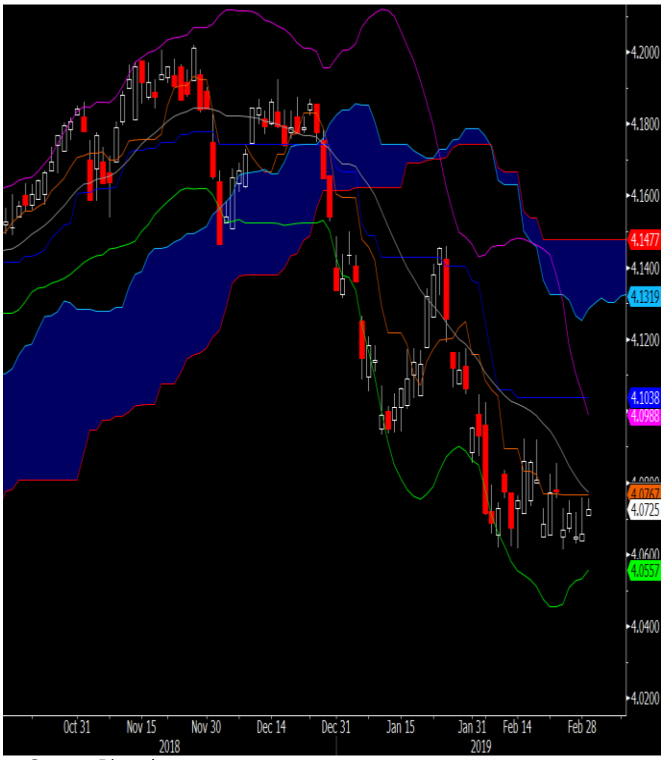
March 1, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

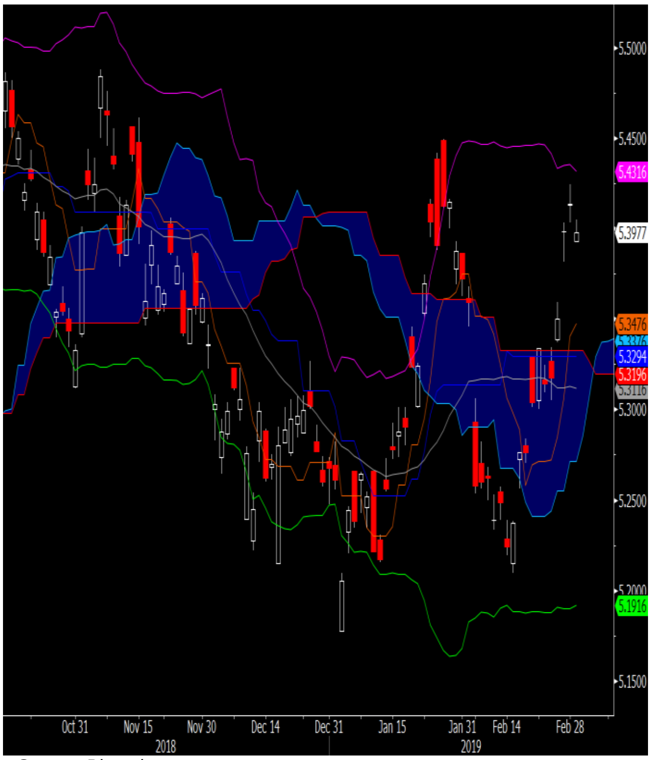
Indicative USDMYR 4.0725



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook slightly bullish**, in anticipation of pressure from receding risk appetite in the markets.
- **Weekly and monthly outlook bullish**.
- Lingering price-momentum divergence and a bullish reversal pattern continue to hint at USDMYR heading higher going forward. We continue to caution that failure to push below 4.0500 is likely to encourage the bulls and spark a rally back to 4.0920 – 4.0965.
- **Key resistances:** 4.0750 (R1), 4.0770 (R2), 4.0795 (R3)
- **Key supports:** 4.0700 (S1), 4.0670 (S2), 4.0650 (S3)
- **Expected range for the day:** 4.0700 – 4.0780

Indicative GBPMYR 5.3977

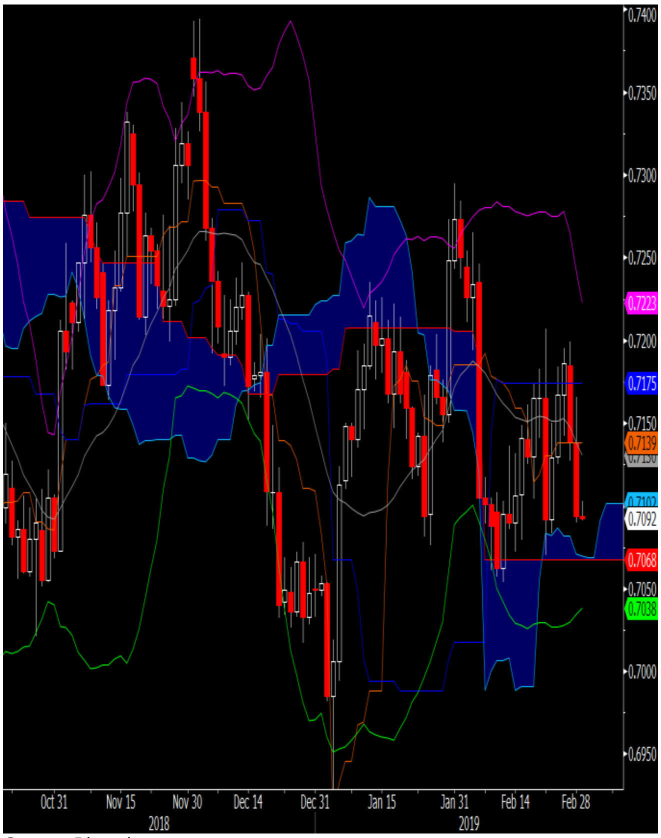


Source: Bloomberg

- GBPMYR opened 206pips lower at 5.3930 today. **Daily outlook bearish**, as a result of the sharply lower opening.
- **Weekly outlook bullish, monthly outlook bearish**.
- As noted in previous reports, today's gap-down is an early sign that GBPMYR is finally relinquishing its upside strength after gapping higher for 4 days. There is room for a decline to 5.3328 going forward.
- **Expect a potential decline to 5.3328**, otherwise curbed by a close above 5.4300.
- **Key resistances**: 5.4000 (R1), 5.4047 (R2), 5.4080 (R3)
- **Key supports**: 5.3950 (S1), 5.3932 (S2), 5.3900 (S3)
- **Expected range for the day:** 5.3880 – 5.4050

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

Indicative AUDUSD 0.7092



Source: Bloomberg

- AUDUSD opened unchanged at 0.7094 today. **Daily outlook slightly bearish**, anticipating downside pressure from easing risk appetite in the markets.
- **Weekly outlook bearish, monthly outlook neutral**.
- Downward momentum has emerged and AUDUSD is now tilted to the downside. Expect a test at 0.7069 next, below which 0.7039 will be targeted. Rebound from recent losses cannot be ruled out, but will likely be stemmed near 0.7139.
- **Key resistances:** 0.7104 (R1), 0.7110 (R2), 0.7139 (R3)
- **Key supports:** 0.7084 (S1), 0.7069 (S2), 0.7038 (S3)
- **Expected range for the day:** 0.7070 – 0.7105

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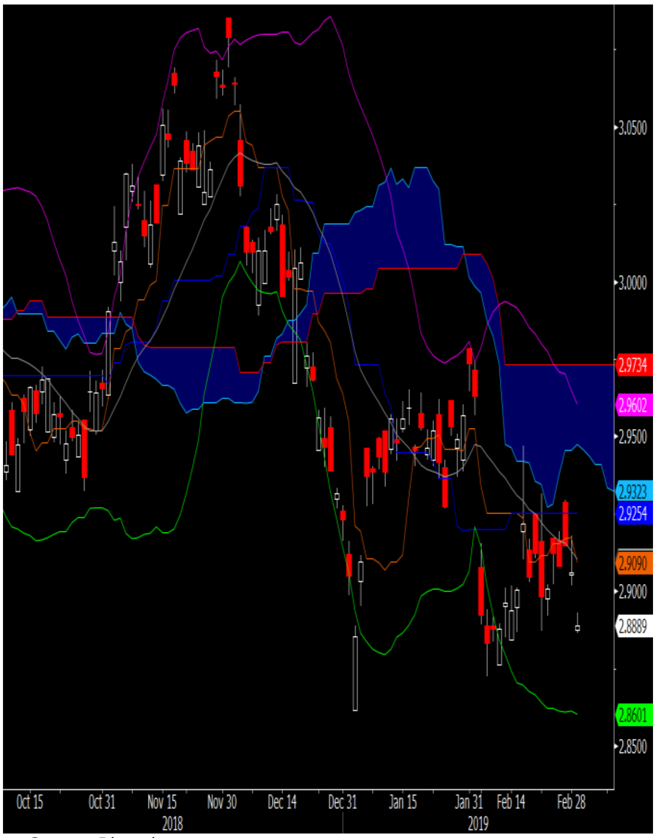
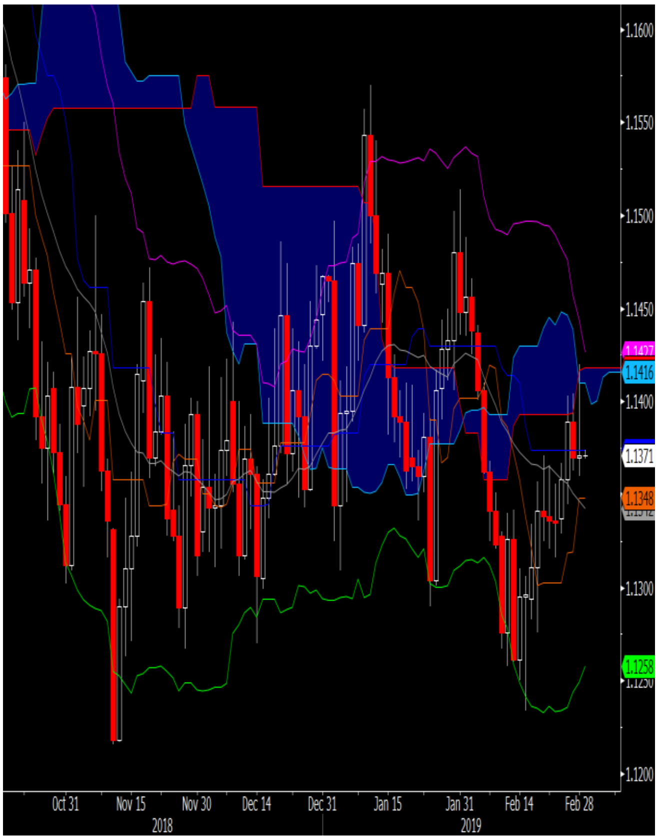
Indicative AUDMYR 2.8889



Source: Bloomberg

- AUDMYR opened 186pips lower at 2.8873 today. **Daily outlook bearish**, weighed down by the sharply lower opening as well as downside potential in AUD amid receding risk appetite.
- **Weekly outlook bearish, monthly outlook bullish**.
- Today's gap down suggests that AUDMYR is now tilted to the downside. Caution that losing 2.8851 will encourage the bears further, pushing AUDMYR to as low as 2.8723.
- **Key resistances:** 2.8920 (R1), 2.8940 (R2), 2.8962 (R3)
- **Key supports:** 2.8873 (S1), 2.8851 (S2), 2.8839 (S3)
- **Expected range for the day:** 2.8850 – 2.8930

Indicative EURUSD 1.1371



Source: Bloomberg

- EURUSD opened unchanged at 1.1371 today. **Daily outlook bullish** in anticipation of a soft USD.
- **Weekly and monthly outlook bullish**.
- EURUSD remains in a bullish trend and expectedly climbed to 1.1413 before being rejected. We reckon that EURUSD will attempt another test here, above which 1.1459 will be targeted.
- **Continue to expect a potential advance to 1.1444**, otherwise curbed by a close below 1.1340.
- **Key resistances:** 1.1387 (R1), 1.1395 (R2), 1.1416 (R3)
- **Key supports:** 1.1367 (S1), 1.1350 (S2), 1.1340 (S3)
- **Expected range for the day:** 1.1360 – 1.1410

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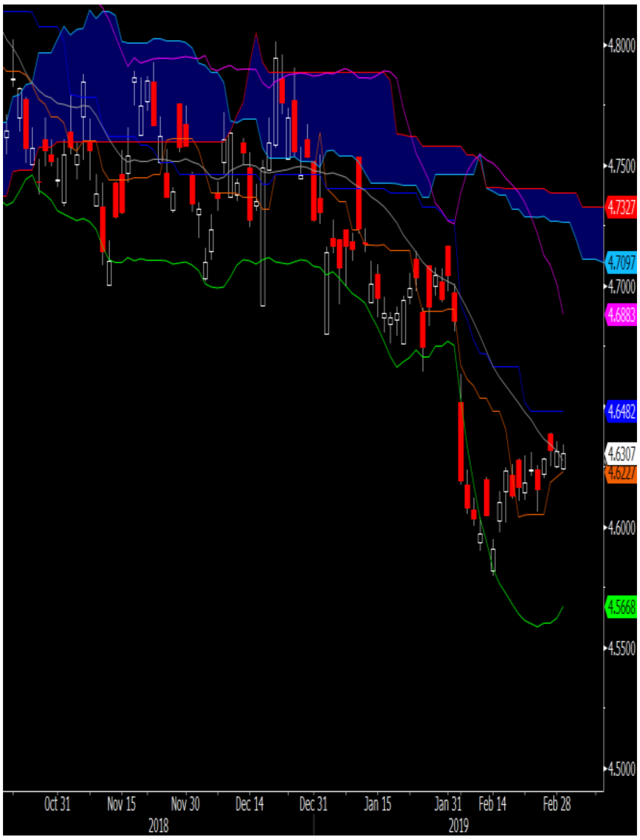
Indicative EURMYR 4.6307



Source: Bloomberg

- EURMYR opened 72pips lower at 4.6241 today. **Daily outlook slightly bullish** in anticipation of a firmer EUR.
- **Weekly and monthly outlook bullish**.
- Upward momentum continues to improve for EURMYR, thus we maintain an upside view. EURMYR is likely setting sights on a climb to, and possibly a break above, 4.6400, which if it does will expose a move towards 4.6633 in the longer term.
- **Continue to expect a potential advance to 4.6633**, otherwise curbed by a close below 4.6205.
- **Key resistances:** 4.6356 (R1), 4.6393 (R2), 4.6420 (R3)
- **Key supports:** 4.6276 (S1), 4.6227 (S2), 4.6200 (S3)
- **Expected range for the day:** 4.6230 – 4.6360

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