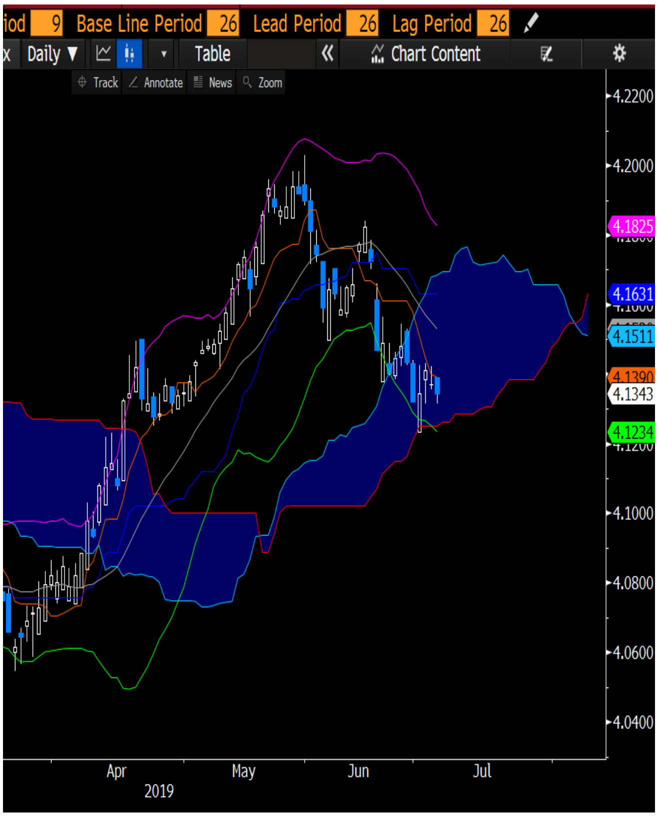
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

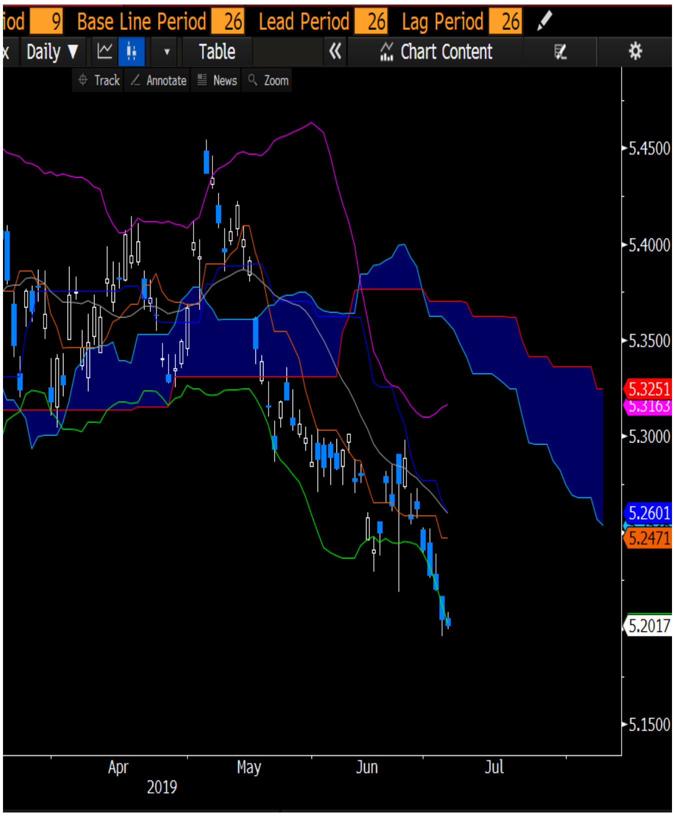
Indicative USDMYR 4.1370



Source: Bloomberg

- USDMYR opened marginally higher at 4.1392. **Daily outlook neutral to slightly bullish.**
- **Weekly outlook neutral to slightly bullish and monthly outlook bearish**.
- **We are neutral to slightly bullish on USDMYR today** due to 4th July US holiday. **We are still bullish MYR in the medium term** given that MYR continues to trade below the 4.1600 pivot as well as ongoing expectations of a Fed rate cut in late July.
- **Key resistances:** 4.1450 (R1), 4.1500 (R2), 4.1550 (R3)
- **Key supports:** 4.1350 (S1), 4.1300 (S2), 4.1250 (S3)
- **Expected range for the day:** 4.1300– 4.1400

Indicative GBPMYR 5.2030

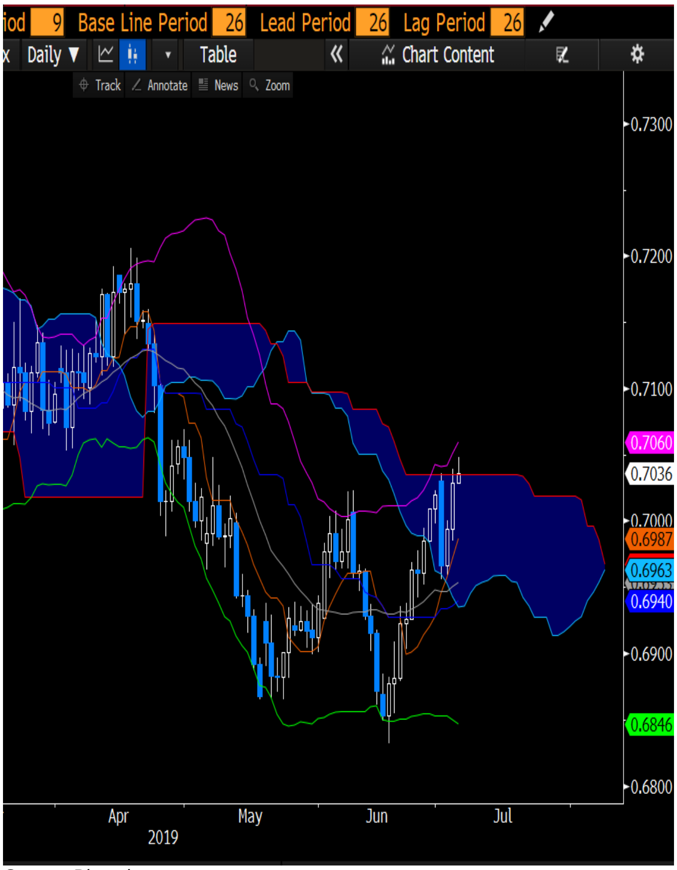


Source: Bloomberg

- GBPMYR opened flat at 5.2051 today. **Daily outlook neutral to slightly bearish**.
- **Weekly outlook bearish and monthly outlook neutral**.
- **We remain bearish on the pair** due to a dovish BOE and poor economic data. In the medium term, leadership and Brexit uncertainties would likely **keep the sterling under pressure** from now until 31 Oct.
- **Key resistances**: 5.2200 (R1), 5.2400 (R2), 5.2500 (R3)
- **Key supports**: 5.2000 (S1), 5.1900 (S2), 5.1800 (S3)
- **Expected range for the day:** 5.1900– 5.2200

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

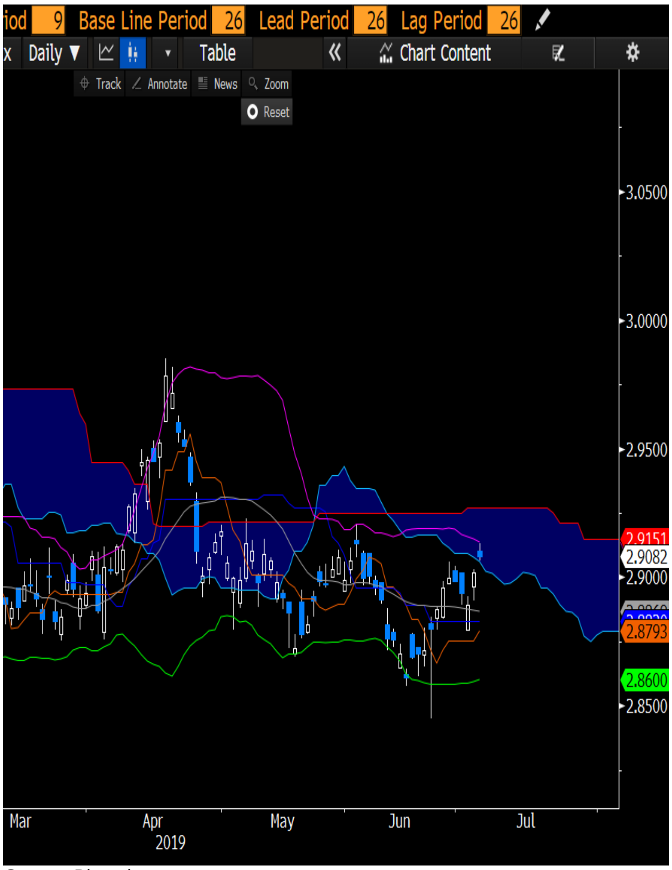
Indicative AUDUSD 0.7032



Source: Bloomberg

- AUDUSD opened unchanged at 0.7029 today. **Daily outlook neutral to mildly bullish.**
- **Weekly and monthly outlook slightly bullish.**
- **AUD looks neutral to mildly bullish** in the short term due to mixed USD trading ahead of 4th July holiday. AUD has recovered the post RBA cut move lower and we are trading at pre-cut levels due to US-China trade resolution hopes. Pair is more sensitive to the development in the US-China trade relation in the medium term. Due to a lack of forward guidance by RBA, we look towards developments in the trade row front and the Fed for future directional guidance.
- **Key resistances:** 0.7050 (R1), 0.7075 (R2), 0.7100 (R3)
- **Key supports:** 0.7000 (S1), 0.6975 (S2), 0.6950 (S3)
- **Expected range for the day:** 0.7000-0.7050

Indicative AUDMYR 2.9088



Source: Bloomberg

- AUDMYR opened 0.29% higher at 2.9102 today. **Daily outlook mildly bullish.**
- **Weekly outlook neutral and monthly outlook slightly bearish.**
- **AUD component got a decent boost overnight** due to mixed USD trading ahead of 4th July holiday. We have MYR trade balance due later on the day which may provide some catalyst for the pair to move in an otherwise quiet session due to the holiday and on a light economic data calendar.
- **Key resistances:** 2.9100 (R1), 2.9250 (R2), 2.9350 (R3)
- **Key supports:** 2.8900 (S1), 2.8750 (S2), 2.8600 (S3)
- **Expected range for the day:** 2.9000– 2.9200

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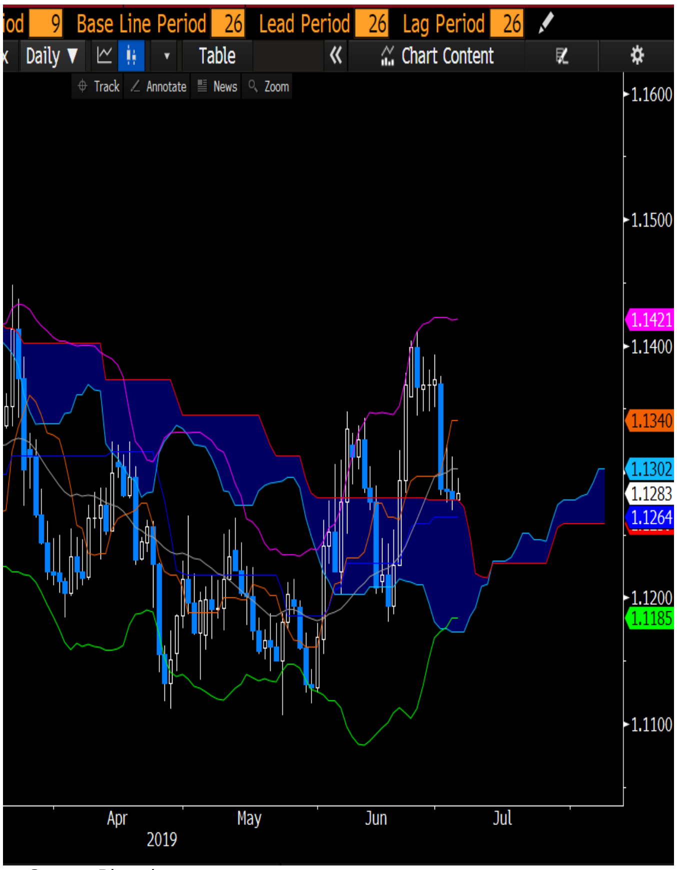
Indicative EURUSD 1.1289



Source: Bloomberg

- EURUSD opened unchanged at 1.1278 today. **Daily outlook neutral to mildly bullish.**
- **Weekly outlook bearish and monthly outlook bullish**.
- **We are neutral to mildly bullish EUR today** as the data calendar is light and it is the 4th July holiday. In the more medium term, we continue to be bullish EUR as the Fed is expected to cut rates this year while the ECB likely to hold its key rates steady for the remainder of 2019.
- **Key resistances:** 1.1300 (R1), 1.1320 (R2), 1.1350 (R3)
- **Key supports:** 1.1275 (S1), 1.1250 (S2), 1.1230 (S3)
- **Expected range for the day:** 1.1270 – 1.1320

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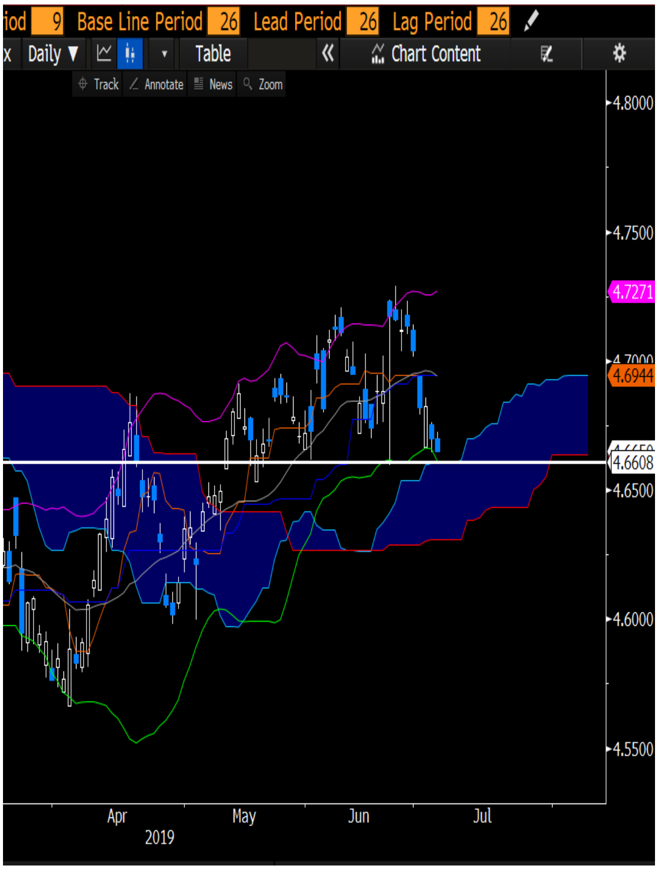
Indicative EURMYR 4.6685



Source: Bloomberg

- EURMYR opened almost unchanged at 4.6700 today. **Daily outlook neutral to mildly bullish.**
- **Weekly outlook bullish, monthly outlook bearish**.
- **We are neutral to mildly bullish on the pair today amid** 4th July holiday. We have upcoming Malaysia trade balance at noon later which may provide some catalyst for the pair to move in lieu of light economic data and subdued trading environment.
- **Key resistances:** 4.6800 (R1) 4.6950 (R1), 4.7080 (R3)
- **Key supports:** 4.6600 (S1), 4.6450 (S2), 4.6400 (S3)
- **Expected range for the day:** 4.6450– 4.6800

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