.9525, otherwise, a drop to 3.9220 is likely.
- **Key resistances:** 3.9308 (R1), 3.9355 (R2), 3.9409 (R3)
- **Key supports:** 3.9235 (S1), 3.9200 (S2), 3.9142 (S3)
- **Expected range for the day:** 3.9220 – 3.9320

Indicative GBPMYR 5.3451

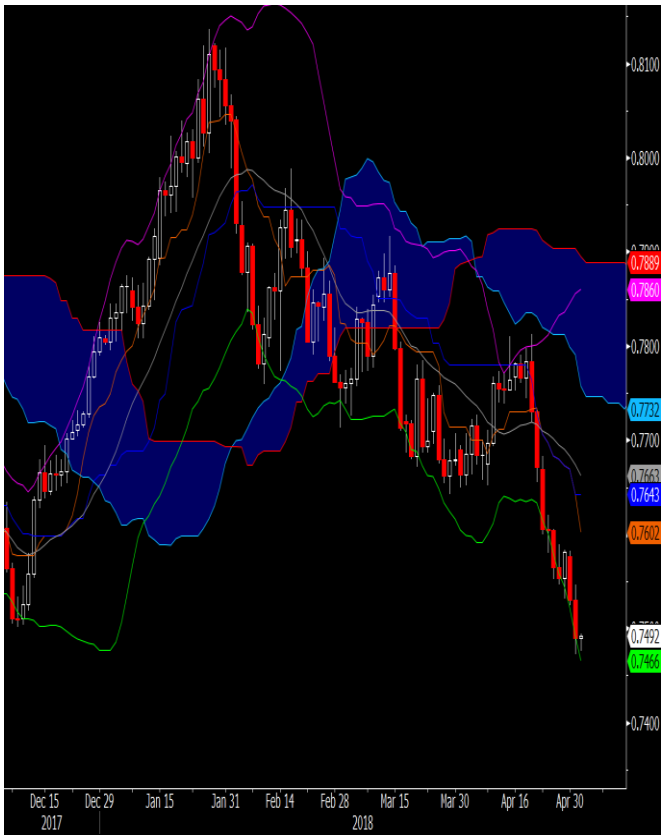


Source: Bloomberg

- GBPMYR opened 450pips lower at 5.3397 today. **Daily outlook bearish**, weighed down by the sharply lower opening.
- **Weekly outlook bearish, monthly outlook bullish**.
- Downside bias continues to take hold and weigh down GBPMYR. Expect losses to test 5.3000 in the next leg lower, but if this level fails to be broken, expect some rebound going forward.
- **Key resistances**: 5.3500 (R1), 5.3550 (R2), 5.3584 (R3)
- **Key supports**: 5.3420 (S1), 5.3400 (S2), 5.3385 (S3)
- **Expected range for the day:** 5.3390 – 5.3500

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

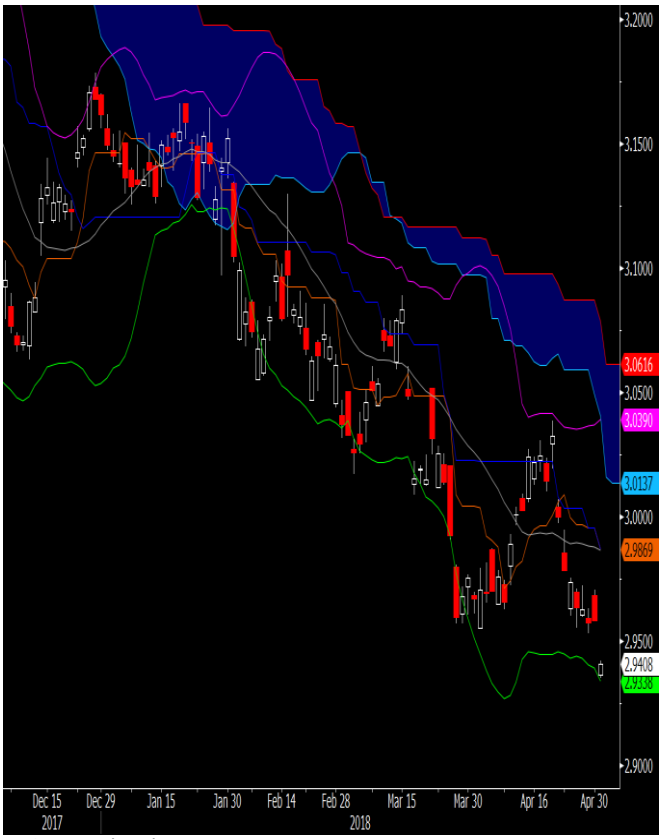
Indicative AUDUSD 0.7492



Source: Bloomberg

- AUDUSD opened unchanged at 0.7490. **Daily outlook slightly bearish**, weighed down by risk aversion in the markets ahead of FOMC policy decision.
- **Weekly outlook bearish, monthly outlook bullish**.
- Losing 0.7500 is a bearish sign and we expect AUDUSD to linger below this level for some time. A test at 0.7463 is next and breaking below it exposes a move to 0.7400.
- **Key resistances:** 0.7500 (R1), 0.7530 (R2), 0.7550 (R3)
- **Key supports:** 0.7463 (S1), 0.7450 (S2), 0.7420 (S3)
- **Expected range for the day:** 0.7460 – 0.7510

Indicative AUDMYR 2.9408

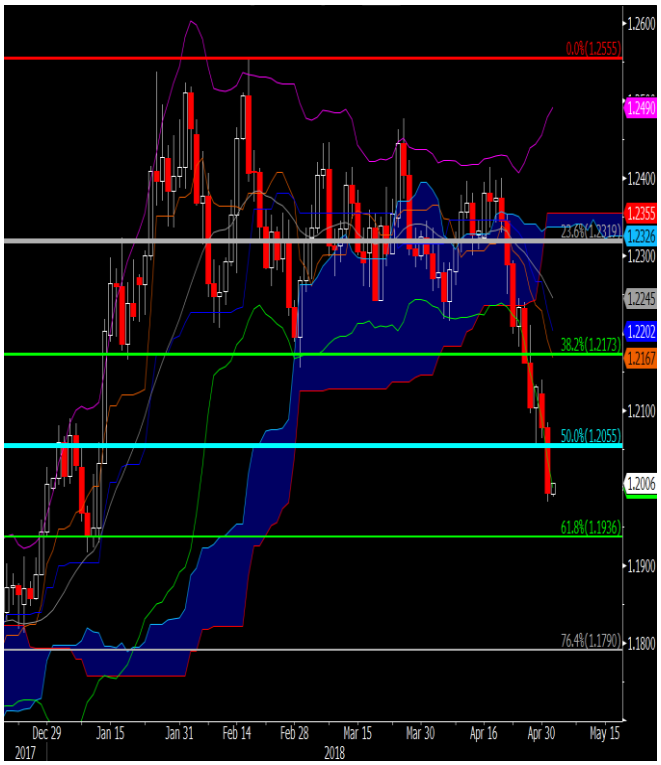


Source: Bloomberg

- AUDMYR opened 216pips lower at 2.9366. **Daily outlook bearish**, pressured by the sharply lower opening.
- **Weekly outlook bearish, monthly outlook bullish**.
- Price-momentum divergence has emerged, and on top of the recent sharp downward move, we suspect that a rebound may be in the works. Gains are likely stemmed by 2.9865 before sliding lower, otherwise further gains are likely.
- **AUDMYR expectedly declined to 2.9430** in early trade.
- **Key resistances:** 2.9450 (R1), 2.9480 (R2), 2.9500 (R3)
- **Key supports:** 2.9385 (S1), 2.9336 (S2), 2.9300 (S3)
- **Expected range for the day:** 2.9350 – 2.9450

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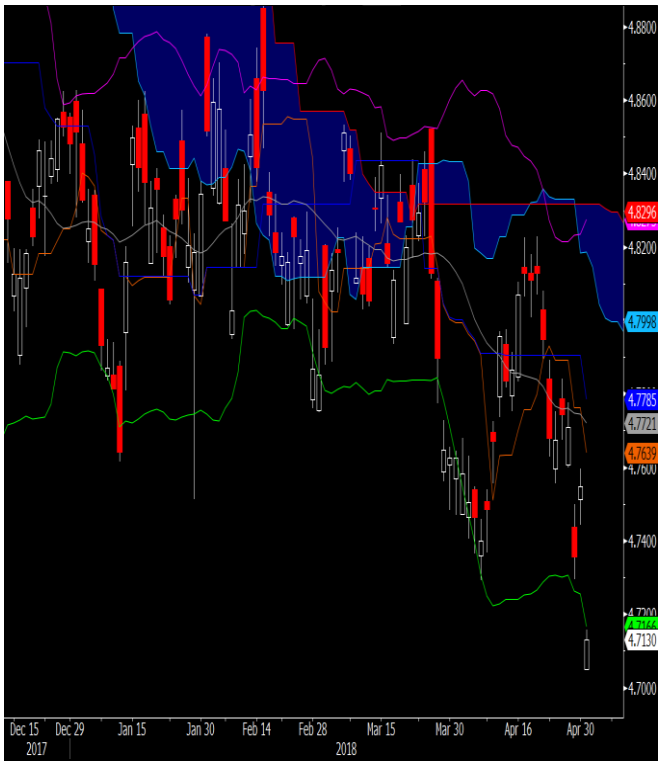
Indicative EURUSD 1.2006



Source: Bloomberg

- EURUSD opened barely changed at 1.1992. **Daily outlook bullish**, supported by return of buying interest as European markets re-open; stronger than expected Eurozone data will further support upsides.
- **Weekly outlook bearish, monthly outlook neutral**.
- We eye a potential technical rebound after recent sharp decline. Gains will likely be limited by 1.2055, otherwise a more sustained rebound will form.
- **Key resistances:** 1.2020 (R1), 1.2055 (R2), 1.2084 (R3)
- **Key supports:** 1.2000 (S1), 1.1985 (S2), 1.1950 (S3)
- **Expected range for the day:** 1.1980 – 1.2020

Indicative EURMYR 4.7130



Source: Bloomberg

- EURMYR opened 498pips lower at 4.7049. **Daily outlook bearish**, weighed down by the sharply lower opening.
- **Weekly outlook bearish, monthly outlook bullish**.
- Downside momentum continues to build, suggesting further declines are likely. Unless momentum changes, EURMYR is likely to test 4.6788 in the next leg lower.
- **Key resistances:** 4.7164 (R1), 4.7200 (R2), 4.7296 (R3)
- **Key supports:** 4.7100 (S1), 4.7050 (S2), 4.7020 (S3)
- **Expected range for the day:** 4.7050 – 4.7200

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