

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1125



Source: Bloomberg

Indicative GBPMYR 5.3900



Source: Bloomberg

- USDMYR opened 0.13% lower at 4.1025 today on EURUSD strength but was quickly bought up on risk aversion. **Daily outlook bullish.**
- **Weekly outlook bullish and monthly outlook bearish.**
- We are now within striking distance of the 100 DMA as we have closed and open above the Bollinger top which is considered very bullish. Strong seasonality factors and risk aversion to EM assets caused by trade tensions and growth outlooks continue to support the pair.
- **Key resistances:** 4.1150 (R1), 4.1200 (R2), 4.1250 (R3)
- **Key supports:** 4.1050 (S1), 4.1000 (S2), 4.0950 (S3)
- **Expected range for the day:** 4.1050 – 4.1200

- GBPMYR opened 0.33% higher at 5.3801 today. **Daily outlook bullish.**
- **Weekly and monthly outlook neutral.**
- GBP continues to trade higher as EU leaders have agreed to extend the Brexit date to 31 October which is longer than what PM May wanted originally in order to avoid EU elections. However, this did not trigger a huge move in GBP as investors have mostly priced in an expected extension.
- **Key resistances:** 5.3980 (R1), 5.4230 (R2), 5.4400 (R3)
- **Key supports:** 5.3450 (S1), 5.3200 (S2), 5.3030 (S3)
- **Expected range for the day:** 5.3600 – 5.4200

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

**Indicative AUDUSD 0.7165**



Source: Bloomberg

- AUDUSD opened unchanged at 0.7171 today. **Daily outlook bearish** as we have surpassed short term objectives and maybe looking at a short term reversal.
- **Weekly outlook bullish, monthly outlook slightly bearish.**
- **We remain neutral on AUD** even as short term technical turn bullish as we expect the pair to go through a short term reversal before continuing higher.
- **Key resistances:** 0.7200 (R1), 0.7230 (R2), 0.7285 (R3)
- **Key supports:** 0.7120 (S1), 0.7070 (S2), 0.7000 (S3)
- **Expected range for the day:** 0.7100 – 0.7200

**Indicative AUDMYR 2.9480**



Source: Bloomberg

- AUDMYR opened 0.37% higher at 2.9437 today. **Daily outlook bullish** as we close and open above the Bollinger top.
- **Weekly outlook bullish and monthly outlook bearish.**
- Both components for the pair shot up higher leading to the pair to close strongly above technical resistances. EM risk aversion giving USDMYR a bid whilst generally higher commodity prices giving AUDUSD a boost will likely push the pair towards 200 DMA 2.9630.
- **Key resistances:** 2.9527 (R1), 2.9630 (R2), 2.9700 (R3)
- **Key supports:** 2.9360 (S1), 2.9200 (S2), 2.9130 (S3)
- **Expected range for the day:** 2.9350 – 2.9600

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

**Indicative EURUSD 1.1278**



Source: Bloomberg

**Indicative EURMYR 4.6400**



Source: Bloomberg

- EURUSD opened unchanged at 1.1274 today post a dovish Draghi. **Daily outlook bullish.**
- **Weekly and monthly outlook neutral.**
- ECB's maintained rates while Draghi's speech was considered dovish. EURUSD got sold during the speech but bounced back strongly after into the close showing strong EURUSD demand. The pair is likely targeting the 1.1350 objective in the coming week if momentum is sustained.
- **Key resistances:** 1.1305 (R1), 1.1340 (R2), 1.1380 (R3)
- **Key supports:** 1.1220 (S1), 1.1200 (S2), 1.1170 (S3)
- **Expected range for the day:** 1.1220 – 1.1300

- EURMYR opened marginally lower at 4.6319 today. **Daily outlook bullish.**
- **Weekly outlook neutral, monthly outlook bearish.**
- EURMYR received a boost thanks to both bullish EURUSD and USDMYR components. We are now trading near the 4.6465 Bollinger top which may provide some form of resistance but the objective is likely 4.6675 the 100 DMA if momentum is sustained.
- **Key resistances:** 4.6465 (R1), 4.6550 (R2), 4.6675 (R3)
- **Key supports:** 4.6174 (S1), 4.6081 (S2), 4.5925 (S3)
- **Expected range for the day:** 4.6160 – 4.6520

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

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