Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

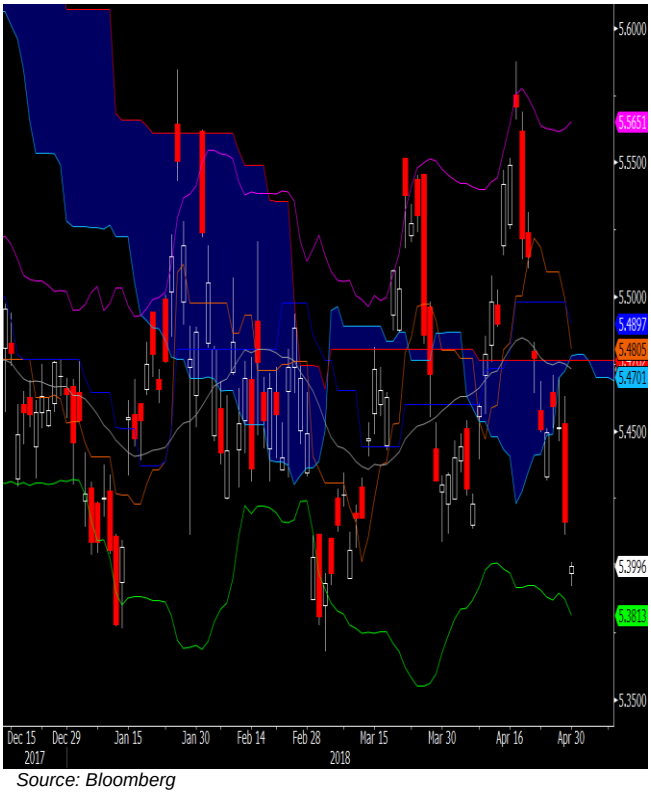
Indicative USDMYR 3.9187



Source: Bloomberg

- USDMYR opened slightly lower today. **Daily outlook slightly bullish** as MYR is likely weighed down by subdued buying interest ahead of Malaysian General Election next week.
- **Weekly and monthly outlook bullish**.
- Upward trajectory remains intact while above 3.9094 and we still set sights on a test at 3.9255. Expect risk of rejection to increase approaching 3.9255 – 3.9290.
- **Key resistances:** 3.9200 (R1), 3.9239 (R2), 3.9267 (R3)
- **Key supports:** 3.9150 (S1), 3.9094 (S2), 3.9066 (S3)
- **Expected range for the day:** 3.9140 – 3.9230

Indicative GBPMYR 5.3996

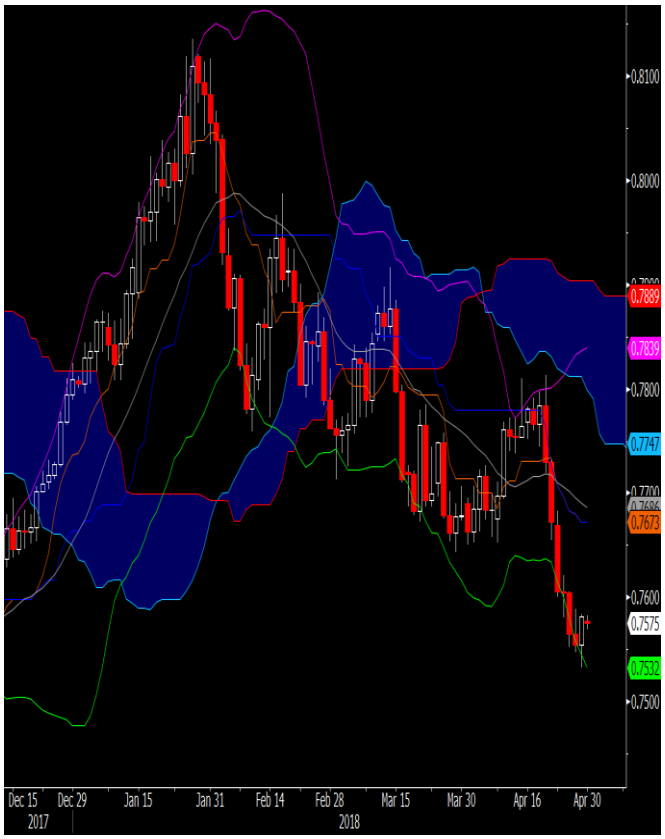


Source: Bloomberg

- GBPMYR opened 190pips lower at 5.3972 today. **Daily outlook bearish** on continued GBP weakness from paring of bets on near-term BOE rate hike.
- **Weekly and monthly outlook bearish**.
- Downside bias continues to take hold and weigh down GBPMYR. GBPMYR has tested 5.3947 in early trade. Caution that a close below 5.3947 will expose a move to 5.3774, though we currently opine that this move will not sustain.
- **GBPMYR expectedly declined to 5.4088** in early trade.
- **Key resistances**: 5.4050 (R1), 5.4088 (R2), 5.4115 (R3)
- **Key supports**: 5.3947 (S1), 5.3926 (S2), 5.3900 (S3)
- **Expected range for the day:** 5.3900 – 5.4050

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

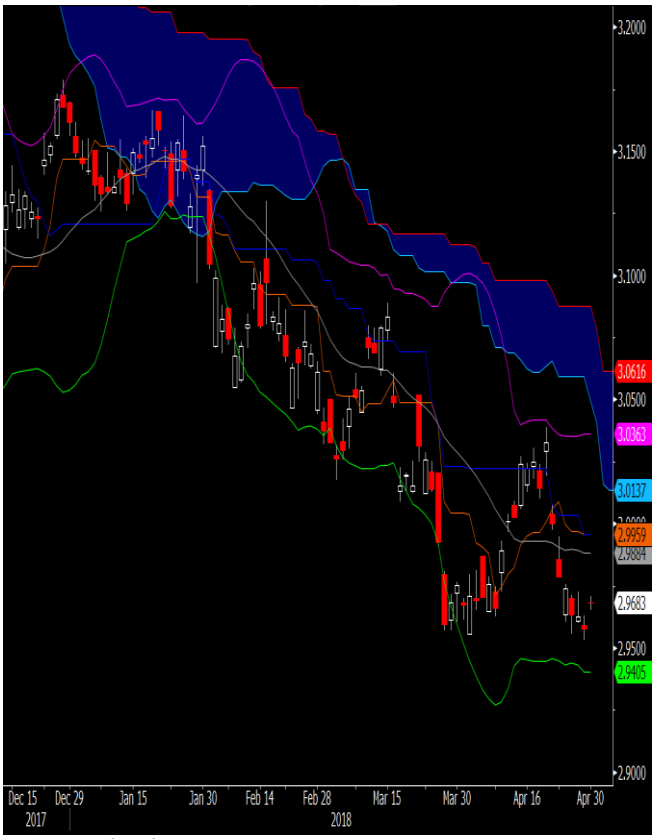
Indicative AUDUSD 0.7575



Source: Bloomberg

- AUDUSD opened unchanged at 0.7577. **Daily outlook slightly bullish**, anticipating support from improved risk appetite in the markets.
- **Weekly and monthly outlook bearish**.
- AUDUSD again attempts to rebound but we reckon that gains will be limited to 0.7604 today before sliding below 0.7565. Upside break of 0.7604 today or failure to close below 0.7565 hint at the end of current downtrend and sets up a more sustained rebound going forward.
- **Key resistances:** 0.7580 (R1), 0.7604 (R2), 0.7652 (R3)
- **Key supports:** 0.7550 (S1), 0.7533 (S2), 0.7520 (S3)
- **Expected range for the day:** 0.7550 – 0.7600

Indicative AUDMYR 2.9683

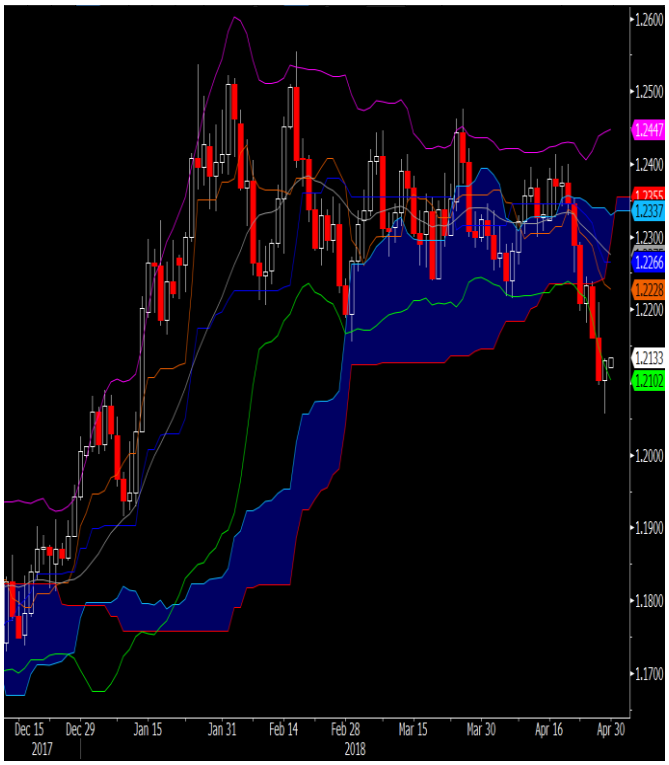


Source: Bloomberg

- AUDMYR opened 108pips higher at 2.9684. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bearish**.
- A close below 2.9628 is still expected within the coming 2 days. But given diminishing downside momentum, we suspect that declines may be abating, potentially leading to a rebound going forward.
- **Continue to expect a potential decline to 2.9430**, otherwise curbed by a close above 2.9756.
- **Key resistances:** 2.9700 (R1), 2.9739 (R2), 2.9756 (R3)
- **Key supports:** 2.9645 (S1), 2.9630 (S2), 2.9600 (S3)
- **Expected range for the day:** 2.9640 – 2.9720

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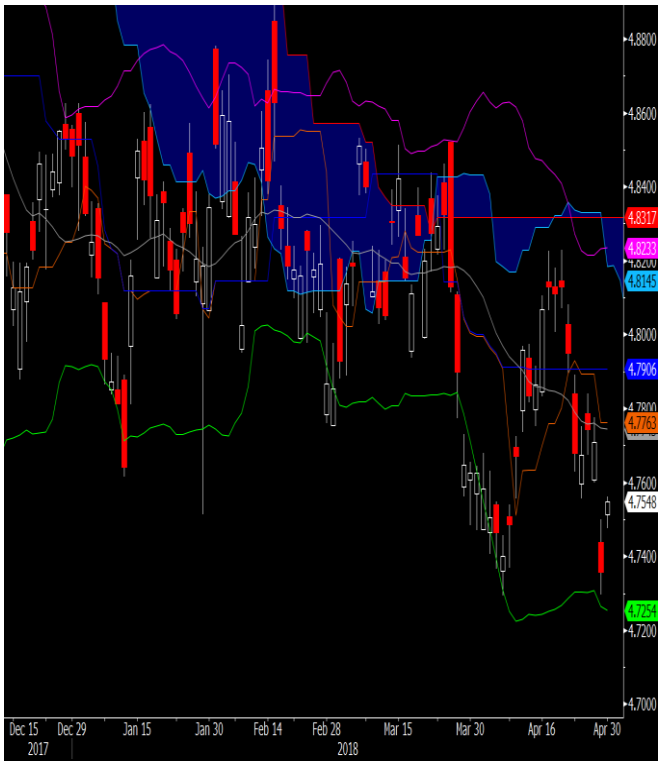
Indicative EURUSD 1.2133



Source: Bloomberg

- EURUSD opened 9pips lower at 1.2121. **Daily outlook slightly bullish**; direction will be dictated by USD performance in response to US data.
- **Weekly and monthly outlook bearish**.
- EURUSD remains technically bearish but downsides appear to be diminishing, thus we reckon that current downtrend is ending soon. A close below 1.2103 is still possible by Wed, but a rebound could culminate thereafter, potentially testing 1.2228.
- **Key resistances:** 1.2160 (R1), 1.2188 (R2), 1.2200 (R3)
- **Key supports:** 1.2101 (S1), 1.2085 (S2), 1.2050 (S3)
- **Expected range for the day:** 1.2090 – 1.2160

Indicative EURMYR 4.7548



Source: Bloomberg

- EURMYR opened 157pips higher at 4.7514. **Daily outlook bullish**, lifted by the sharply higher opening.
- **Weekly and monthly outlook bearish**.
- Downside momentum continues to build, suggesting further declines are likely. EURMYR is still technically bearish, and expected to stay below 4.7710 in the coming 2 days.
- **Key resistances:** 4.7557 (R1), 4.7600 (R2), 4.7628 (R3)
- **Key supports:** 4.7500 (S1), 4.7458 (S2), 4.7406 (S3)
- **Expected range for the day:** 4.7450 – 4.7580

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