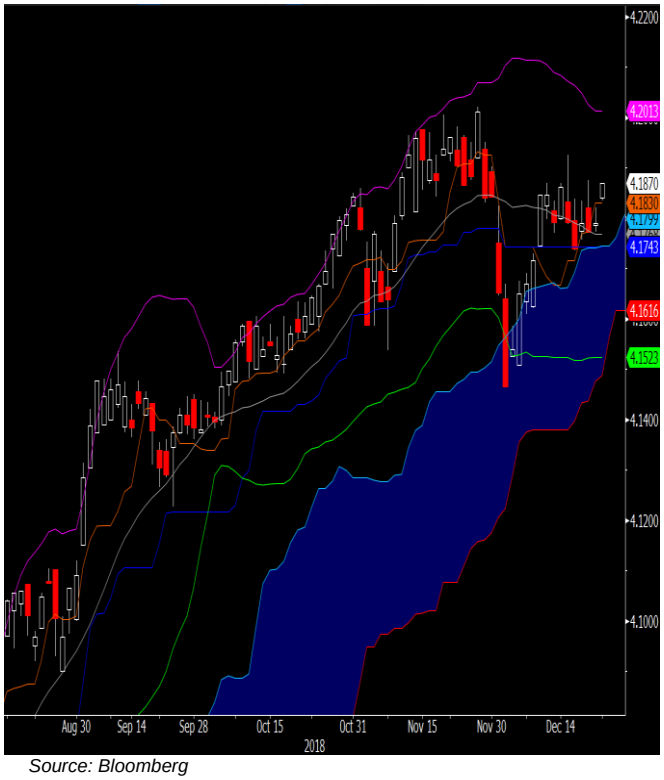
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FX Strategy

Daily Currency Outlook – 11am edition

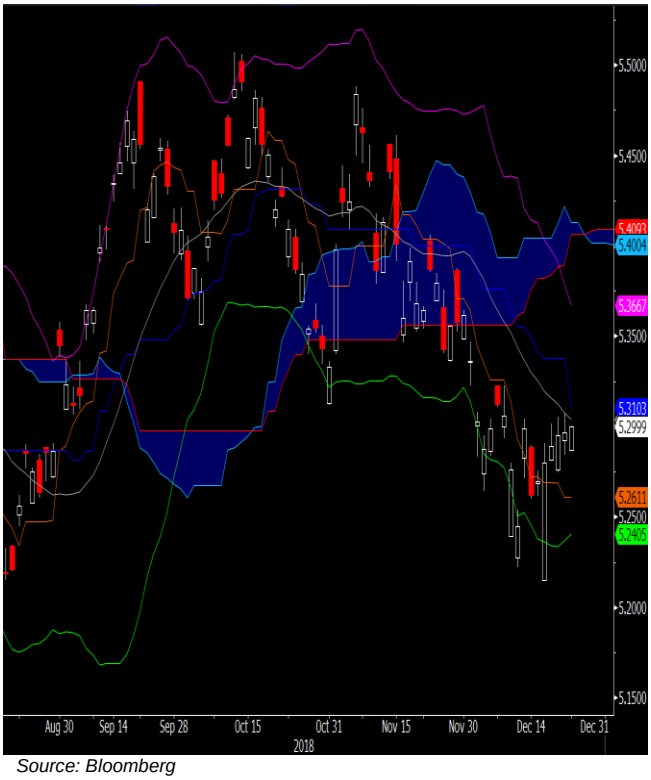
Indicative USDMYR 4.1870



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook neutral**, with room for slight gains as risk aversion lingers in the markets ahead of the Christmas holiday.
- **Weekly and monthly outlook bearish**.
- The bearish trend has been overturned by a gap up today, but with upward momentum still soft, we are skeptical if USDMYR can still push higher beyond 4.1925.
- **Key resistances:** 4.1890 (R1), 4.1900 (R2), 4.1925 (R3)
- **Key supports:** 4.1850 (S1), 4.1830 (S2), 4.1805 (S3)
- **Expected range for the day:** 4.1810 – 4.1890

Indicative GBPMYR 5.2999

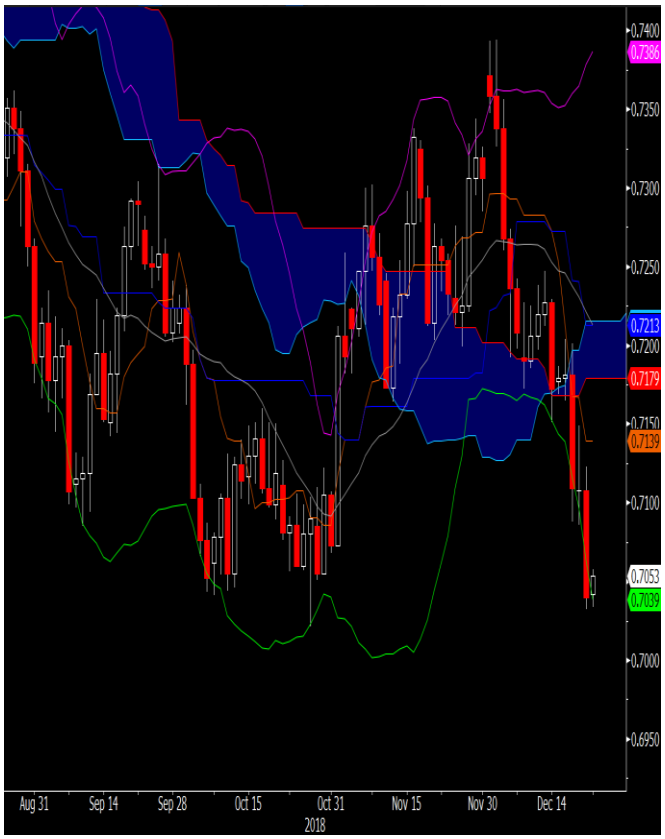


Source: Bloomberg

- GBPMYR opened 95pips lower at 5.2871 today. **Daily outlook slightly bullish** as we expect a firmer GBP going into European session.
- **Weekly and monthly outlook bullish**.
- We maintain that GBPMYR has completed a bullish chart pattern, while downward momentum has turned upward. We continue to expect an impending reversal higher.
- **Continue to expect a potential advance to 5.3380**, otherwise curbed by a close below 5.2870.
- **Key resistances**: 5.3036 (R1), 5.3073 (R2), 5.3103 (R3)
- **Key supports**: 5.2966 (S1), 5.2936 (S2), 5.2900 (S3)
- **Expected range for the day:** 5.2860 – 5.3075

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

Indicative AUDUSD 0.7053

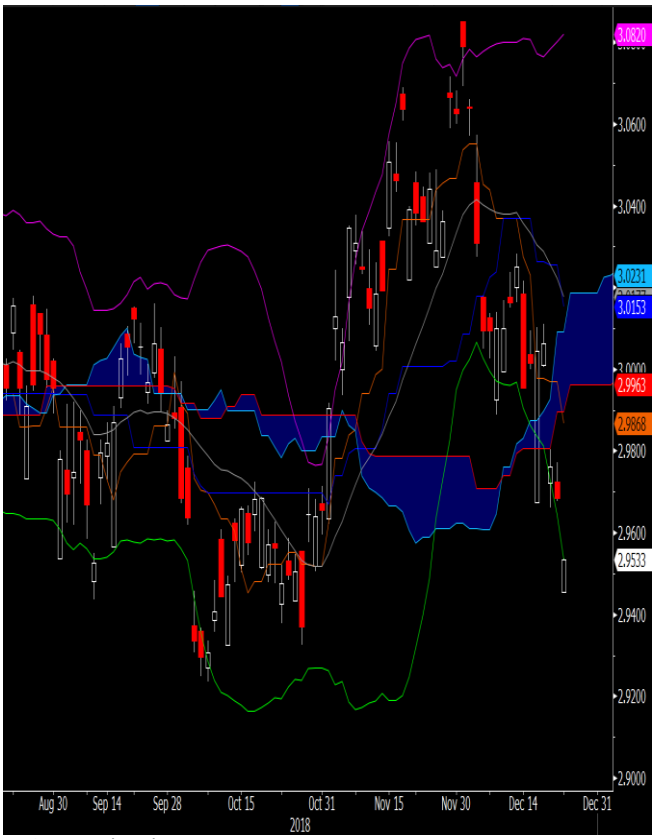


Source: Bloomberg

- AUDUSD opened barely changed at 0.7042 today. **Daily outlook bearish**, weighed down by extended loss of risk appetite in the Asian session.
- **Weekly outlook neutral, monthly outlook bearish**.
- Bearish bias still prevails in AUDUSD and we set sights on a drop to circa 0.7020 – 0.7040 in the next leg lower. However, we caution as AUDUSD approaches the support at 0.7000, which could spark a strong bounce in the coming weeks.
- **AUDUSD expectedly declined to 0.7050**, and below, last Friday.
- **Key resistances:** 0.7068 (R1), 0.7088 (R2), 0.7100 (R3)
- **Key supports:** 0.7038 (S1), 0.7020 (S2), 0.7000 (S3)
- **Expected range for the day:** 0.7025 – 0.7065

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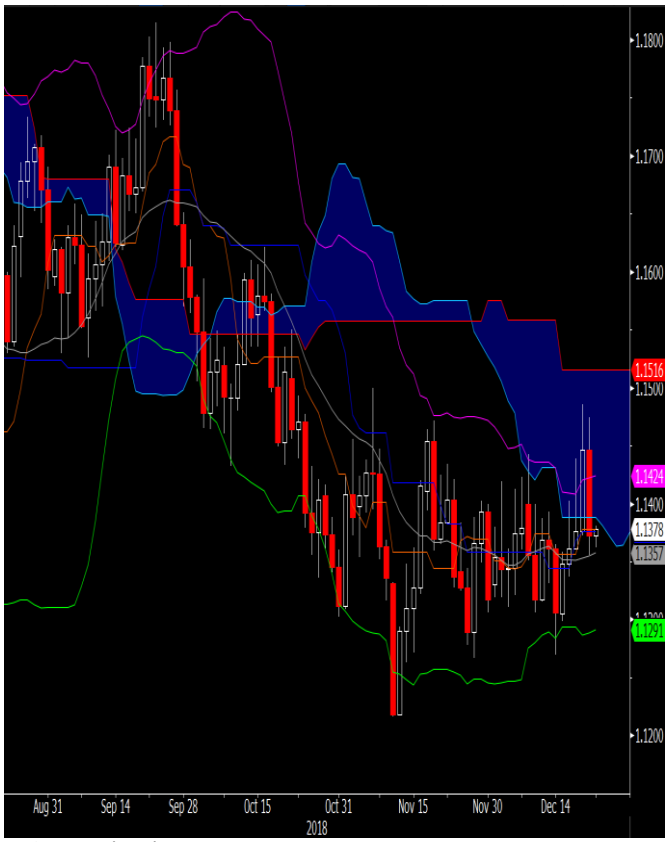
Indicative AUDMYR 2.9533



Source: Bloomberg

- AUDMYR opened 229pips lower at 2.9455 today. **Daily outlook bearish** following the sharply lower opening and propensity for AUD to slide further amid extended risk-off in the markets.
- **Weekly and monthly outlook bearish**.
- Firmer downward momentum and lingering bearish trend are both likely to keep AUDMYR subdued, but caution that a bounce off 2.9369 could spark an extended rally.
- **Key resistances:** 2.9660 (R1), 2.9680 (R2), 2.9720 (R3)
- **Key supports:** 2.9500 (S1), 2.9480 (S2), 2.9455 (S3)
- **Expected range for the day:** 2.9455 – 2.9600

Indicative EURUSD 1.1378

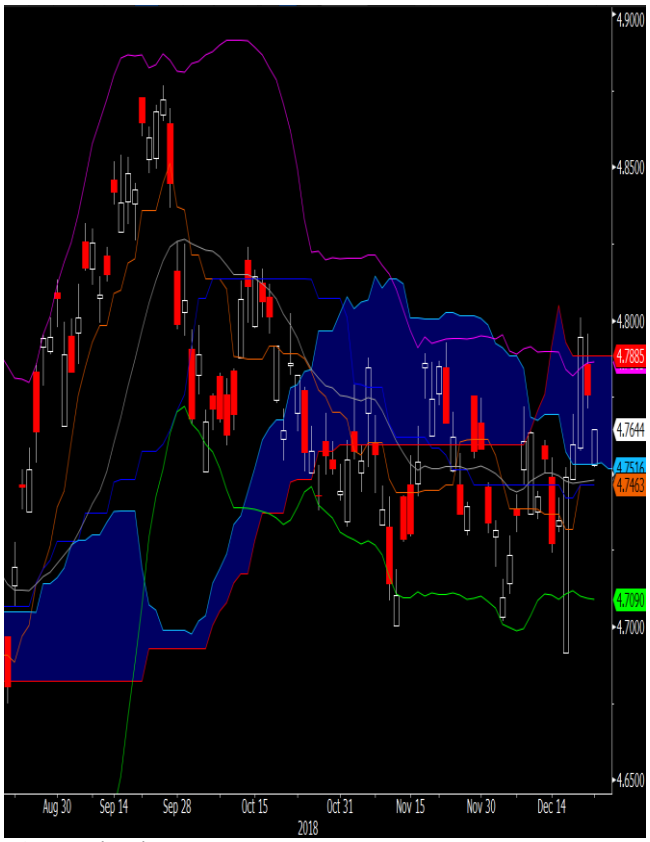


Source: Bloomberg

- EURUSD opened unchanged at 1.1372 today. **Daily outlook bullish** in line with our view of a softer USD.
- **Weekly and monthly outlook bullish**.
- The tumble on Friday has increased EURUSD vulnerability to further losses. It must now recapture above 1.1388 to sustain an upside bias that would help push it higher to attempt another test at 1.1486. A close above 1.1472 is required to complete the bullish chart pattern that we have mentioned, which would then threaten 1.1580.
- **EURUSD is now unlikely to advance to 1.1520**. Expect a potential advance to 1.1480, otherwise curbed by a close below 1.1350.
- **Key resistances:** 1.1388 (R1), 1.1400 (R2), 1.1424 (R3)
- **Key supports:** 1.1367 (S1), 1.1358 (S2), 1.1337 (S3)
- **Expected range for the day:** 1.1360 – 1.1400

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

Indicative EURMYR 4.7644



Source: Bloomberg

- EURMYR opened 232pips lower at 4.7526 today. **Daily outlook slightly bearish** following the sharply lower opening, but expect losses to be narrowed in anticipation of a firmer EUR going into European session.
- **Weekly and monthly outlook bullish**.
- Holding above 4.7530 sustains a bullish bias that will allow EURMYR to push higher, potentially beating 4.7944 going forward.
- **EURMYR is now unlikely to advance to 4.8020**. Expect a potential advance to 4.7950, otherwise curbed by a close below 4.7527.
- **Key resistances:** 4.7669 (R1), 4.7754 (R2), 4.7800 (R3)
- **Key supports:** 4.7591 (S1), 4.7530 (S2), 4.7476 (S3)
- **Expected range for the day:** 4.7520 – 4.7700

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