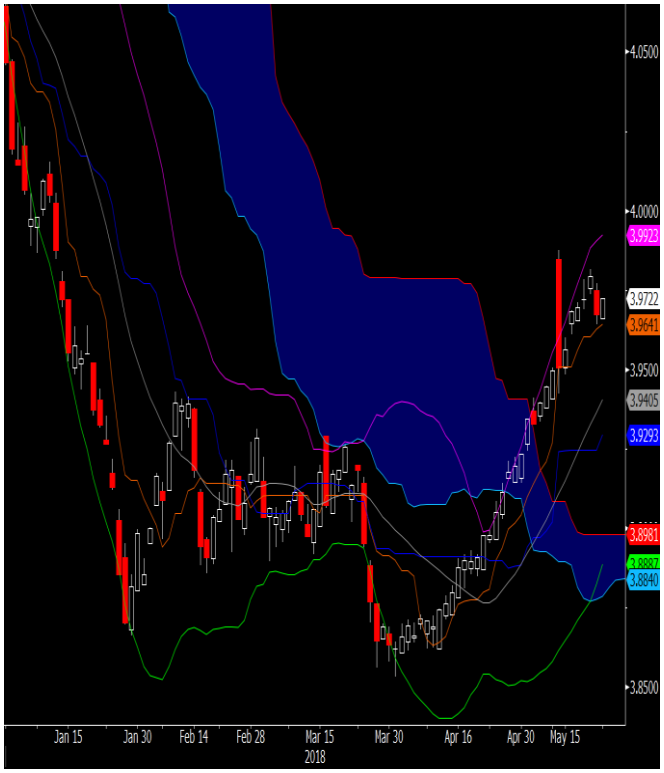
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FX Strategy

Daily Currency Outlook – 11am edition

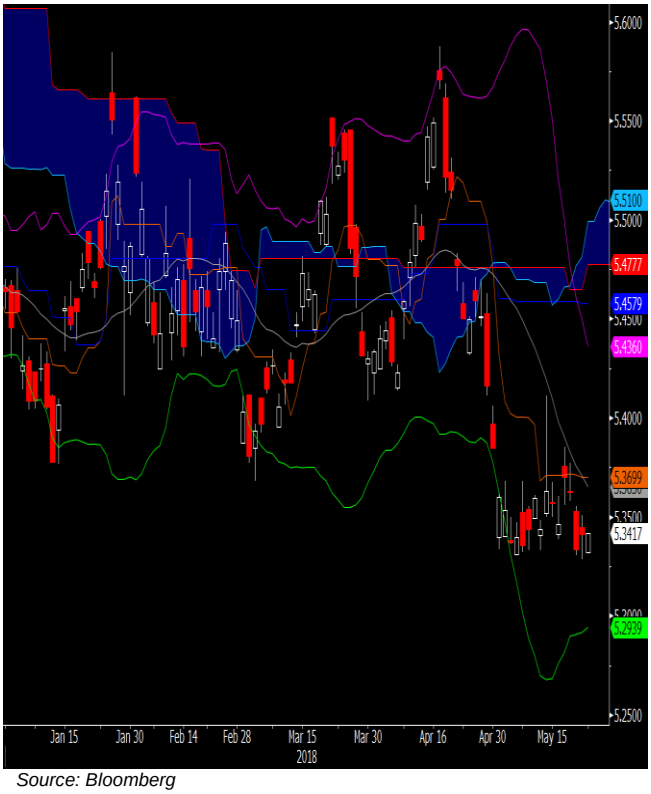
Indicative USDMYR 3.9722



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook neutral**; expect early MYR losses to be narrowed on a softening USD.
- **Weekly outlook neutral, monthly outlook bullish**.
- We maintain the view that USDMYR is initiating a reversal lower. We set sights on a potential decline to 3.9627, below which 3.9531 will be targeted.
- **Continue to expect a potential decline to 3.9627**, otherwise curbed by a close above 3.9800.
- **Key resistances:** 3.9713 (R1), 3.9738 (R2), 3.9750 (R3)
- **Key supports:** 3.9700 (S1), 3.9664 (S2), 3.9627 (S3)
- **Expected range for the day:** 3.9600 – 3.9780

Indicative GBPMYR 5.3417

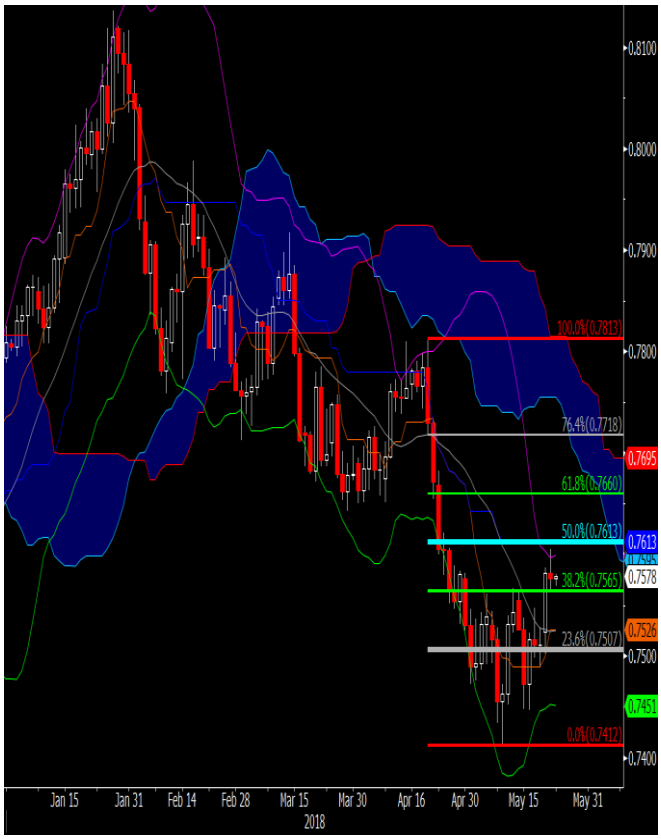


Source: Bloomberg

- GBPMYR opened 90pips lower at 5.3323 today. **Daily outlook slightly bearish**, weighed down by the lower opening.
- **Weekly outlook bearish, monthly outlook neutral**.
- We maintain that GBPMYR remains deep in bearish territory, offsetting the impact from rising upside momentum. The pair's immediate direction is still down, with scope to test 5.3330 in the next leg lower.
- **Key resistances**: 5.3484 (R1), 5.3552 (R2), 5.3600 (R3)
- **Key supports**: 5.3381 (S1), 5.3320 (S2), 5.3288 (S3)
- **Expected range for the day:** 5.3300 – 5.3500

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

Indicative AUDUSD 0.7578

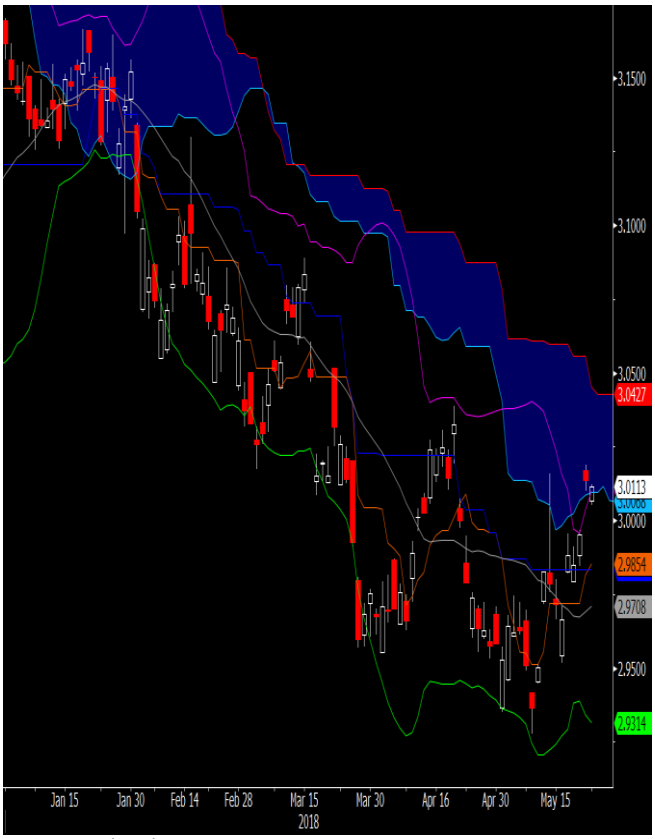


Source: Bloomberg

- AUDUSD opened unchanged at 0.7576. **Daily outlook bullish** on the back of a softening USD; upsides may further strengthen after the release of FOMC minutes.
- **Weekly and monthly outlook bullish**.
- Upside momentum improved further, suggesting more room for gains. We continue to expect AUDUSD to break 0.7613 soon and set course for 0.7660.
- **Continue to expect a potential advance to 0.7660**, otherwise curbed by a close below 0.7530.
- **Key resistances:** 0.7587 (R1), 0.7600 (R2), 0.7613 (R3)
- **Key supports:** 0.7565 (S1), 0.7560 (S2), 0.7520 (S3)
- **Expected range for the day:** 0.7550 – 0.7610

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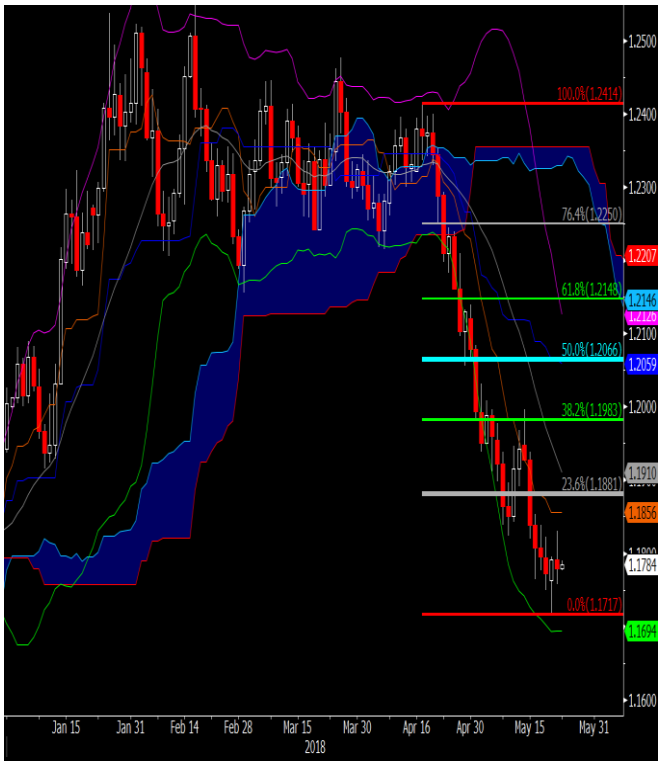
Indicative AUDMYR 3.0113



Source: Bloomberg

- AUDMYR opened 70pips lower at 3.0068. **Daily outlook neutral**; gains are likely but marginal.
- **Weekly and monthly outlook bullish**.
- With upside momentum rising, we maintain that direction going forward remains up. Holding above 3.0086 allows AUDMYR to target 3.0307 – 3.0387.
- **Continue to expect a potential advance to 3.0307**, otherwise curbed by a close below 3.0050.
- **Key resistances:** 3.0138 (R1), 3.0160 (R2), 3.0190 (R3)
- **Key supports:** 3.0052 (S1), 3.0020 (S2), 3.0000 (S3)
- **Expected range for the day:** 3.0050 – 3.0170

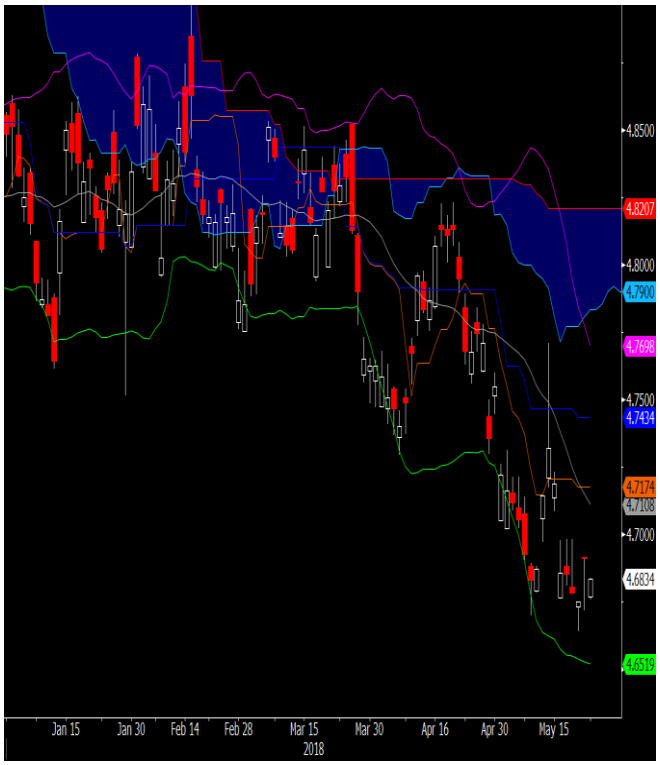
Indicative EURUSD 1.1784



Source: Bloomberg

- EURUSD opened unchanged at 1.1779. **Daily outlook bullish** on the back of a soft USD; expect upsides to firm up if Eurozone data improves.
- **Weekly and monthly outlook bearish**.
- EURUSD must close above 1.1795 today to nullify current minor bearish trend that continues to threaten a close below 1.1772 before the week is out. But in any case, we view that minor bearish trend is coming to an end and we eye a rebound next week.
- **Key resistances:** 1.1802 (R1), 1.1822 (R2), 1.1837 (R3)
- **Key supports:** 1.1777 (S1), 1.1750 (S2), 1.1720 (S3)
- **Expected range for the day:** 1.1750 – 1.1840

Indicative EURMYR 4.6834



Source: Bloomberg

- EURMYR opened 143pips lower at 4.6767. **Daily outlook slightly bearish**, pressured by the sharply lower.
- **Weekly and monthly outlook bearish**.
- Technical signals remain weak, suggesting that EURMYR remains inclined towards the downside. But we now opine that losses may be limited given that downside momentum is receding.
- **EURMYR is now unlikely to decline to 4.6530**.
- **Key resistances:** 4.6852 (R1), 4.6891 (R2), 4.6941 (R3)
- **Key supports:** 4.6779 (S1), 4.6751 (S2), 4.6716 (S3)
- **Expected range for the day:** 4.6750 – 4.6880

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