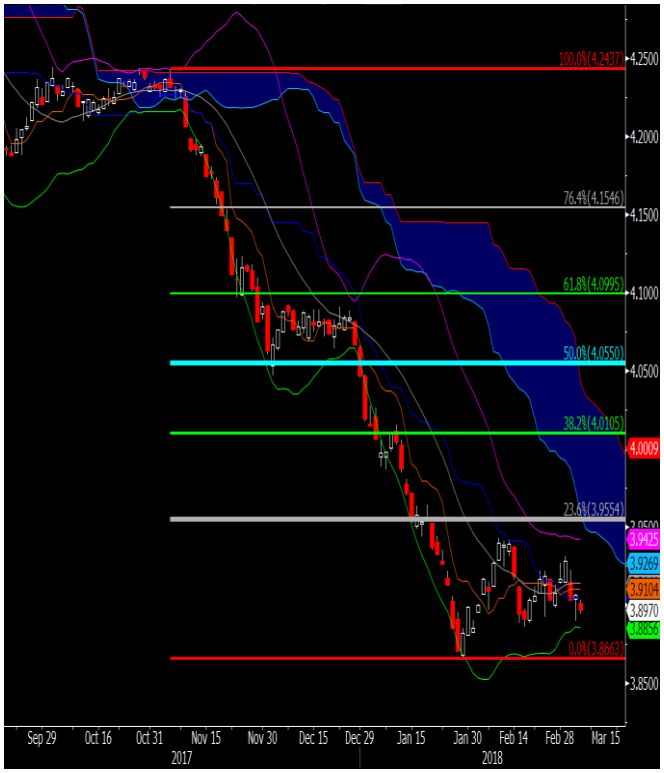
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FX Strategy

Daily Currency Outlook – 11am edition

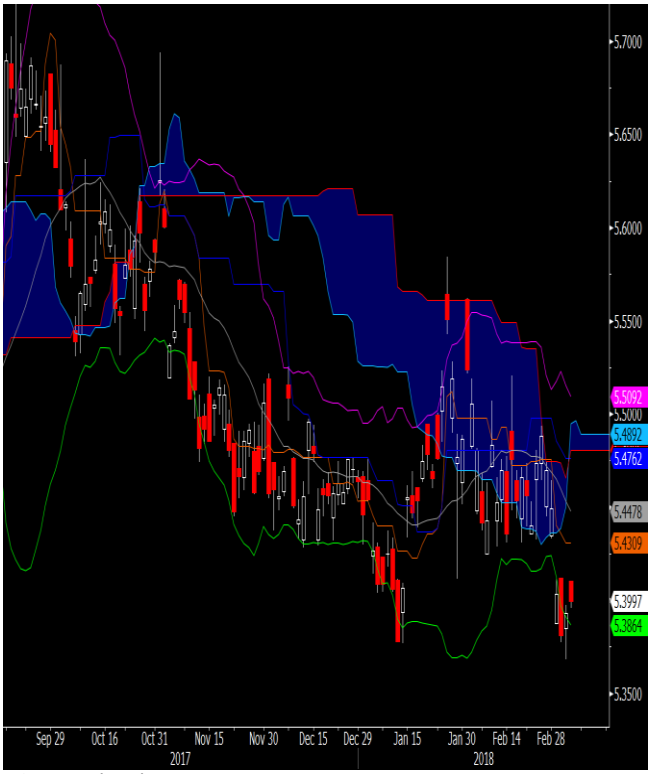
Indicative USDMYR 3.8970



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bearish**, with MYR supported by recovery in overnight risk appetite that is likely to spill over into Asian trade, but narrowing of early losses is expected entering European trade.
- **Weekly outlook neutral, monthly outlook bullish**.
- A minor bearish trend continues to prevail but its sustainability remains doubtful unless USDMYR manages to close below 3.8885.
- **Key resistances:** 3.8995 (R1), 3.9047 (R2), 3.9078 (R3)
- **Key supports:** 3.8900 (S1), 3.8885 (S2), 3.8852 (S3)
- **Expected range for the day:** 3.8940 – 3.9080

Indicative GBPMYR 5.3997

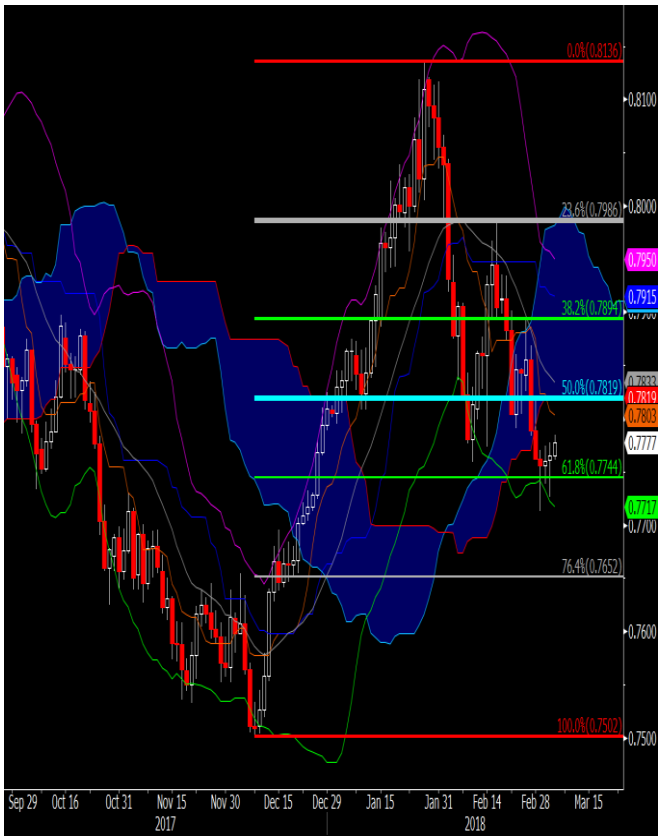


Source: Bloomberg

- GBPMYR opened 169pips higher at 5.4101 today. **Daily outlook slightly bearish**, anticipating further weakness in GBP on on-going Brexit developments.
- **Weekly and monthly outlook bearish**.
- GBPMYR remains tilted to the downside amid continued build up in bearish bias. We maintain that GBPMYR is likely heading towards 5.3500 in the coming days, but a rebound to above 5.4068 could be forming thereafter.
- **Key resistances**: 5.4000 (R1), 5.4068 (R2), 5.4114 (R3)
- **Key supports**: 5.3972 (S1), 5.3932 (S2), 5.3900 (S3)
- **Expected range for the day:** 5.3870 – 5.4100

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

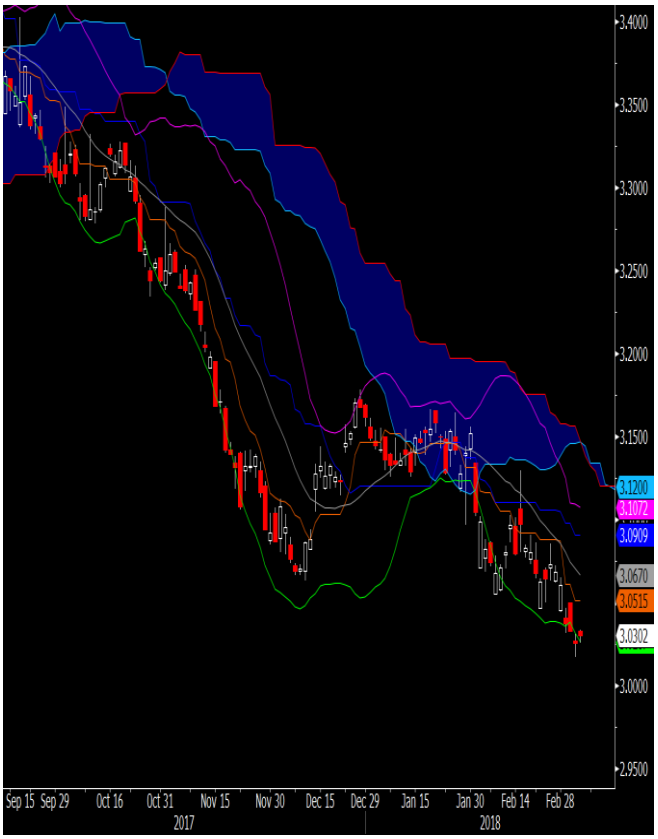
Indicative AUDUSD 0.7777



Source: Bloomberg

- AUDUSD opened barely changed at 0.7765. **Daily outlook bearish**, weighed down by likelihood of renewed weakness in risk sentiment.
- **Weekly and monthly outlook bearish**.
- AUDUSD remains deep in bearish territory, thus we are doubtful that current attempt at rebound can sustain further upsides. Caution on risk of rejection approaching 0.7803 – 0.7819 that could trigger a drop to and below 0.7744 going forward.
- **Continue to expect a potential decline to 0.7652**, otherwise curbed by a close above 0.7819.
- **Key resistances:** 0.7803 (R1), 0.7819 (R2), 0.7838 (R3)
- **Key supports:** 0.7774 (S1), 0.7744 (S2), 0.7716 (S3)
- **Expected range for the day:** 0.7740 – 0.7810

Indicative AUDMYR 3.0302

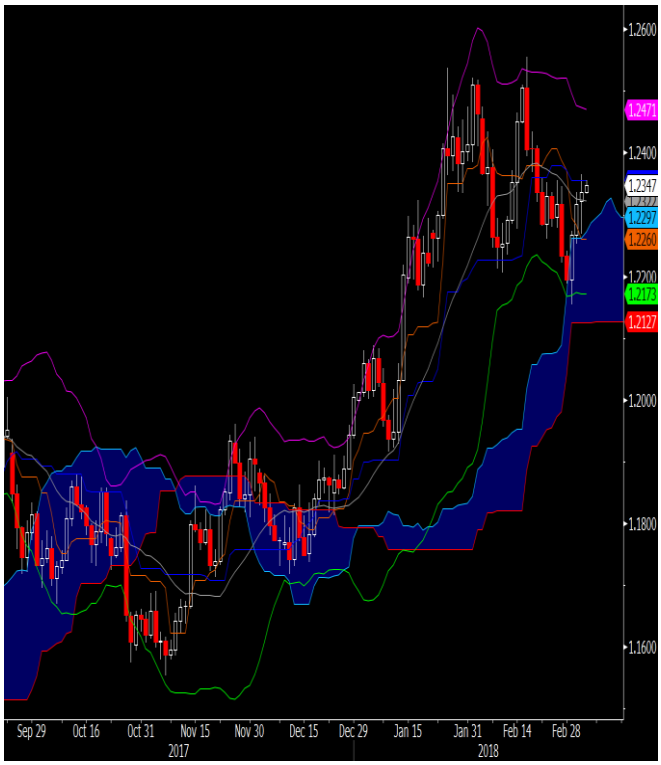


Source: Bloomberg

- AUDMYR opened 72pips higher at 3.0332. **Daily outlook slightly bearish**, anticipating renewed risk-off in the markets to pressure AUD.
- **Weekly and monthly outlook bearish**.
- AUDMYR is still deep in bearish territory and further losses are highly likely. A minor bearish trend prevails, potentially targeting below 3.0170 in the coming weeks.
- **Expect a potential decline to 3.0150**, otherwise curbed by a close above 3.0420.
- **Key resistances:** 3.0350 (R1), 3.0385 (R2), 3.0400 (R3)
- **Key supports:** 3.0300 (S1), 3.0285 (S2), 3.0268 (S3)
- **Expected range for the day:** 3.0250 – 3.0420

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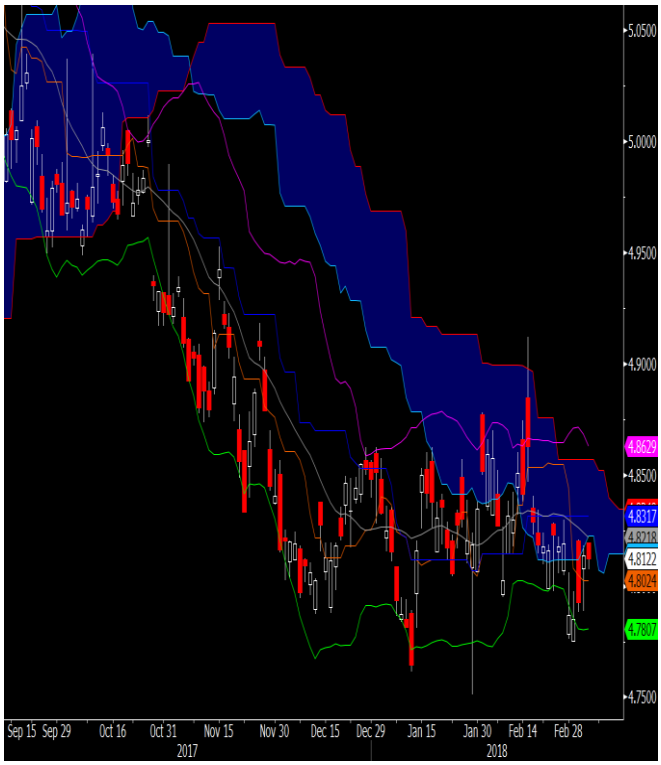
Indicative EURUSD 1.2347



Source: Bloomberg

- EURUSD opened unchanged at 1.2336. **Daily outlook bearish**; EUR remained unusually calm given uncertainties in Italian politics and we reckon on-going developments in relation to this will continue to pressure EUR.
- **Weekly and monthly outlook bearish**.
- Even as EURUSD turn slightly firmer after closing above 1.2321, we remain skeptical that further upsides can sustain approaching 1.2371 – 1.2396 resistance range.
- **Continue to expect a potential decline to 1.2090**, otherwise curbed by a close above 1.2390.
- **Key resistances:** 1.2355 (R1), 1.2371 (R2), 1.2396 (R3)
- **Key supports:** 1.2321 (S1), 1.2312 (S2), 1.2300 (S3)
- **Expected range for the day:** 1.2290 – 1.2380

Indicative EURMYR 4.8122



Source: Bloomberg

- EURMYR opened 55pips higher at 4.8193. **Daily outlook slightly bearish**, anticipating downside pressure on EUR amid uncertainties from Italian election outcome.
- **Weekly and monthly outlook bearish**.
- EURMYR technical outlook has improved but we are looking for a close above 4.8223 before turning bullish. Failure is likely to renew EURMYR weakness and trigger a drop to 4.8024 and below.
- **Continue to expect a potential decline to 4.7513**, otherwise curbed by a close above 4.8223.
- **Key resistances:** 4.8146 (R1), 4.8200 (R2), 4.8223 (R3)
- **Key supports:** 4.8100 (S1), 4.8046 (S2), 4.8024 (S3)
- **Expected range for the day:** 4.8075 – 4.8250

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