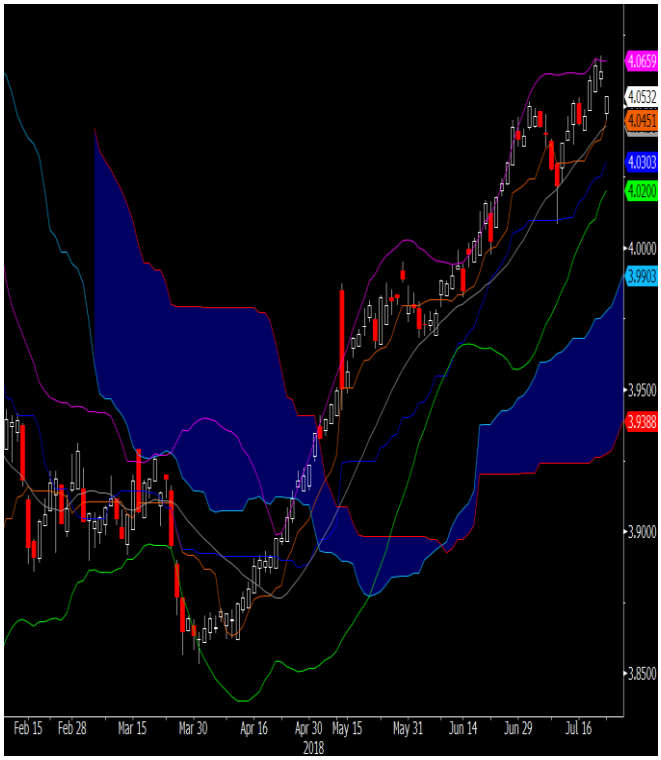
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FX Strategy

Daily Currency Outlook – 11am edition

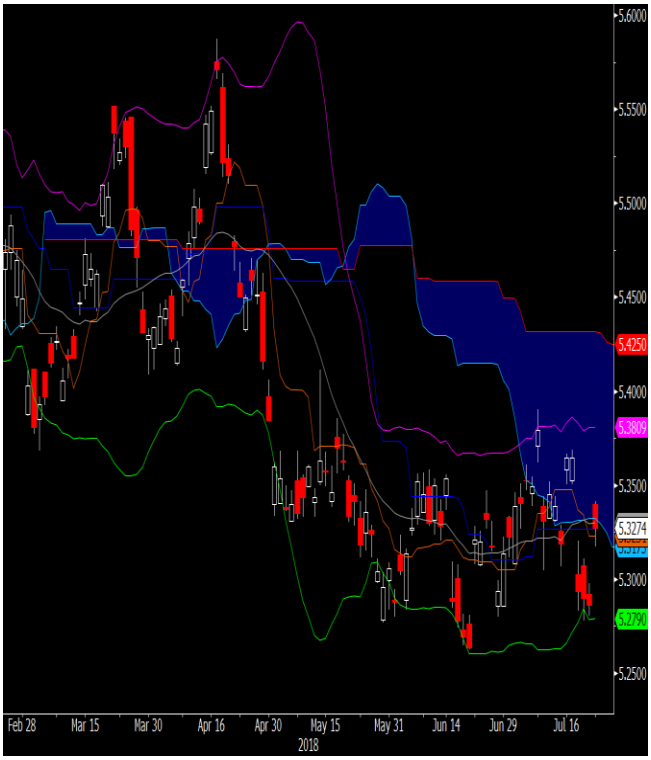
Indicative USDMYR 4.0532



Source: Bloomberg

- USDMYR opened sharply lower today. **Daily outlook bearish** but losses may be modest in anticipation of renewed weakness in market sentiment limiting MYR upsides.
- **Weekly and monthly outlook bearish**.
- The price-momentum divergence that we previously noted has triggered a drop to 4.0465 as expected. However, unless USDMYR closes below 4.0465 today and nullifies the bullish trend, it remains exposed to a close above 4.0590 tomorrow.
- **Expect a potential decline to 4.0385**, otherwise nullified by a close above 4.0640.
- **Key resistances:** 4.0590 (R1), 4.0620 (R2), 4.0640 (R3)
- **Key supports:** 4.0550 (S1), 4.0480 (S2), 4.0450 (S3)
- **Expected range for the day:** 4.0450 – 4.0580

Indicative GBPMYR 5.3274

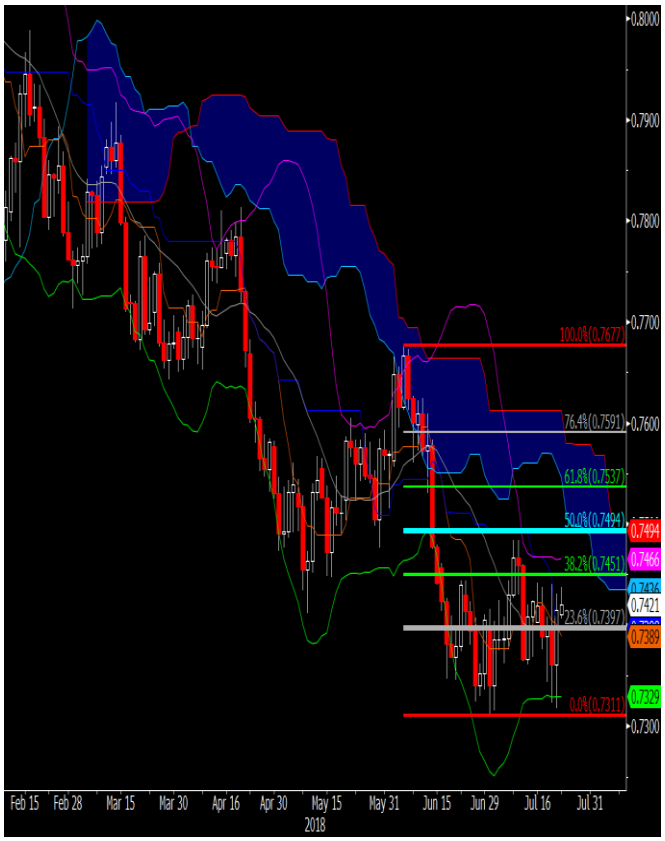


Source: Bloomberg

- GBPMYR opened 536pips higher at 5.3397 today. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- Though GBPMYR is still in a bearish trend, we reckon that this will be nullified tomorrow. Closing above 5.3324 today will be another sign that bullish bias is building. If both are true, we expect a test at 5.3770 soon.
- **Key resistances**: 5.3324 (R1), 5.3342 (R2), 5.3390 (R3)
- **Key supports**: 5.3302 (S1), 5.3266 (S2), 5.3231 (S3)
- **Expected range for the day:** 5.3170 – 5.3415

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

Indicative AUDUSD 0.7421

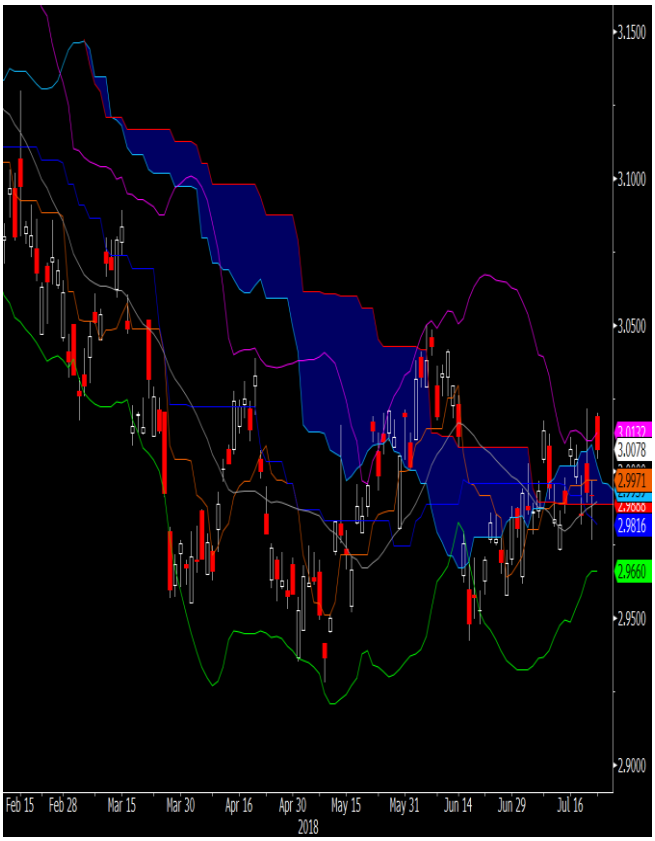


Source: Bloomberg

- AUDUSD opened 4pips lower at 0.7411 today. **Daily outlook bullish**, in anticipation of extended weakness in USD, though gains are likely to be modest given likelihood of extended retreat in risk appetite.
- **Weekly outlook bearish, monthly outlook bullish**.
- AUDUSD expectedly dropped to 0.7326 but very quickly (and strongly) rebounded to retake 0.7397. It is now tilted to the upside and poses a threat to 0.7451, above which a bullish pattern will be completed and potentially targets as high as 0.7537.
- **Key resistances:** 0.7431 (R1), 0.7451 (R2), 0.7466 (R3)
- **Key supports:** 0.7411 (S1), 0.7397 (S2), 0.7389 (S3)
- **Expected range for the day:** 0.7390 – 0.7450

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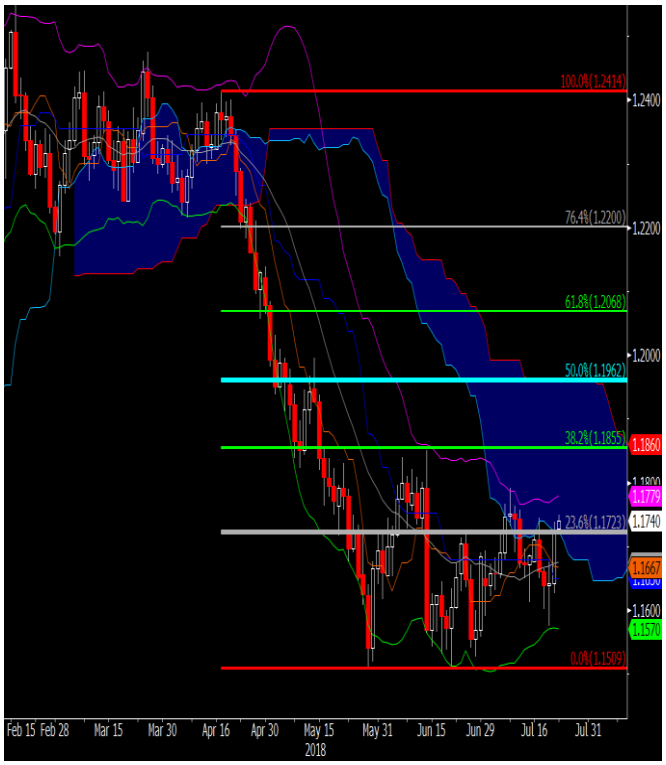
Indicative AUDMYR 3.0078



Source: Bloomberg

- AUDMYR opened 269pips higher at 3.0187 today. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- Firmly breaking above 3.0016 at opening confers AUDMYR with a bullish bias, for now. Further gains can be expected as long as it holds above 3.0016.
- **AUDMYR is now unlikely to decline to 2.9660**.
- **Key resistances:** 3.0136 (R1), 3.0173 (R2), 3.0213 (R3)
- **Key supports:** 3.0016 (S1), 2.9971 (S2), 2.9950 (S3)
- **Expected range for the day:** 3.0040 – 3.0200

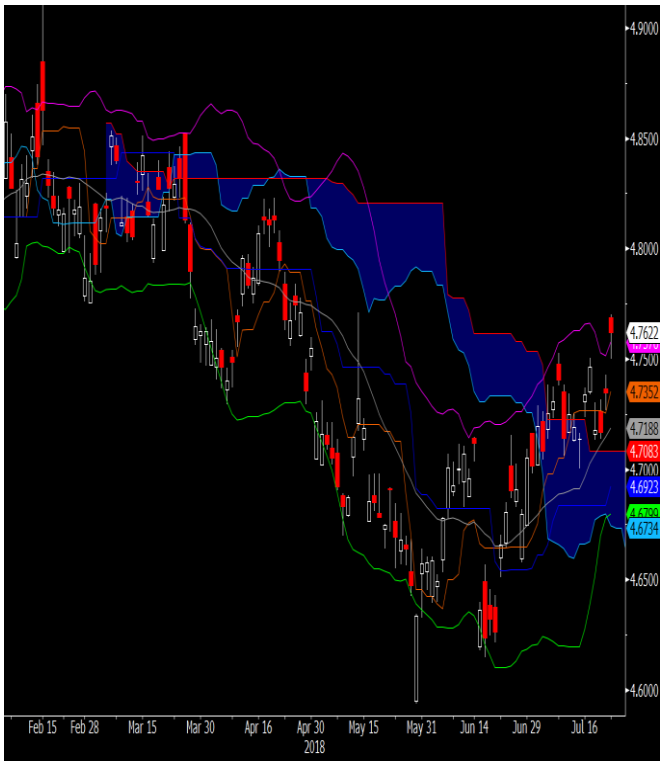
Indicative EURUSD 1.1740



Source: Bloomberg

- EURUSD opened 3pips higher at 1.1727 today. **Daily outlook bullish** on the back of a weak USD.
- **Weekly and monthly outlook bullish**.
- Bearish trend has been nullified and EURUSD is now tilted to the upside after breaking above 1.1723. Expect a test at 1.1788 next, which if broken is likely a completion of a bullish pattern that puts EURUSD towards at least 1.1855.
- **Key resistances:** 1.1758 (R1), 1.1778 (R2), 1.1791 (R3)
- **Key supports:** 1.1723 (S1), 1.1709 (S2), 1.1674 (S3)
- **Expected range for the day:** 1.1710 – 1.1770

Indicative EURMYR 4.7622



Source: Bloomberg

- EURMYR opened 341pips higher at 4.7688 today. **Daily outlook bullish**, supported by the sharply higher opening.
- **Weekly and monthly outlook bullish**.
- Upside momentum remains intact, which sustains our view of EURMYR's biasness to the upside; EURMYR has tested, and broken, 4.7528 and is likely to take aim at 4.7840.
- **Expect a potential advance to 4.7840**, otherwise nullified by a close below 4.7463.
- **Key resistances:** 4.7340 (R1), 4.7371 (R2), 4.7384 (R3)
- **Key supports:** 4.7574 (S1), 4.7506 (S2), 4.7430 (S3)
- **Expected range for the day:** 4.7490 – 4.7720

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