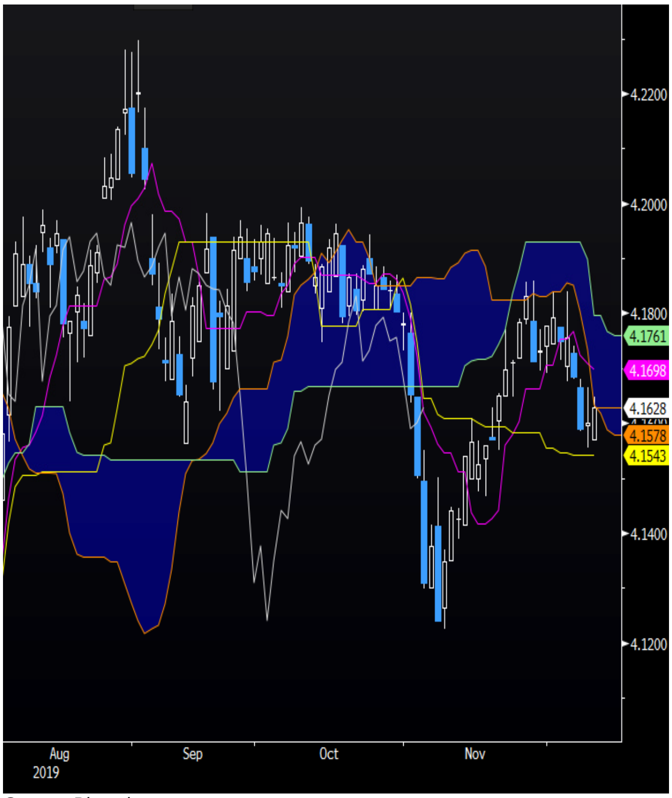
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

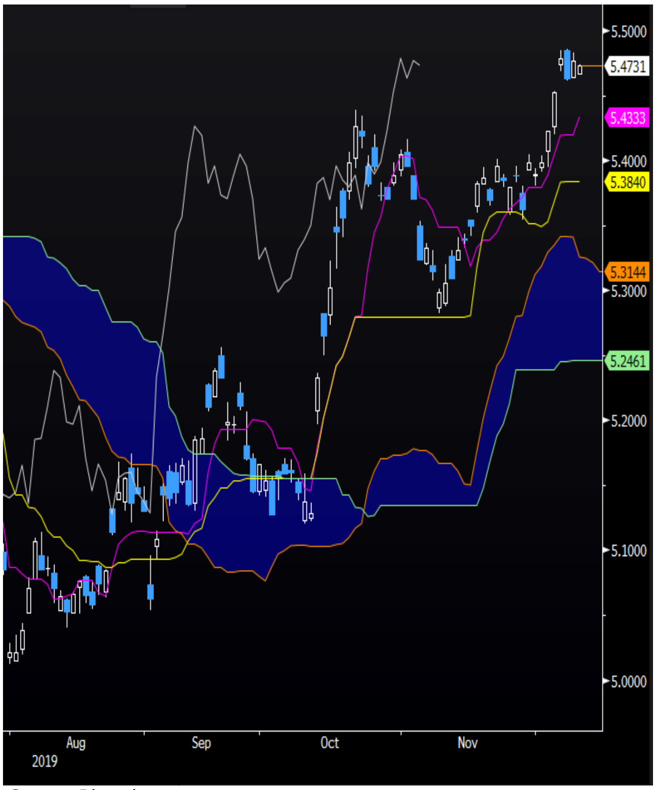
Indicative USDMYR 4.1628



Source: Bloomberg

- USDMYR opened slightly lower at 4.1570 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bullish.**
- **No change to a neutral MYR outlook today** as we expect the ringgit to continue trading around recent ranges of 4.1600-4.1800 just ahead of the Fed, ECB meetings and UK election, not to mention the looming 15 December US tariffs hike deadline. Short term outlook is bearish as the dollar will likely firm up this week as Fed keeps rate unchanged. Medium term outlook is bearish supported by solid 4Q US data especially in the consumer/retail sector.
- **Key resistances:** 4.1700 (S1), 4.1750 (S2), 4.1800 (S3)
- **Key supports:** 4.1600 (R1), 4.1550 (R2), 4.1500 (R3)
- **Expected range for the day:** 4.1600-4.1800

Indicative GBPMYR 5.4731

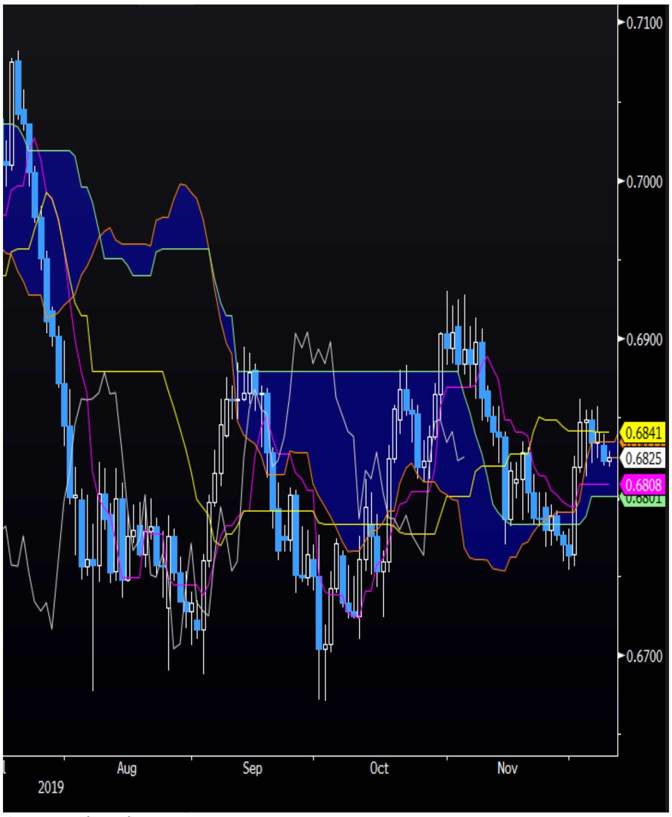


Source: Bloomberg

- GBPMYR opened 0.19% lower at 5.4664. **Daily outlook neutral.**
- **Weekly and monthly outlook** will be **headlines driven.**
- We are neutral on GBPMYR as the sterling remains strong ahead of the UK election but upside is limited. Key data today i.e. monthly GDP and industrial production are potential drivers for a minor reversal on GBP's recent gain over USD. Short term post-election outlook is volatile with a bearish bias considering the fact that markets have priced in a Conservative win and any further upside seems limited in an overbought condition.
- **Key resistances**: 5.4850 (R1), 5.4900 (R2), 5.4950 (R3)
- **Key supports**: 5.4600 (S1), 5.4500 (S2), 5.4300 (S3)
- **Expected range for the day:** 5.4500-4.4900

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

Indicative AUDUSD 0.6825



Source: Bloomberg

- AUDUSD opened unchanged at 0.6823 today. **Daily outlook neutral.**
- **Weekly outlook slightly bearish and monthly outlook slightly bullish.**
- **We are neutral on AUD**, expecting the Aussie dollar to be supported above 0.6800 as it tries to recover amidst an increasingly downbeat outlook over US-China trade talks. Short term outlook is slightly bearish over expected dollar strength this week. Medium term outlook is still slightly bullish, expecting continuous recovery with US-China trade-related headlines posting as downside risk.
- **Key resistances:** 0.6850 (R1), 0.6880 (R2), 0.6900 (R3)
- **Key supports:** 0.6820 (S1), 0.6800 (S2), 0.6780 (S3)
- **Expected range for the day:** 0.6800- 0.6850

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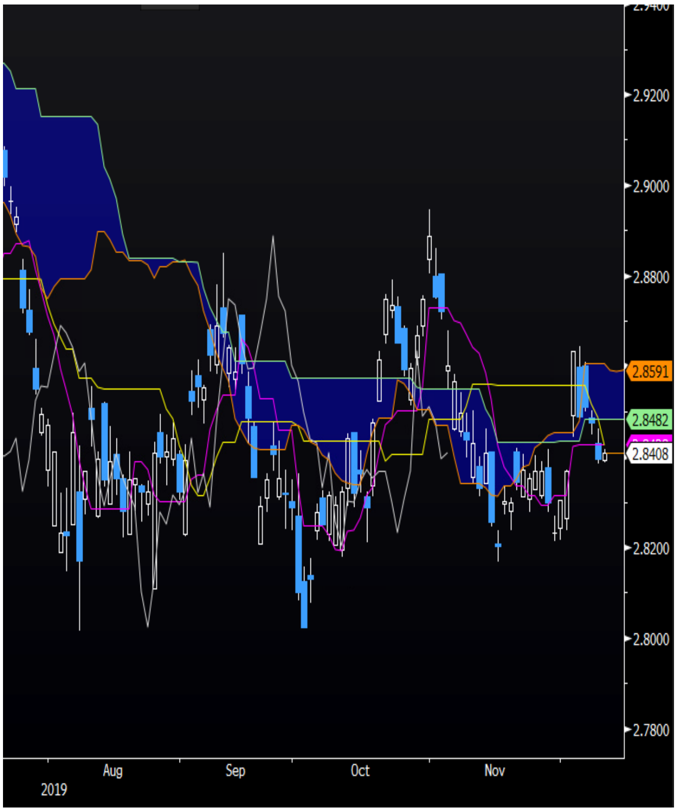
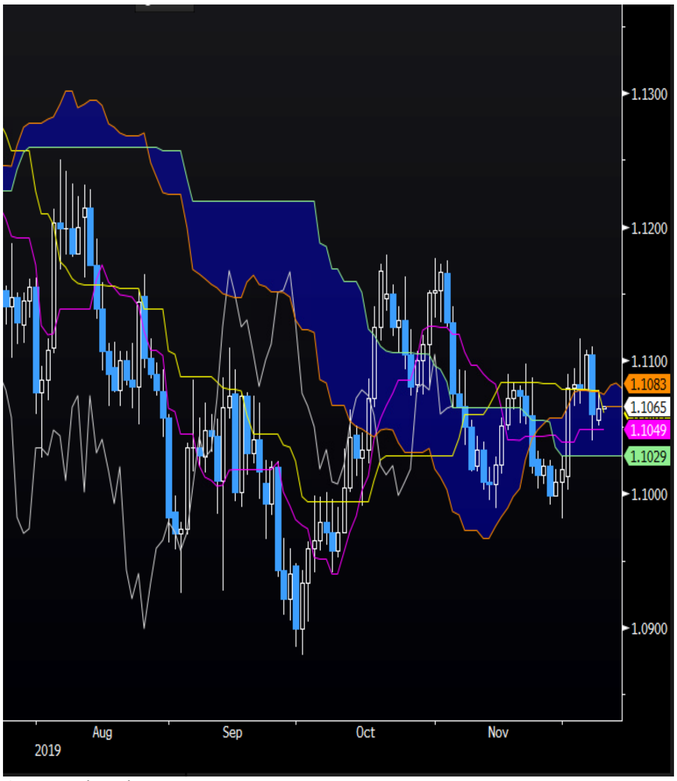
Indicative AUDMYR 2.8408



Source: Bloomberg

- AUDMYR opened virtually no change at 2.8391 today. **Daily outlook neutral.**
- **Weekly and monthly outlook slightly bullish.**
- **We are neutral on AUDMYR today** on lacklustre movement in both Aussie and Ringgit against the dollar in a quiet market that awaits outcome of key events. **Short-to-medium term outlook is still slightly bullish,** expecting continuous recovery in the cross with US-China trade-related headlines posting as downside risk.
- **Key resistances:** 2.8450 (R1), 2.8500 (R2), 2.8550 (R3)
- **Key supports:** 2.8365 (S1), 2.8350 (S2), 2.8300 (S3)
- **Expected range for the day:** 2.8365 – 2.8450

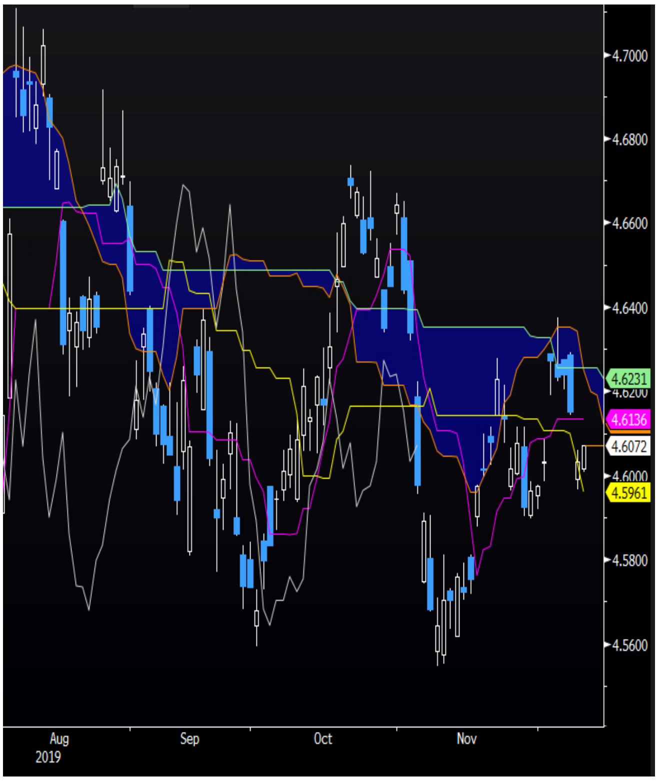
Indicative EURUSD 1.1065



Source: Bloomberg

- EURUSD opened unchanged at 1.1064 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **EUR is neutral today** ahead of key events and a lack of major hard data. German ZEW Index is up next. Short and medium term outlook is bearish, weighed down by still relatively dismal growth and inflation outlook. We look towards this week's ECB meeting and Christine Lagarde's first press conference for further guidance.
- **Key resistances:** 1.1080 (R1), 1.1100 (R2), 1.1120 (R3)
- **Key supports:** 1.1050 (S1), 1.1030 (S2), 1.1000 (S3)
- **Expected range for the day:** 1.1050-1.1080

Indicative EURMYR 4.6072



Source: Bloomberg

- EURMYR opened virtually no changed at 4.6015 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **We are neutral on the EURMYR cross** today ahead of key events and a lack of major hard data. Short and **medium term outlook is bearish**, weighed down by dismal growth and inflation outlook and similarly we look towards this week's ECB meeting and Christine Lagarde's first press conference for further guidance.
- **Key resistances:** 4.6100 (R1) 4.6200 (R1), 4.6300 (R3)
- **Key supports:** 4.6000 (S1), 4.5900 (S2), 4.5800 (S3)
- **Expected range for the day:** 4.5950 – 4.6100

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