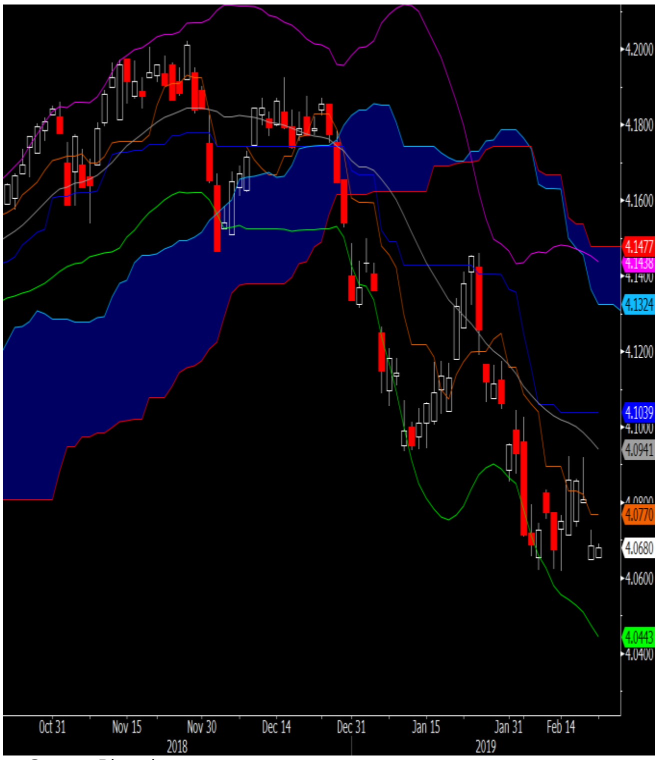
March 4, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.0680



Source: Bloomberg

- USDMYR opened almost unchanged today. **Daily outlook slightly bullish** on the back of a slightly stronger USD and profit taking activities in anticipation of key US economic data due end of the week.
- **Weekly and monthly outlook bullish**.
- Continued consolidation in the recent range of 4.06-4.09 is expected given a lack of push/pull factors.
- **Key resistances:** 4.0800 (R1), 4.0860 (R2), 4.0930 (R3)
- **Key supports:** 4.0650 (S1), 4.0600 (S2), 4.0550 (S3)
- **Expected range for the day:** 4.0720 – 4.0780

Indicative GBPMYR 5.3919

Source: Bloomberg

- GBPMYR opened 47pips lower at 5.3932 today. **Daily outlook bearish** in anticipation of a retracement in GBP which appeared overstretched after recent gains.
- **Weekly and monthly outlook bearish**.
- Continuous lower opening today reiterated that GBPMYR is losing its upside strength, affirming our view that the pair has 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**: 5.3900 (S1), 5.3859 (S2), 5.3802 (S3)
- **Expected range for the day:** 5.3800 – 5.4000

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

Indicative AUDUSD 0.7085

Source: Bloomberg

- AUDUSD opened 6pips higher at 0.7085 today. **Daily outlook slightly bearish** amid retreating risk appetite in the markets ahead of major US and China data.
- **Weekly outlook bullish, 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:** 0.7106 (R1), 0.7110 (R2), 0.7139 (R3)
- **Key supports:** 0.7077 (S1), 0.7064 (S2), 0.7038 (S3)
- **Expected range for the day:** 0.7060 – 0.7110

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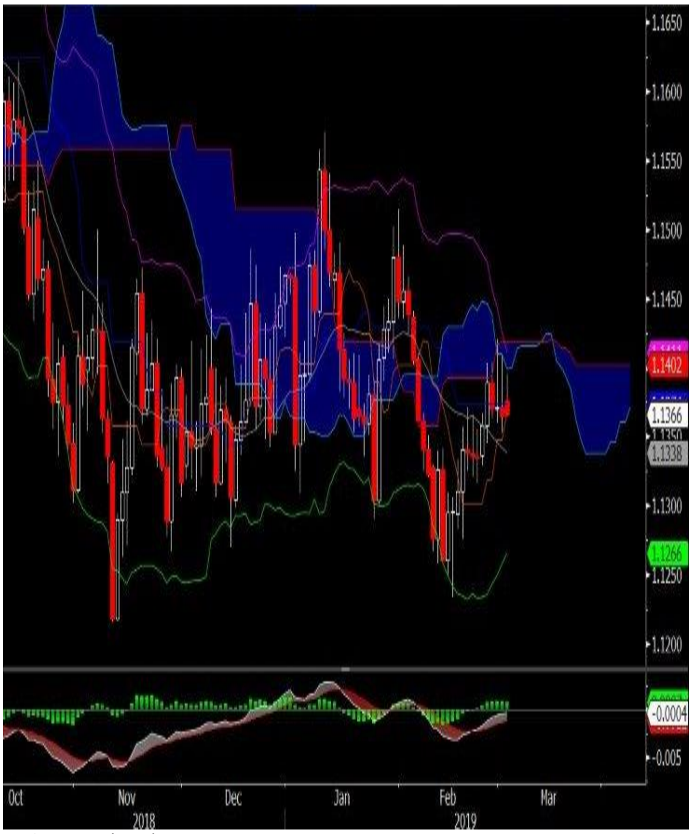
Indicative AUDMYR 2.8860

Source: Bloomberg

- AUDMYR opened 26pips higher at 2.8921 today. **Daily outlook bearish**, in anticipation of downside potential in AUD amid receding risk appetite.
- **Weekly outlook bearish, monthly outlook bullish**.
- Decreasing positive momentum added to signs AUDMYR is tilting to the downside. Losing 2.8851 (likely today) 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:** 2.8851 (S1), 2.8839 (S2), 2.8756 (S3)
- **Expected range for the day:** 2.8800 – 2.8930

Indicative EURUSD 1.1366



Source: Bloomberg

Indicative EURMYR 4.6302

Source: Bloomberg

- EURUSD opened 11pips higher at 1.1376 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:** 1.1350 (S1), 1.1340 (S2), 1.1326 (S3)
- **Expected range for the day:** 1.1350 – 1.1410

- EURMYR opened 61pips higher at 4.6345 today. **Daily outlook slightly bearish** in anticipation of a firmer EUR.
- **Weekly and monthly outlook bullish**.
- Upward momentum continues to support the case for upside bias in the pair. 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 – 4.6370

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