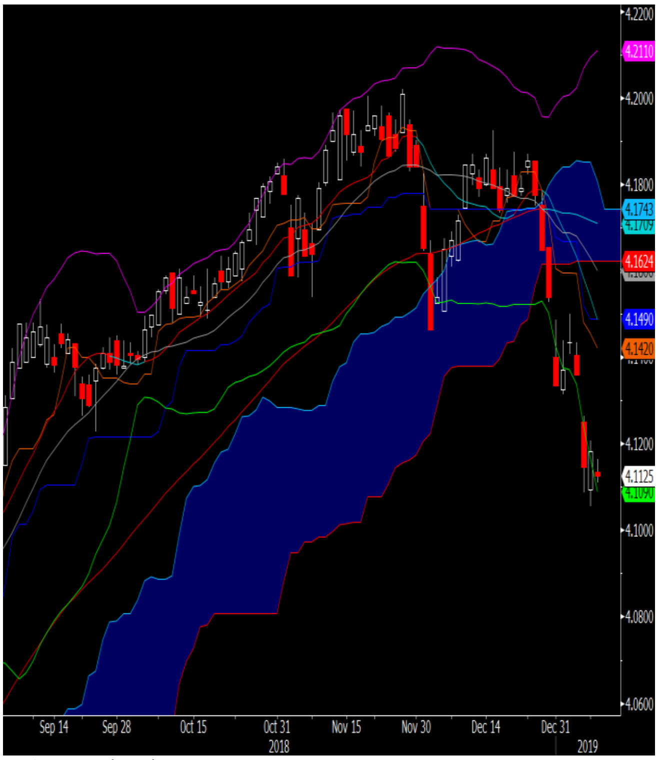
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

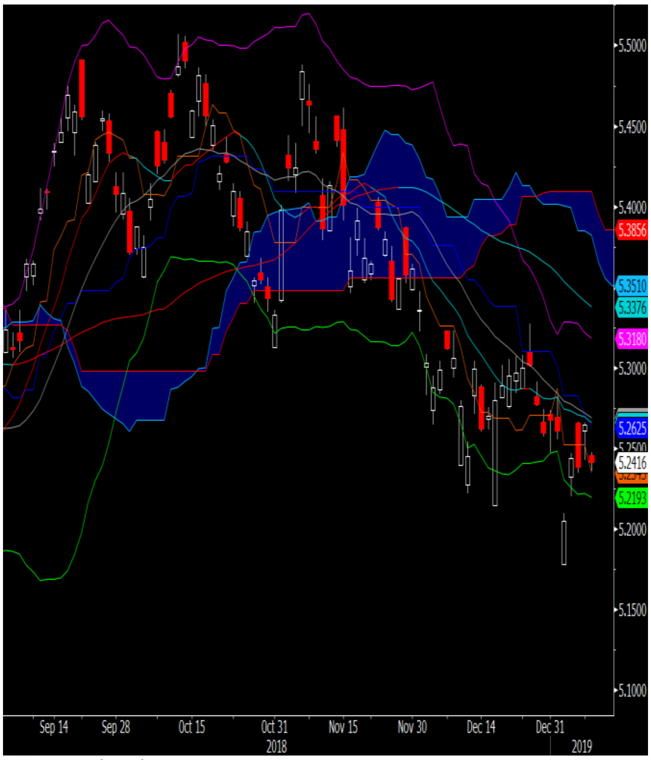
Indicative USDMYR 4.1125



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook slightly bearish** on a soft USD, with MYR supported by extended risk-on in the markets.
- **Weekly and monthly outlook bearish**.
- Bearish bias prevails and USDMYR remains inclined the downsides, with room to slide to 4.1060 next. We caution that recent declines may have exhausted USDMYR's bearish strength and losses may be more moderate going forward.
- **Key resistances:** 4.1150 (R1), 4.1185 (R2), 4.1200 (R3)
- **Key supports:** 4.1100 (S1), 4.1085 (S2), 4.1050 (S3)
- **Expected range for the day:** 4.1090 – 4.1170

Indicative GBPMYR 5.2416

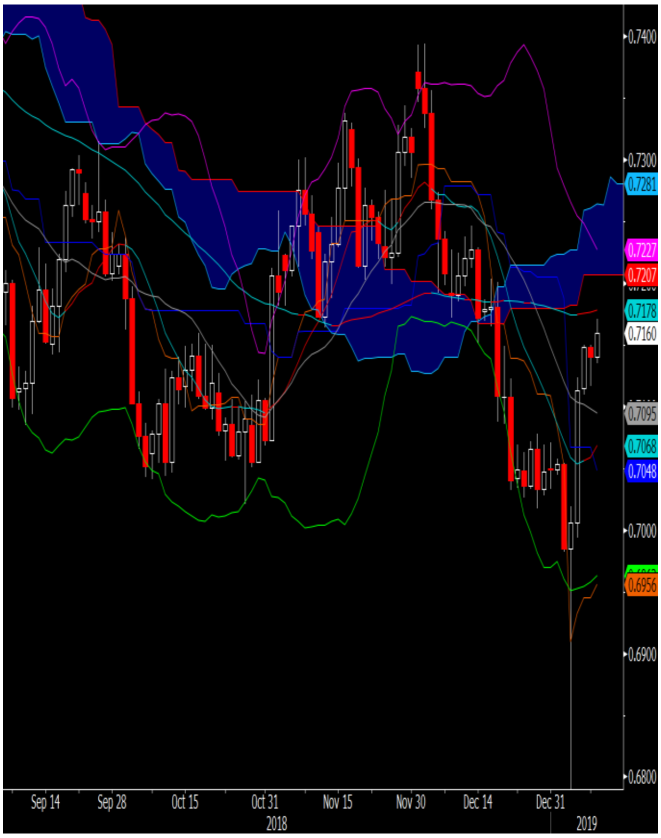


Source: Bloomberg

- GBPMYR opened 184pips lower at 5.2459 today. **Daily outlook slightly bearish**, weighed down by the sharply lower opening but we reckon that losses will be narrowed.
- **Weekly and monthly outlook bullish**.
- Despite a daily bearish outlook, we reiterate that signs of a rebound have firmed up. Expect further gains going forward, with room to test 5.2712.
- **Continue to expect a potential climb to 5.2712**, otherwise curbed by a close below 5.2345.
- **Key resistances**: 5.2441 (R1), 5.2476 (R2), 5.2500 (R3)
- **Key supports**: 5.2400 (S1), 5.2345 (S2), 5.2300 (S3)
- **Expected range for the day:** 5.2345 – 5.2520

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

Indicative AUDUSD 0.7160



Source: Bloomberg

- AUDUSD opened unchanged at 0.7140 today. **Daily outlook bullish**, lifted by improving risk appetite in the markets and optimism of US-China trade talks.
- **Weekly and monthly outlook bullish**.
- Upward momentum continues to improve, supporting further gains in AUDUSD. Expect a test at 0.7178 next, above which AUDUSD will be inclined to challenge 0.7207. As witnessed yesterday, we reiterate that a pullback after recent rally is not unreasonable, but should maintain a bullish tone if it holds above 0.7068.
- **Continue to expect a potential advance to 0.7207**, otherwise curbed by a close below 0.7095.
- **Key resistances:** 0.7178 (R1), 0.7207 (R2), 0.7229 (R3)
- **Key supports:** 0.7150 (S1), 0.7120 (S2), 0.7100 (S3)
- **Expected range for the day:** 0.7135 – 0.7190

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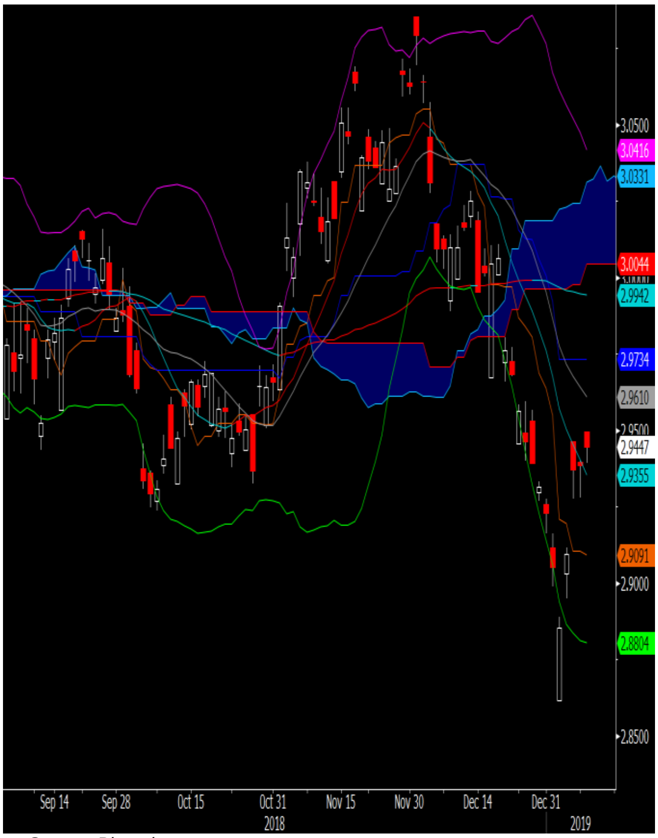
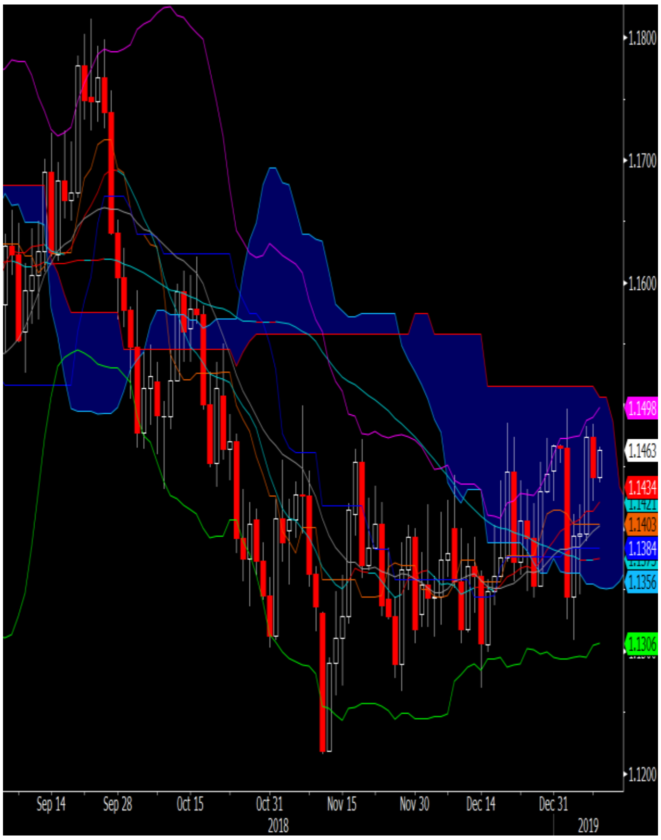
Indicative AUDMYR 2.9447



Source: Bloomberg

- AUDMYR opened 108pips higher at 2.9495 today. **Daily outlook slightly bullish**, lifted by the sharply higher opening and with AUD supported by improving risk appetite.
- **Weekly and monthly outlook bullish**.
- AUDMYR remains tilted to the upside, with room to climb higher to circa 2.9675 going forward. Holding above 2.9369 is likely to preserve a bullish bias AUDMYR.
- **Continue to expect a potential advance 2.9675**, otherwise curbed by a close below 2.9400.
- **Key resistances:** 2.9465 (R1), 2.9498 (R2), 2.9555 (R3)
- **Key supports:** 2.9400 (S1), 2.9369 (S2), 2.9355 (S3)
- **Expected range for the day:** 2.9390 – 2.9550

Indicative EURUSD 1.1463



Source: Bloomberg

- EURUSD opened unchanged at 1.1441 today. **Daily outlook bullish** in expectation of a softer USD.
- **Weekly and monthly outlook bullish**.
- EURUSD remains technically bullish in our view but risk of a rejection still remains as long as it has not cleared 1.1486 – 1.1497. Beating this exposes a move to 1.1516 next, otherwise, a return to 1.1403 is highly likely.
- **Continue to expect a potential advance to 1.1516**, otherwise curbed by a close below 1.1418
- **Key resistances:** 1.1486 (R1), 1.1497 (R2), 1.1507 (R3)
- **Key supports:** 1.1449 (S1), 1.1437 (S2), 1.1418 (S3)
- **Expected range for the day:** 1.1435 – 1.1495

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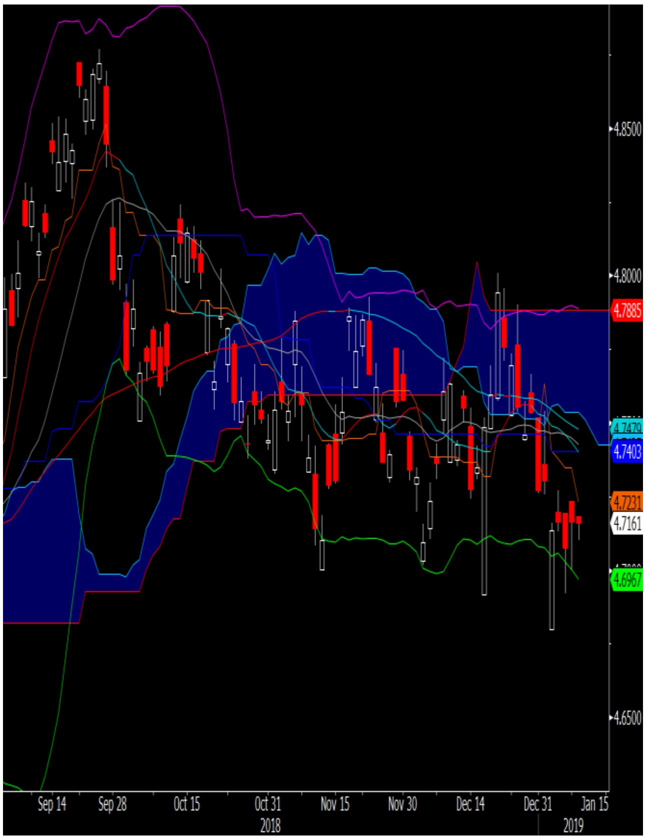
Indicative EURMYR 4.7161



Source: Bloomberg

- EURMYR opened 18pips higher at 4.7181 today. **Daily outlook neutral** in anticipation of a firmer EUR in European session to overturn early losses.
- **Weekly and monthly outlook bullish**.
- A mild bullish bias has emerged, but unlikely to sustain further gains unless EURMYR breaks above 4.7231.
- **Key resistances:** 4.7196 (R1), 4.7231 (R2), 4.7255 (R3)
- **Key supports:** 4.7133 (S1), 4.7100 (S2), 4.7085 (S3)
- **Expected range for the day:** 4.7100 – 4.7230

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