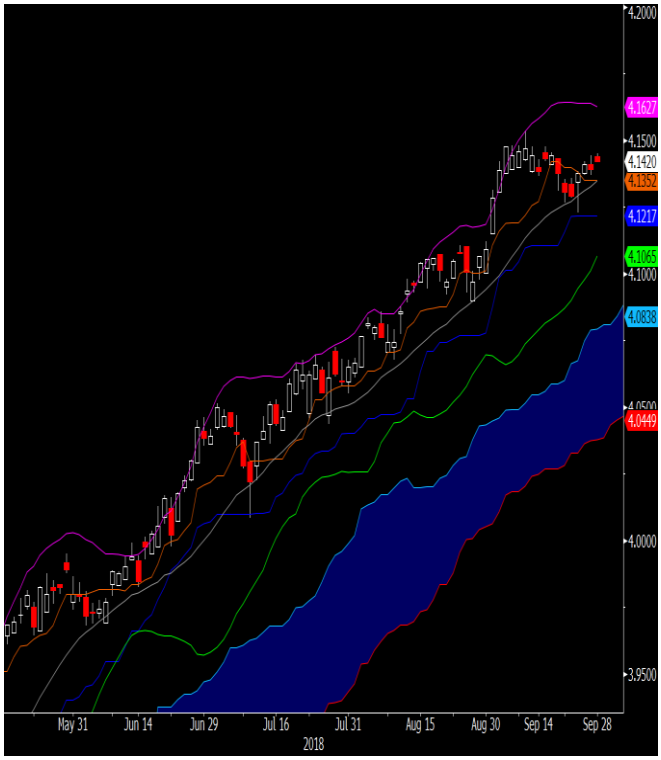
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Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

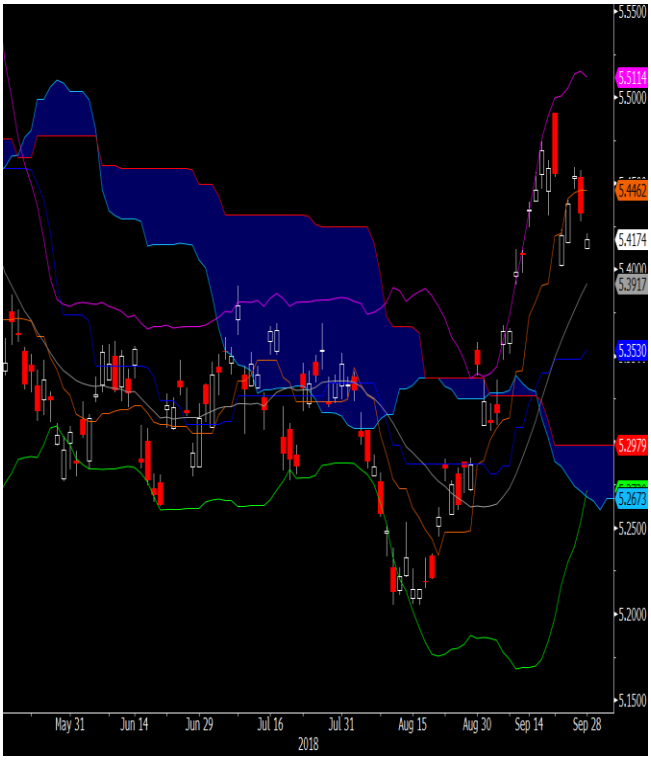
Indicative USDMYR 4.1420



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook slightly bullish** as MYR is likely weighed down by rising risk aversion in the markets, on top of receding buying interest going into the week's close.
- **Weekly outlook neutral, monthly outlook bullish**.
- Bullish bias prevails after USDMYR gapped up at opening and is likely to target 4.1485 next, above which 4.1555 will emerge on the crosshair. On the flip side, if USDMYR manages to break below 4.1400, it will target 4.1350 next.
- **Key resistances:** 4.1455 (R1), 4.1485 (R2), 4.1500 (R3)
- **Key supports:** 4.1400 (S1), 4.1385 (S2), 4.1350 (S3)
- **Expected range for the day:** 4.1380 – 4.1460

Indicative GBPMYR 5.4174

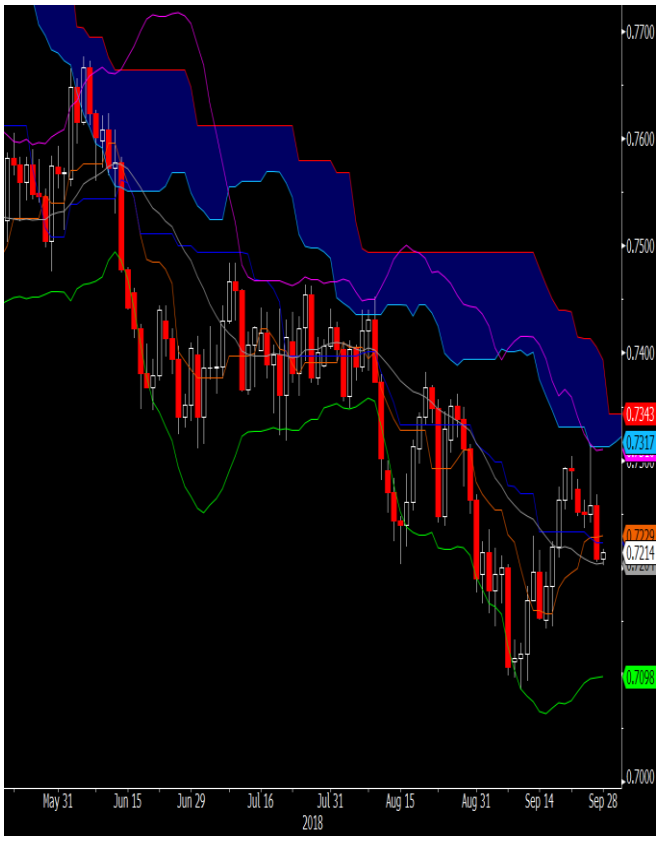


Source: Bloomberg

- GBPMYR opened 208pips lower at 5.4124 today. **Daily outlook bearish**, weighed down by the sharply lower opening and in anticipation of GBP being weighed down by continually soft Brexit sentiment.
- **Weekly outlook bearish, monthly outlook bullish**.
- Bearish trend prevails in GBPMYR, more so after gapping lower at opening. Further losses are likely, with scope to slide to 4.3917, below which GBPMYR could target 5.3530.
- **Expect a potential decline to 4.3917**, otherwise curbed by a close above 5.4245.
- **Key resistances**: 5.4232 (R1), 5.4307 (R2), 5.4400 (R3)
- **Key supports**: 5.4115 (S1), 5.4100 (S2), 5.4080 (S3)
- **Expected range for the day:** 5.4080 – 5.4230

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

Indicative AUDUSD 0.7214

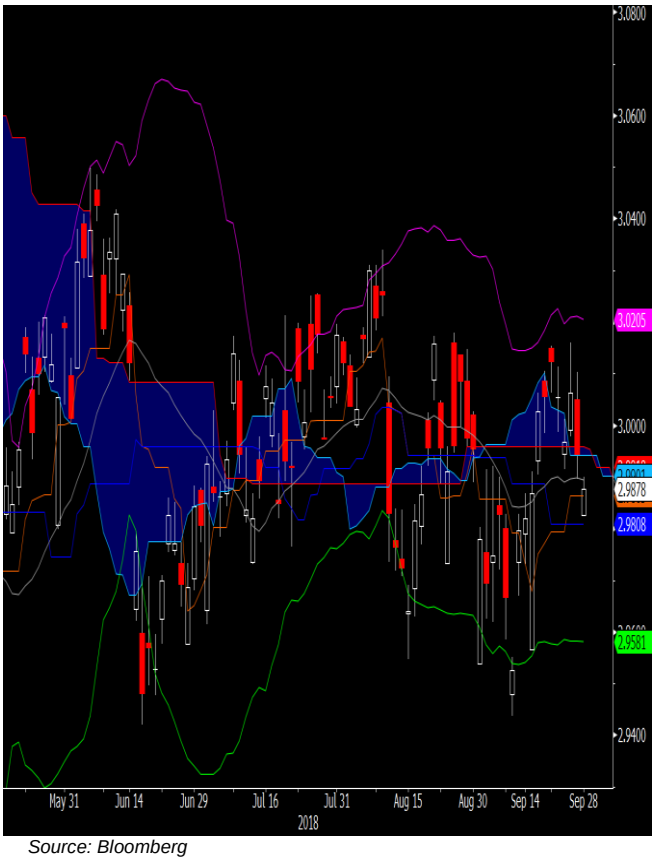


Source: Bloomberg

- AUDUSD opened unchanged at 0.7208 today. **Daily outlook bearish** as risk aversion in the FX space prevails, pressuring AUD.
- **Weekly and monthly outlook bullish**.
- Strong decline overnight along with continued retreat in upside momentum both suggest a lower AUDUSD going forward. Caution that losing 0.7200 will expose a drop to as low as 0.7150 in the next leg lower.
- **AUDUSD is now unlikely to advance to 0.7330**.
- **Key resistances:** 0.7229 (R1), 0.7257 (R2), 0.7275 (R3)
- **Key supports:** 0.7204 (S1), 0.7182 (S2), 0.7158 (S3)
- **Expected range for the day:** 0.7190 – 0.7225

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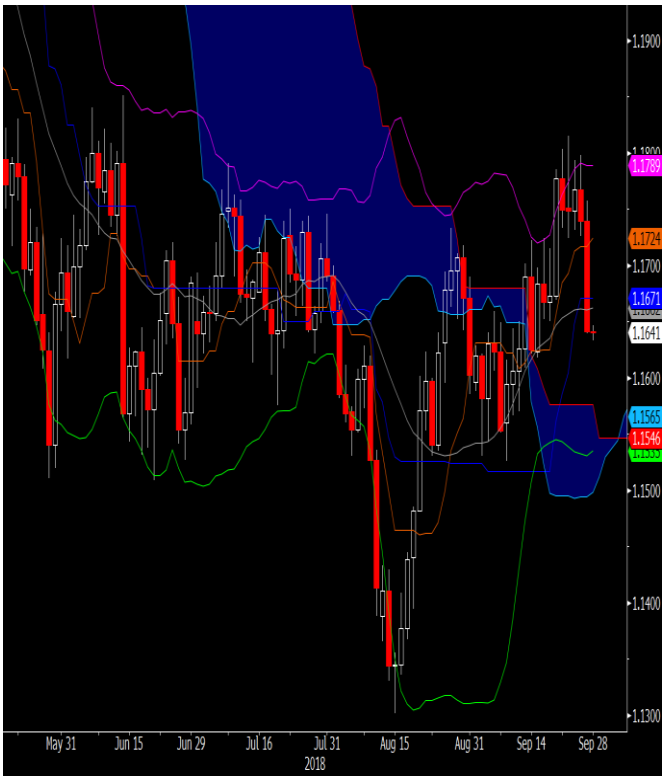
Indicative AUDMYR 2.9878



Source: Bloomberg

- AUDMYR opened 117pips lower at 2.9825 today. **Daily outlook bearish**, weighed down by the sharply lower opening and renewed risk aversion in the markets pressuring AUD.
- **Weekly and monthly outlook bearish**.
- Losing 2.9959 has tilted AUDMYR towards the downside. Expect further losses going forward, possibly testing 2.9737 going forward.
- **AUDMYR is now unlikely to advance to 3.0180**. Expect a potential decline to 2.9737, otherwise curbed by a close above 2.9943.
- **Key resistances:** 2.9893 (R1), 2.9906 (R2), 2.9943 (R3)
- **Key supports:** 2.9863 (S1), 2.9828 (S2), 2.9808 (S3)
- **Expected range for the day:** 2.9825 – 2.9950

Indicative EURUSD 1.1641

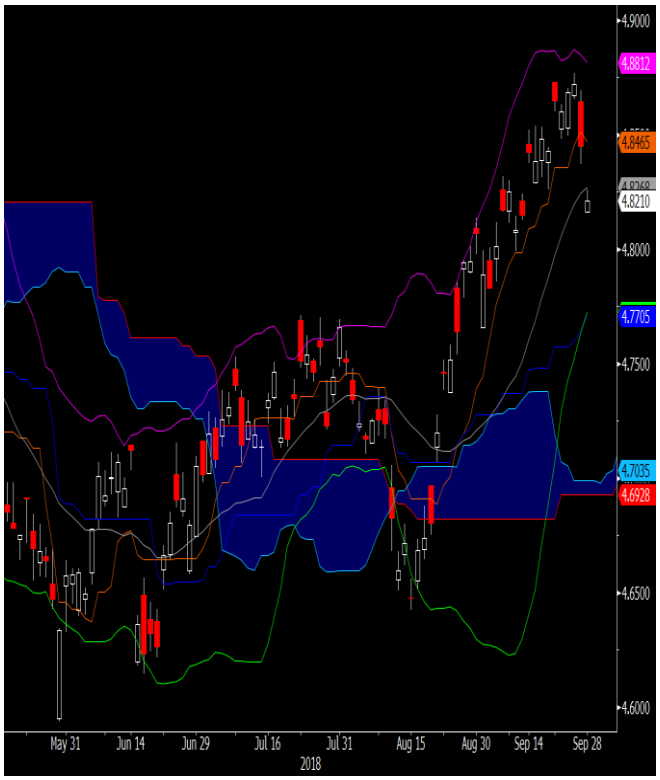


Source: Bloomberg

- EURUSD opened unchanged at 1.1641 today. **Daily outlook bearish**, weighed down by continued scrutiny of Italy's fiscal condition.
- **Weekly and monthly outlook bullish**.
- A rally in EUR can be expected if sentiment improves. EURUSD broke below 1.1716 and is now tilted to the downside. Given rising downside momentum, EURUSD is at risk of losing 1.1618, which would then target 1.1576 in the next leg lower.
- **EURUSD is now unlikely to advance to 1.1851**.
- **Key resistances:** 1.1662 (R1), 1.1694 (R2), 1.1724 (R3)
- **Key supports:** 1.1618 (S1), 1.1598 (S2), 1.1598 (S3)
- **Expected range for the day:** 1.1620 – 1.1670

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

Indicative EURMYR 4.8210



Source: Bloomberg

- EURMYR opened 286pips lower at 4.8163 today. **Daily outlook bearish**, weighed down by the sharply lower opening and potential for EUR to slide further in European session.
- **Weekly outlook neutral, monthly outlook bullish**.
- EURMYR gapping lower at opening is to us the onset of a reversal lower. Holding below 4.8268 is likely to keep EURMYR headed towards 4.8010 – 4.8085.
- **EURMYR expectedly declined to 4.8200** in early trade. Expect a potential decline to 4.8085, otherwise curbed by a close above 4.8300.
- **Key resistances:** 4.8268 (R1), 4.8316 (R2), 4.8368 (R3)
- **Key supports:** 4.8163 (S1), 4.8127 (S2), 4.8100 (S3)
- **Expected range for the day:** 4.8600 – 4.8720

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