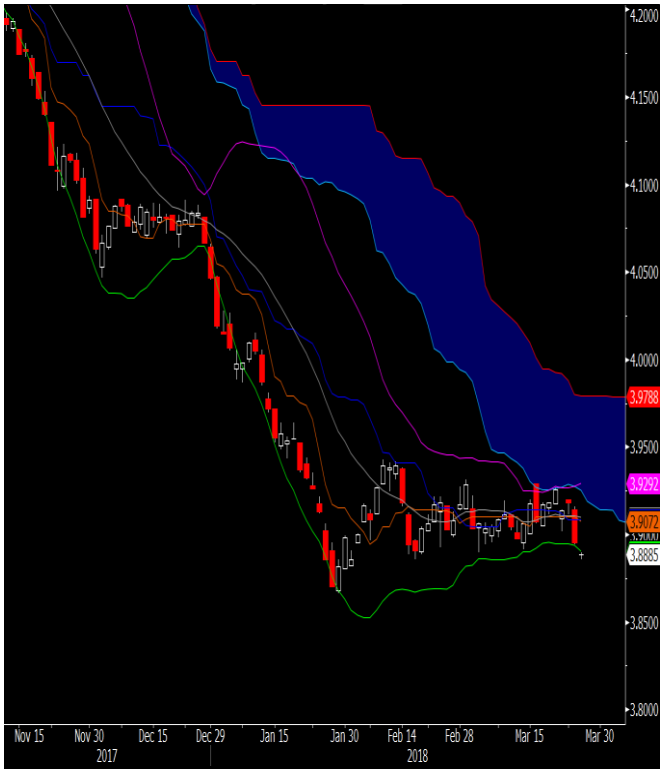
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

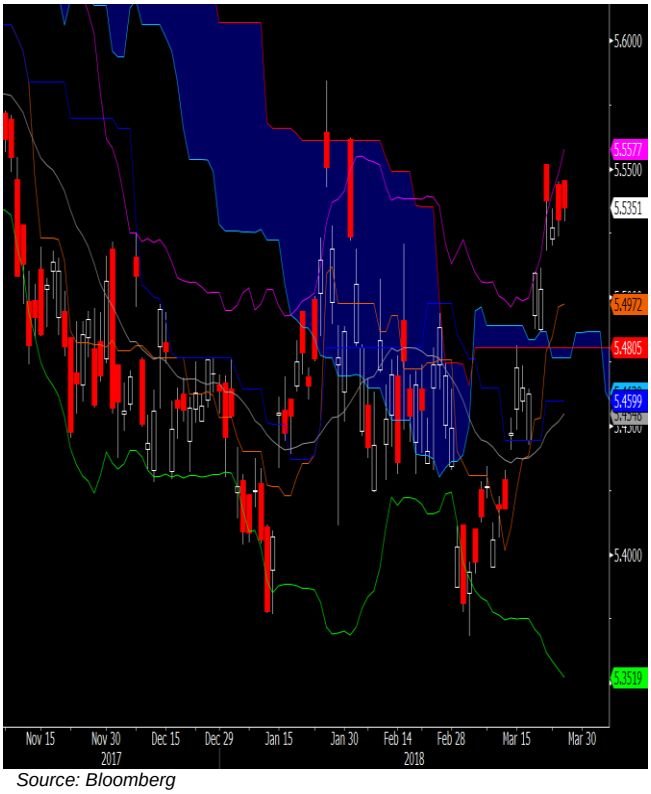
Indicative USDMYR 3.8885



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook slightly bearish** as MYR buying interest returns on easing trade war concerns, but caution that losses may be narrowed going into European trade.
- **Weekly and monthly outlook bullish**.
- USDMYR remains tilted to the downsides but we suspect that losses may be narrowing after recent sharp decline. Risk of a rebound is likely to increase approaching firm supports circa 3.8800 - 3.8825.
- **USDMYR is now unlikely to climb to 3.9400**.
- **Key resistances:** 3.8896 (R1), 3.8920 (R2), 3.8940 (R3)
- **Key supports:** 3.8850 (S1), 3.8800 (S2), 3.8750 (S3)
- **Expected range for the day:** 3.8680 – 3.8900

Indicative GBPMYR 5.5351

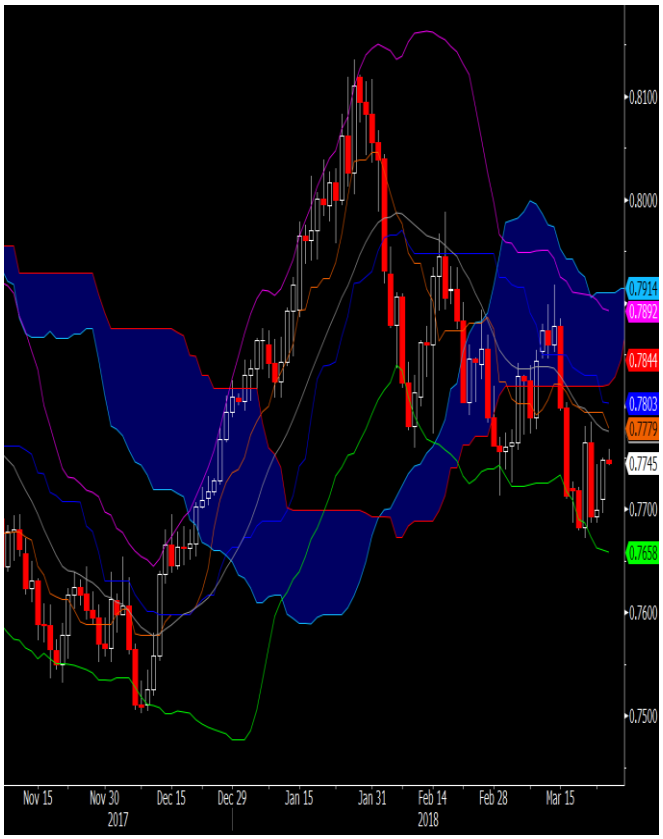


Source: Bloomberg

- GBPMYR opened 155pips higher at 5.5457 today. **Daily outlook bearish** on the back of firmer MYR buying interest amid easing of trade war concerns.
- **Weekly outlook bearish, monthly outlook bullish**.
- Upside strength continues to recede. We deem today's price action as a rejection and expect GBPMYR to target 5.4805 in the next leg lower.
- **Expect a potential decline to 5.4805**, otherwise curbed by a close above 5.5500.
- **Key resistances**: 5.5380 (R1), 5.5400 (R2), 5.5457 (R3)
- **Key supports**: 5.5300 (S1), 5.5280 (S2), 5.5207 (S3)
- **Expected range for the day:** 5.5080 – 5.5450

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

Indicative AUDUSD 0.7745



Source: Bloomberg

- AUDUSD opened unchanged at 0.7748. **Daily outlook slightly bearish**, weighed down by possible rebound in USD.
- **Weekly and monthly outlook bearish**.
- AUDUSD is still deep in bearish territory and thus we are still skeptical if current attempt at a rebound can sustain. Gains overnight were stemmed circa 0.7750 and this could result in further rejection that leads AUDUSD lower to 0.7700.
- **Continue to expect a potential decline to 0.7650**, otherwise curbed by a close above 0.7780.
- **Key resistances:** 0.7758 (R1), 0.7780 (R2), 0.7800 (R3)
- **Key supports:** 0.7726 (S1), 0.7717 (S2), 0.7700 (S3)
- **Expected range for the day:** 0.7710 – 0.7760

Indicative AUDMYR 3.0119

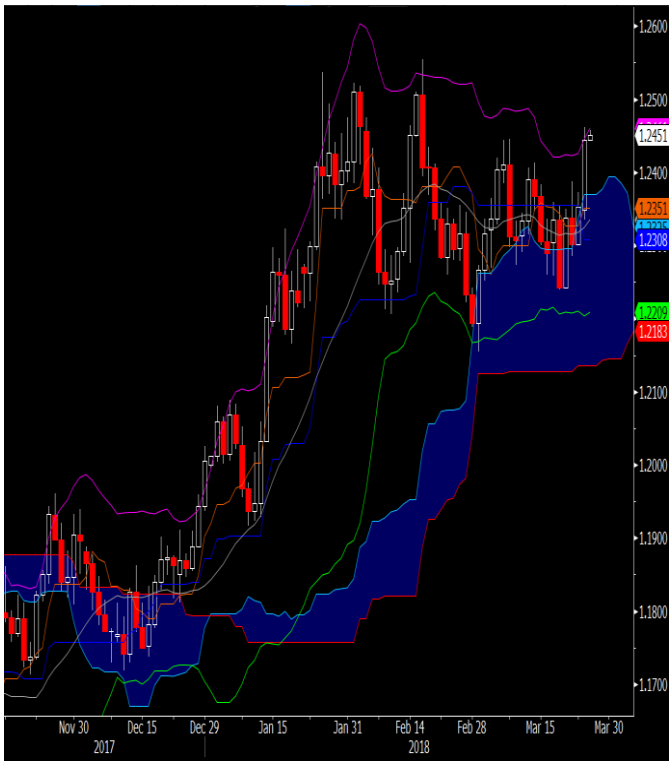


Source: Bloomberg

- AUDMYR opened 66pips higher at 3.0205. **Daily outlook bearish** amid a firmer MYR on improved risk appetite in the markets.
- **Weekly and monthly outlook bearish**.
- Minor bearish trend still prevails, suggesting further losses going forward. Caution that a close below 3.0000 today is likely to set a course to 2.9670 next.
- **AUDMYR expectedly declined to 3.0050**, and below.
- **Key resistances:** 3.0200 (R1), 3.0250 (R2), 3.0288 (R3)
- **Key supports:** 3.0100 (S1), 3.0087 (S2), 3.0050 (S3)
- **Expected range for the day:** 2.9920– 3.0205

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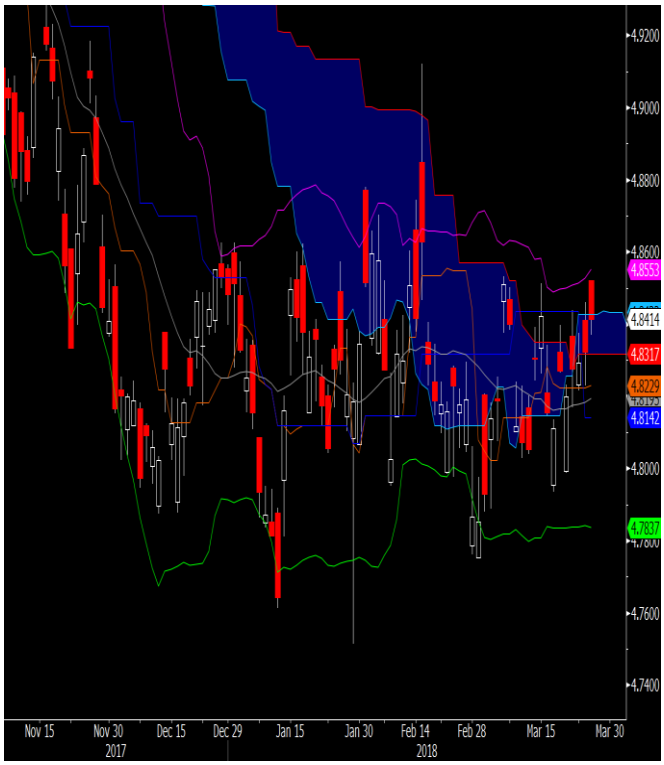
Indicative EURUSD 1.2451



Source: Bloomberg

- EURUSD opened unchanged at 1.2444. **Daily outlook slightly bearish** in anticipation of a technical rebound in USD.
- **Weekly outlook bearish, monthly outlook bullish**.
- Despite prevailing bullish trend, we caution that strong rally such as the one seen overnight generally triggers a modest pullback first before resuming further upsides. Losses, if any, are likely to bounce off 1.2388 otherwise current bullish trend will come under threat.
- **EURUSD is now unlikely to decline to 1.2213**.
- **Key resistances:** 1.2460 (R1), 1.2475 (R2), 1.2500 (R3)
- **Key supports:** 1.2420 (S1), 1.2397 (S2), 1.2370 (S3)
- **Expected range for the day:** 1.2400 – 1.2470

Indicative EURMYR 4.8414



Source: Bloomberg

- EURMYR opened 197pips higher at 4.8521. **Daily outlook bearish**, weighed down by an invigorated MYR from improved risk sentiment in the markets.
- **Weekly and monthly outlook bullish**.
- EURMYR remains fragile in our view despite being in a minor bullish trend amid signs of failure to hold above 4.8317. Bearish bias will accelerate on a close below 4.8270.
- **Continue to expect a potential decline to 4.7826**, otherwise curbed by a close above 4.8359.
- **Key resistances:** 4.8427 (R1), 4.8461 (R2), 4.8512 (R3)
- **Key supports:** 4.8371 (S1), 4.8342 (S2), 4.8300 (S3)
- **Expected range for the day:** 4.8180 – 4.8520

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