Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

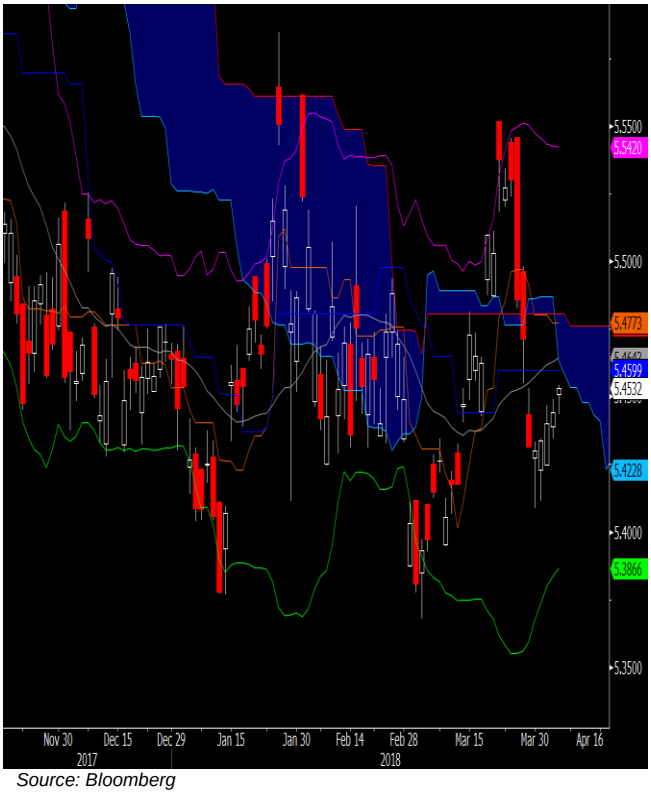
Indicative USDMYR 3.8690



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bullish** on the back of a rebounding USD though gains are likely modest amid return of buying interest in MYR on cue from overnight US equities rebound.
- **Weekly and monthly outlook bullish**.
- Downside bias in USDMYR continues to abate, and even though upside strength is still scant, we opine that direction is likely headed higher. USDMYR is likely targeting 3.8847 going forward.
- **Key resistances:** 3.8711 (R1), 3.8765 (R2), 3.8785 (R3)
- **Key supports:** 3.8653 (S1), 3.8620 (S2), 3.8600 (S3)
- **Expected range for the day:** 3.8640 – 3.8720

Indicative GBPMYR 5.4532

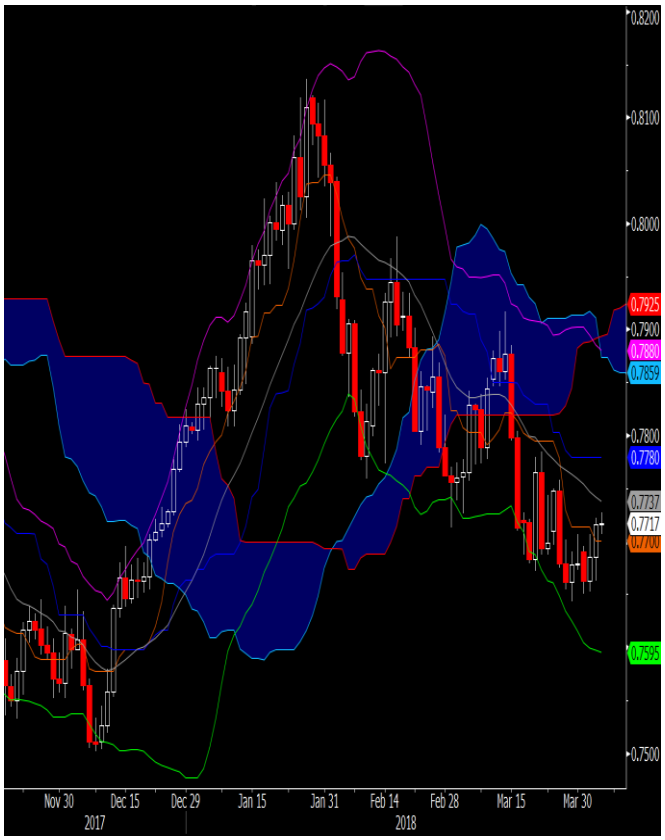


Source: Bloomberg

- GBPMYR opened 68pips lower at 5.4509 today. **Daily outlook slightly bearish**, in anticipation of a softer GBP going into European session.
- **Weekly and monthly outlook bearish**.
- Despite extended rebound, bearish bias continues to prevail, thus we maintain our bearish view. GBPMYR is likely to slide lower to 5.4231, below which a drop to 5.3947 will be exposed.
- **Continue to expect a potential decline to 5.4080**, otherwise curbed by a close below 5.4600.
- **Key resistances**: 5.4548 (R1), 5.4600 (R2), 5.4641 (R3)
- **Key supports**: 5.4466 (S1), 5.4426 (S2), 5.4400 (S3)
- **Expected range for the day:** 5.4400 – 5.4630

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

Indicative AUDUSD 0.7717



Source: Bloomberg

- AUDUSD opened unchanged at 0.7716. **Daily outlook bullish**, supported by overnight rebound in risk appetite that is likely carried into today's sessions, and on firmer Australia data.
- **Weekly outlook bullish, monthly outlook bearish**.
- AUDUSD appears to be extending its rebound; unless AUDUSD overturns current bearish bias, rebound is likely shallow and limited to below 0.7780.
- **Continue to expect a potential decline to 0.7617**, otherwise curbed by a close above 0.7780.
- **Key resistances:** 0.7737 (R1), 0.7747 (R2), 0.7780 (R3)
- **Key supports:** 0.7700 (S1), 0.7685 (S2), 0.7666 (S3)
- **Expected range for the day:** 0.7690 – 0.7740

Indicative AUDMYR 2.9852

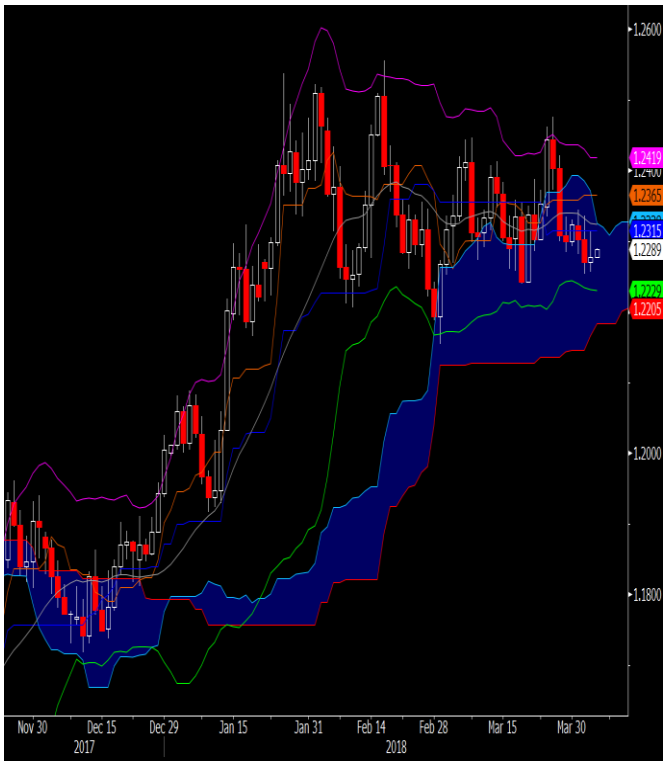


Source: Bloomberg

- AUDMYR opened 175pips higher at 2.9868. **Daily outlook slightly bullish** as AUD is likely lifted by improved risk appetite and firmer Australia data.
- **Weekly and monthly outlook bullish**.
- The price-momentum divergence that we have noted has yielded a rebound. There is room for a test at 3.0000 next; direction going forward will depend on whether this level is broken.
- **Continue to expect a potential decline to 2.9450**, otherwise curbed by a close above 2.9900.
- **Key resistances:** 2.9885 (R1), 2.9904 (R2), 2.9920 (R3)
- **Key supports:** 2.9820 (S1), 2.9800 (S2), 2.9752 (S3)
- **Expected range for the day:** 2.9750 – 2.9900

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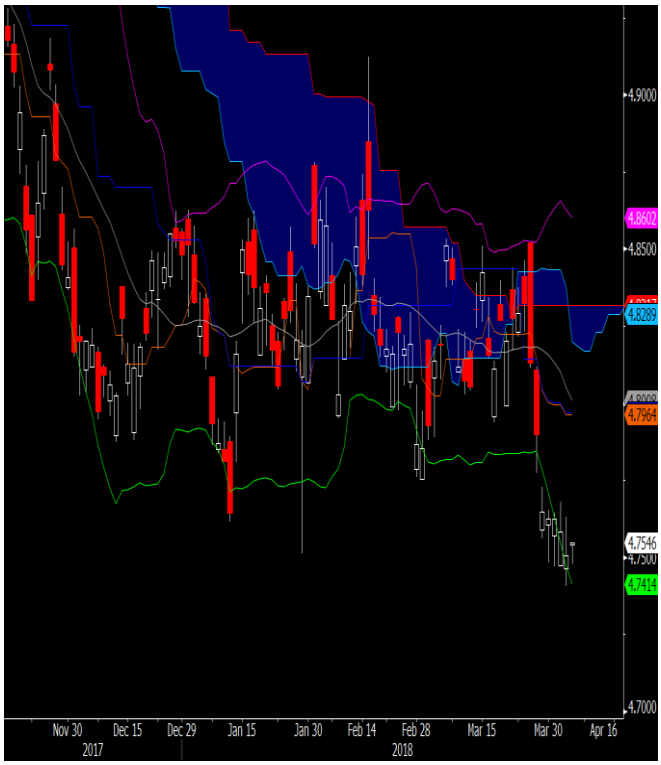
Indicative EURUSD 1.2289



Source: Bloomberg

- EURUSD opened unchanged at 1.2278. **Daily outlook slightly bearish** but would again outperform if Eurozone data firms up.
- **Weekly and monthly outlook bearish**.
- EURUSD remains in a minor bearish trend that will only be ended by a close above 1.2324 today, or 1.2302 tomorrow. Even as there is room for a modest rebound today, EURUSD remains prone to a drop to 1.2230, below which 1.2100 will be targeted.
- **Continue to expect a potential decline to 1.2242**.
- **Key resistances:** 1.2300 (R1), 1.2315 (R2), 1.2340 (R3)
- **Key supports:** 1.2276 (S1), 1.2258 (S2), 1.2228 (S3)
- **Expected range for the day:** 1.2240 – 1.2300

Indicative EURMYR 4.7546



Source: Bloomberg

- EURMYR opened 35pips higher at 4.7540. **Daily outlook slightly bearish** in anticipation of EUR weakness in European session.
- **Weekly outlook bearish, monthly outlook bullish**.
- EURMYR continues to be weighed down by rising downside momentum and losses are likely to prevail. However, we caution that signs of rebound are gradually emerging, thus expect losses to be contained until clearer direction emerges.
- **Key resistances:** 4.7548 (R1), 4.7600 (R2), 4.7632 (R3)
- **Key supports:** 4.7500 (S1), 4.7470 (S2), 4.7403 (S3)
- **Expected range for the day:** 4.7450 – 4.7550

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