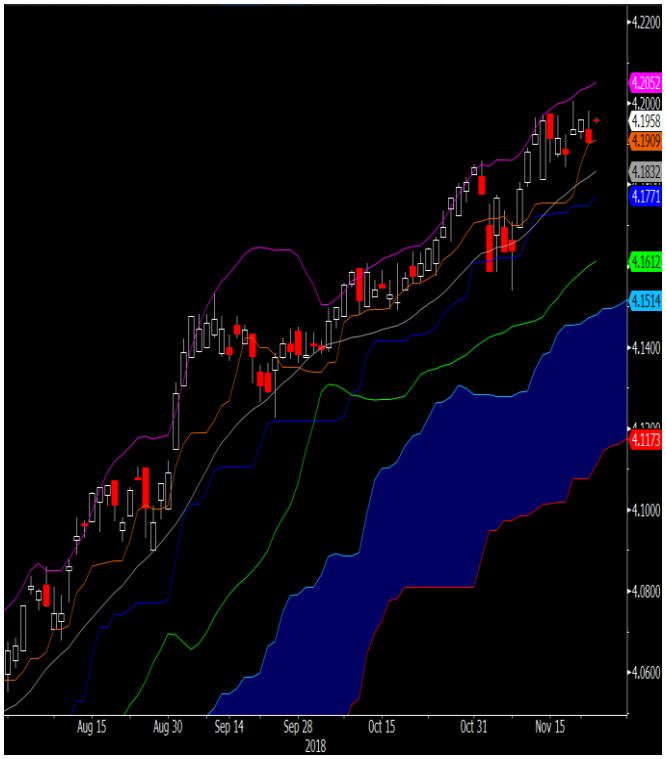
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FX Strategy

Daily Currency Outlook – 11am edition

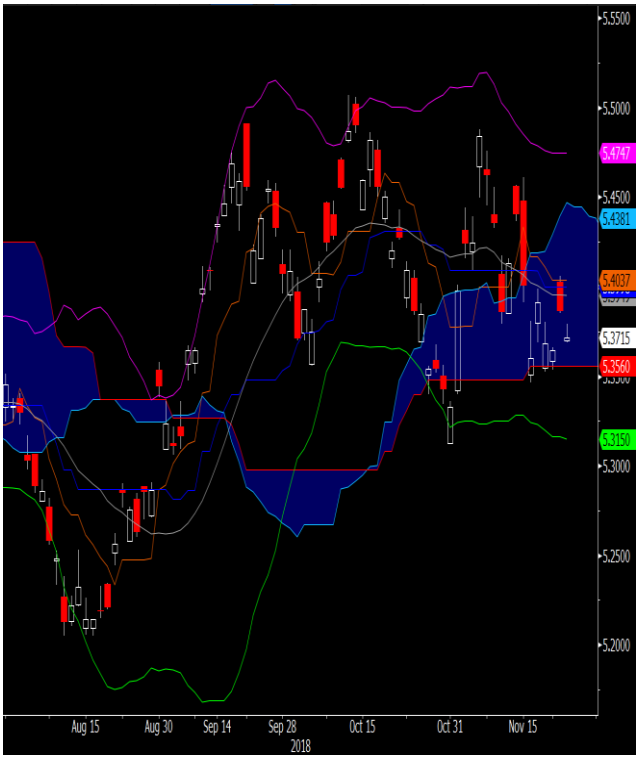
Indicative USDMYR 4.1958



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook neutral** with room for mild gains as regional markets remain soft.
- **Weekly and monthly outlook bullish**.
- Technical viewpoint continues to suggest skepticism over USDMYR's ability to climb higher. Price-momentum divergence again emerged, on top of the formation of a bearish chart pattern, both of which suggest a retracement soon.
- **Key resistances:** 4.1960 (R1), 4.1980 (R2), 4.2005 (R3)
- **Key supports:** 4.1940 (S1), 4.1910 (S2), 4.1900 (S3)
- **Expected range for the day:** 4.1920 – 4.1970

Indicative GBPMYR 5.3715

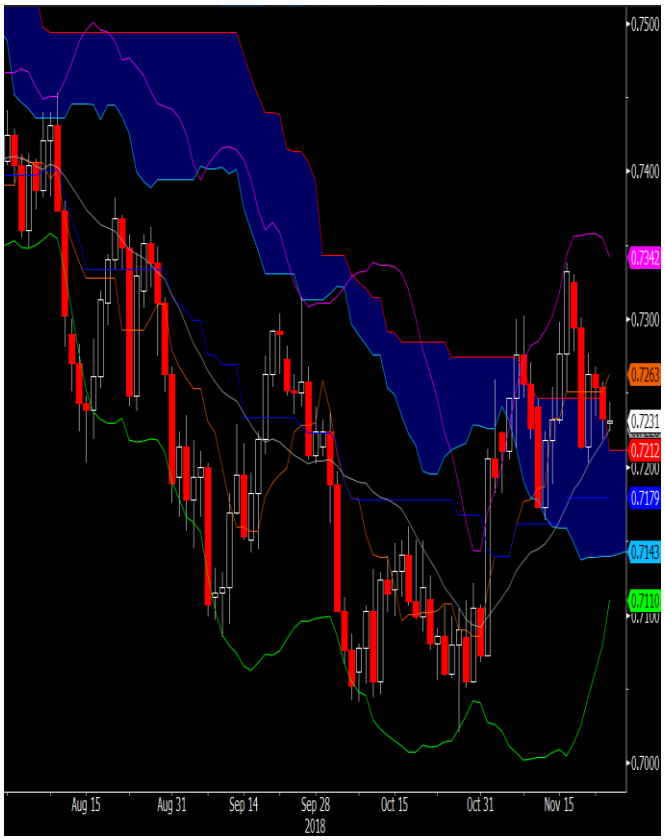


Source: Bloomberg

- GBPMYR opened 173pips lower at 5.3697 today. **Daily outlook slightly bearish**, weighed down by the sharply lower opening but caution a rebound by GBP that could narrow current losses.
- **Weekly outlook bearish, monthly outlook bullish**.
- Sliding below 5.3948 last Friday is a bearish sign. Caution that a break below 5.3560 will strengthen the bears and potentially push GBPMYR lower to circa 5.3344 in the next leg lower.
- **Key resistances**: 5.3750 (R1), 5.3802 (R2), 5.3852 (R3)
- **Key supports**: 5.3691 (S1), 5.3662 (S2), 5.3560 (S3)
- **Expected range for the day:** 5.3650 – 5.3850

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

Indicative AUDUSD 0.7231

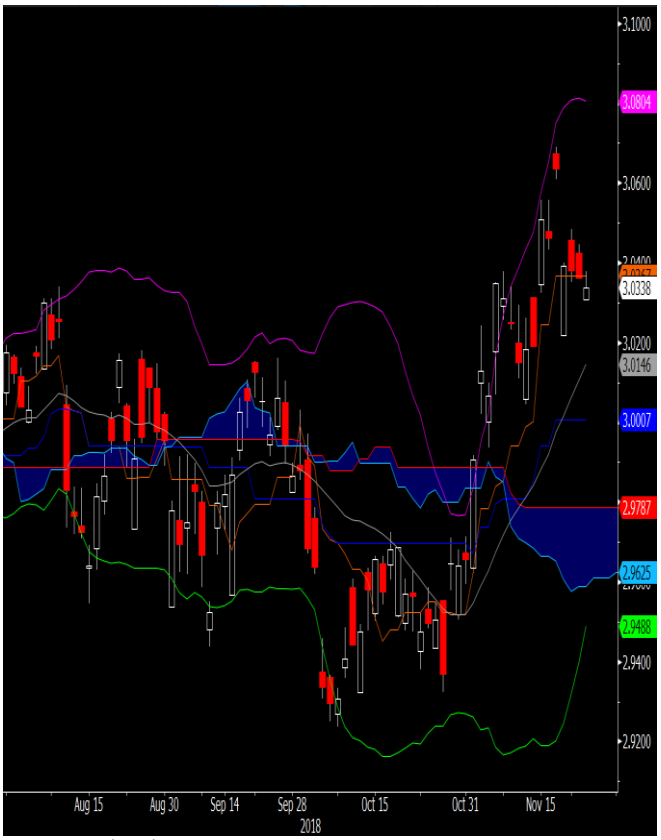


Source: Bloomberg

- AUDUSD opened 3pips lower at 0.7230 today. **Daily outlook slightly bearish** as we expect extended weakness in equities and commodities.
- **Weekly outlook bearish, monthly outlook bullish**.
- Bearish trend continues to prevail in AUDUSD and suggests a drop below 0.7212 soon. A break below this exposes a move to 0.7179.
- **Continue to expect a drop to 0.7168**, otherwise curbed by a close above 0.7263.
- **Key resistances:** 0.7247 (R1), 0.7263 (R2), 0.7284 (R3)
- **Key supports:** 0.7226 (S1), 0.7212 (S2), 0.7200 (S3)
- **Expected range for the day:** 0.7200 – 0.7250

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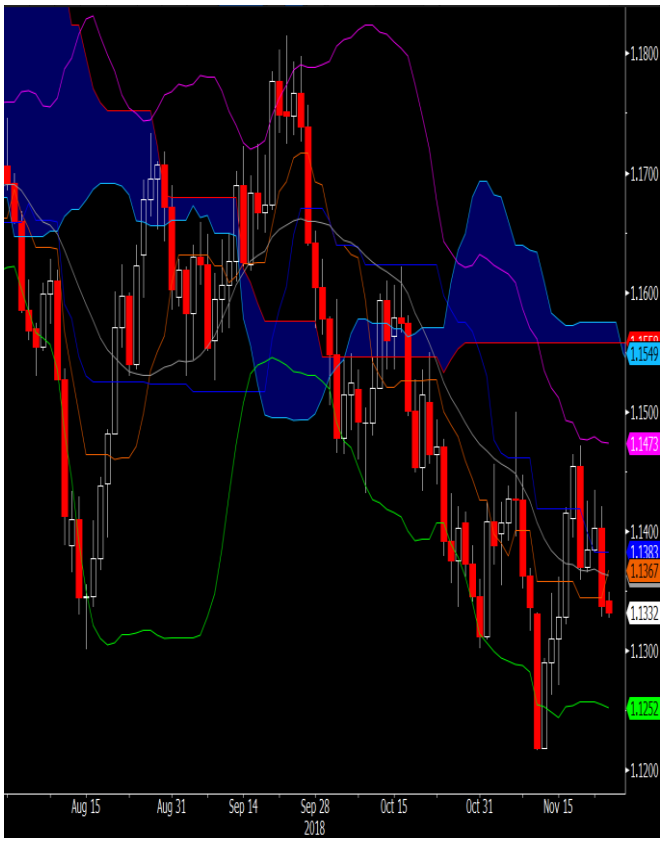
Indicative AUDMYR 3.0338



Source: Bloomberg

- AUDMYR opened 53pips lower at 3.0308 today. **Daily outlook neutral** in anticipation of a soft AUD.
- **Weekly outlook bearish, monthly outlook bullish**.
- We maintain that AUDMYR is likely going through a reversal lower as bearish trend solidifies after breaking below 3.0368. Unless AUDMYR manages to beat 3.0391 by tomorrow, bearish trend is likely to persist.
- **Continue to expect a potential decline to 3.0000**, otherwise curbed by a close above 3.0476.
- **Key resistances:** 3.0368 (R1), 3.0391 (R2), 3.0433 (R3)
- **Key supports:** 3.0325 (S1), 3.0294 (S2), 3.0262 (S3)
- **Expected range for the day:** 3.0290 – 3.0380

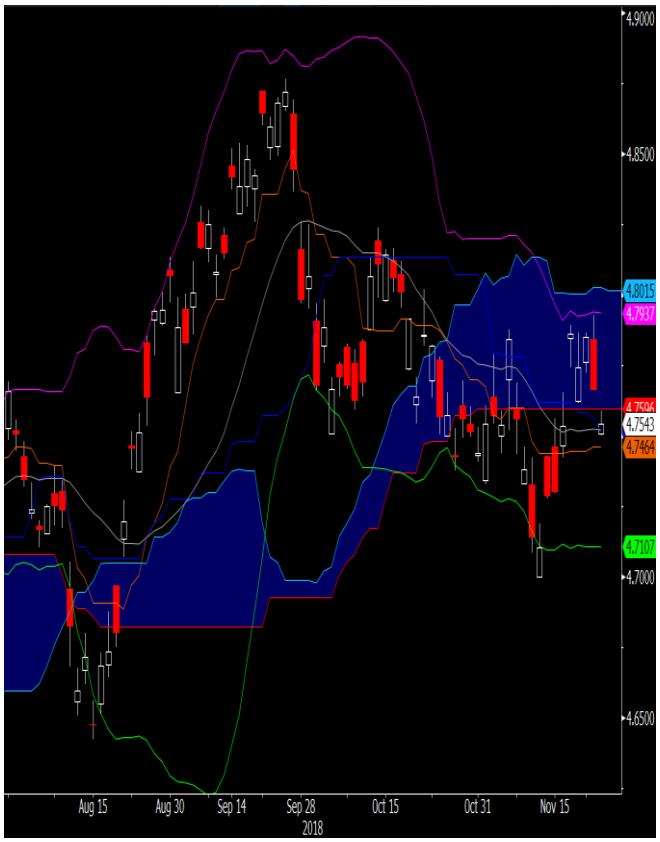
Indicative EURUSD 1.1332



Source: Bloomberg

- EURUSD opened 4pips higher at 1.1342 today. **Daily outlook slightly bullish**, supported in part by improving sentiment in Europe after the EU agreed to the UK's Brexit terms.
- **Weekly and monthly outlook bullish**.
- Even though a bearish bias currently prevails, we reckon that losses will likely be limited and could bottom out near 1.1300 before heading higher. Doing so suggests the formation of a bullish pattern that may be headed for a break circa 1.1418.
- **Key resistances:** 1.1349 (R1), 1.1363 (R2), 1.1383 (R3)
- **Key supports:** 1.1322 (S1), 1.1307 (S2), 1.1294 (S3)
- **Expected range for the day:** 1.1320 – 1.1360

Indicative EURMYR 4.7543



Source: Bloomberg

- EURMYR opened 155pips lower at 4.7510 today. **Daily outlook slightly bearish**, weighed down by the sharply lower opening but caution that current losses may be narrowed going into European session.
- **Weekly outlook bearish, monthly outlook bullish**.
- Bullish trend has been nullified by the gap down below 4.7596. Until EURMYR manages to recapture above this level, it is tilted to the downside, with room to slide to 4.7314.
- **EURMYR expectedly advanced to 4.7910** last Friday before sliding lower thereafter.
- **Key resistances:** 4.7596 (R1), 4.7656 (R2), 4.7729 (R3)
- **Key supports:** 4.7522 (S1), 4.7464 (S2), 4.7314 (S3)
- **Expected range for the day:** 4.7500 – 4.7620

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