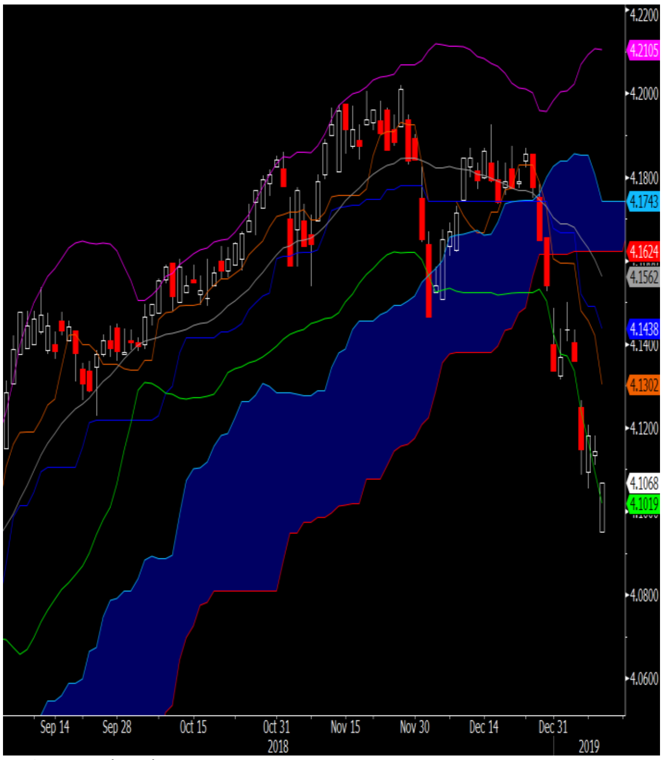
Global Markets Research
FX Strategy

Daily Currency Outlook – 11am edition

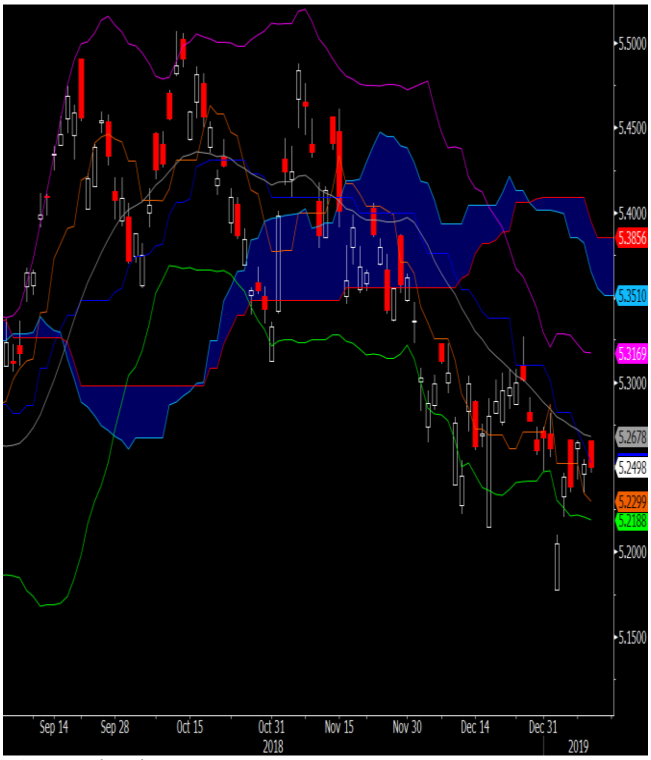
Indicative USDMYR 4.1068



Source: Bloomberg

- USDMYR opened sharply lower today. **Daily outlook bearish** on a weak USD, with MYR supported by extended risk-on in the markets.
- **Weekly and monthly outlook bearish**.
- Bearish bias prevails and USDMYR remains inclined to the downsides, with room to slide to 4.0860 going forward. But still, we caution that recent declines may have exhausted USDMYR's bearish strength and there may be a minor rebound, possibly back to circa 4.1110 - 4.1150 first, before extending further losses.
- **Key resistances:** 4.1090 (R1), 4.1100 (R2), 4.1120 (R3)
- **Key supports:** 4.1050 (S1), 4.1015 (S2), 4.1000 (S3)
- **Expected range for the day:** 4.0950 – 4.1100

Indicative GBPMYR 5.2498

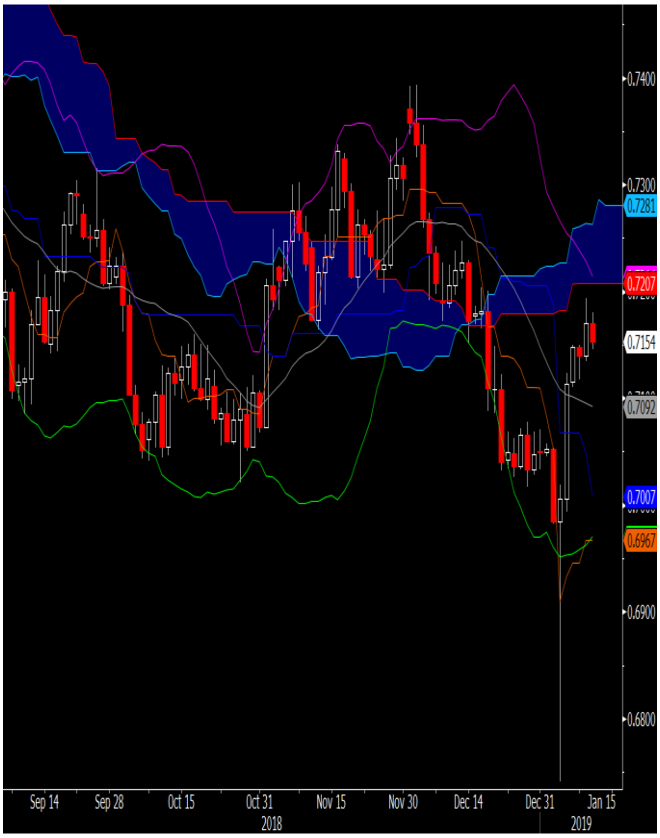


Source: Bloomberg

- GBPMYR opened 140pips higher at 5.2658 today. **Daily outlook slightly bullish**, in anticipation of a firmer GBP to overturn early losses.
- **Weekly and monthly outlook bullish**.
- We maintain that signs of a rebound have firmed up, despite early losses. 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 5.2400.
- **Key resistances**: 5.2524 (R1), 5.2572 (R2), 5.2600 (R3)
- **Key supports**: 5.2433 (S1), 5.2400 (S2), 5.2348 (S3)
- **Expected range for the day:** 5.2400 – 5.2660

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

Indicative AUDUSD 0.7154



Source: Bloomberg

- AUDUSD opened unchanged at 0.7170 today. **Daily outlook bullish**, staying supported 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. A test at 0.7178 is next, above which there is room for a climb to 0.7207. We still caution on potential pullback, which we opine is reasonable after having rallied recently.
- **Continue to expect a potential advance to 0.7207**, otherwise curbed by a close below 0.7120.
- **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 – 0.7200

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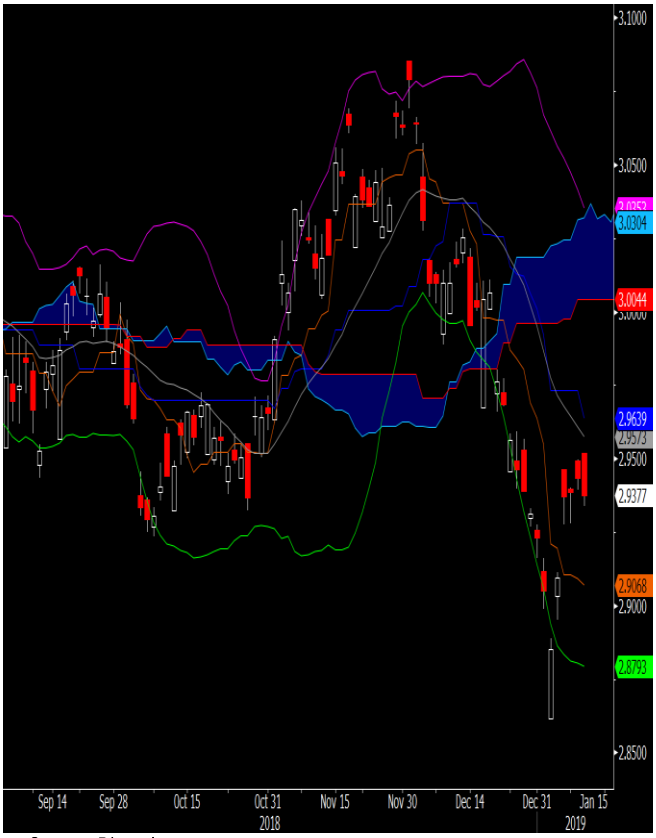
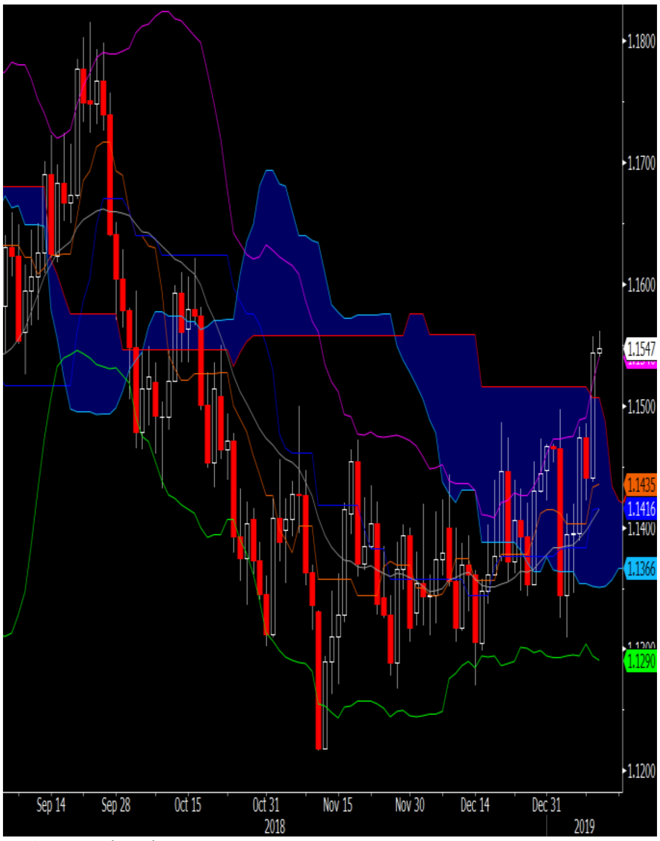
Indicative AUDMYR 2.9377



Source: Bloomberg

- AUDMYR opened 86pips higher at 2.9520 today. **Daily outlook slightly bullish**, with improving risk appetite supporting AUD to overturn early losses.
- **Weekly and monthly outlook bullish**.
- AUDMYR remains tilted to the upside despite early losses, with room to climb higher to circa 2.9675 going forward. Holding above 2.9369 is likely to preserve a bullish bias in AUDMYR.
- **Continue to expect a potential advance to 2.9675**, otherwise curbed by a close below 2.9325.
- **Key resistances:** 2.9400 (R1), 2.9434 (R2), 2.9465 (R3)
- **Key supports:** 2.9369 (S1), 2.9325 (S2), 2.9300 (S3)
- **Expected range for the day:** 2.9330 – 2.9520

Indicative EURUSD 1.1547



Source: Bloomberg

- EURUSD opened unchanged at 1.1543 today. **Daily outlook bullish** in expectation of a weak USD.
- **Weekly and monthly outlook bullish**.
- EURUSD has strongly surpassed 1.1497 and even beaten 1.1516. A test at 1.1581 will be next, but we note that this is a strong resistance; EURUSD's bullish sustainability may still be doubtful even with a break above it.
- **EURUSD expectedly advanced to, and above, 1.1516**. Expect a potential advance to 1.1581, otherwise curbed by a close below 1.1535.
- **Key resistances:** 1.1564 (R1), 1.1581 (R2), 1.1600 (R3)
- **Key supports:** 1.1535 (S1), 1.1520 (S2), 1.1500 (S3)
- **Expected range for the day:** 1.1530 – 1.1590

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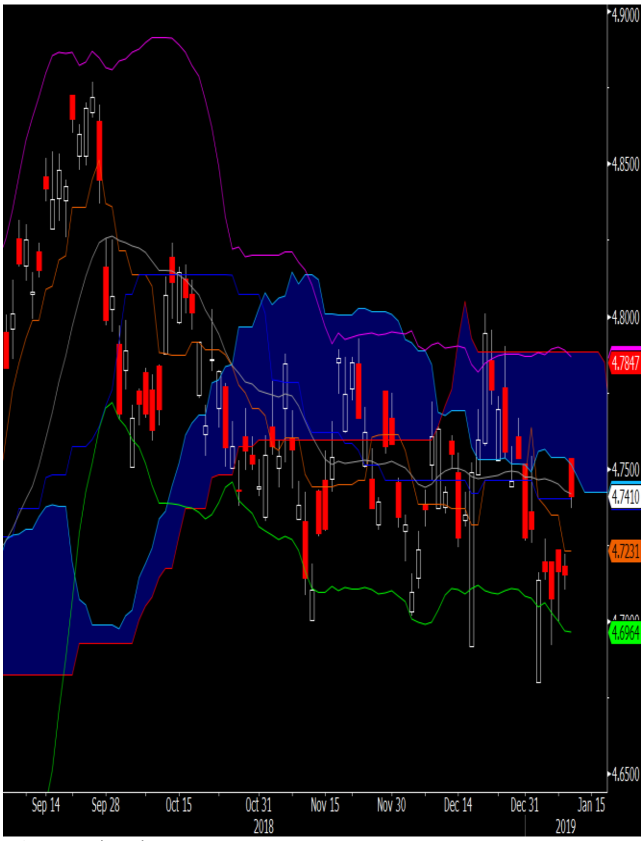
Indicative EURMYR 4.7410



Source: Bloomberg

- EURMYR opened 383pips higher at 4.7534 today. **Daily outlook bullish**, lifted by the sharply higher opening and potential for further gains going into European session.
- **Weekly and monthly outlook bullish**.
- EURMYR has broken above 4.7231 and this has provided further impetus for a climb towards circa 4.7640 in the next leg higher. Pullbacks are reasonable after such a sharp gap up, and we opine that holding above 4.7300 sustains a bullish bias.
- **Key resistances:** 4.7439 (R1), 4.7463 (R2), 4.7513 (R3)
- **Key supports:** 4.7403 (S1), 4.7360 (S2), 4.7309 (S3)
- **Expected range for the day:** 4.7350 – 4.7550

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