

Global Markets Research

FX Strategy

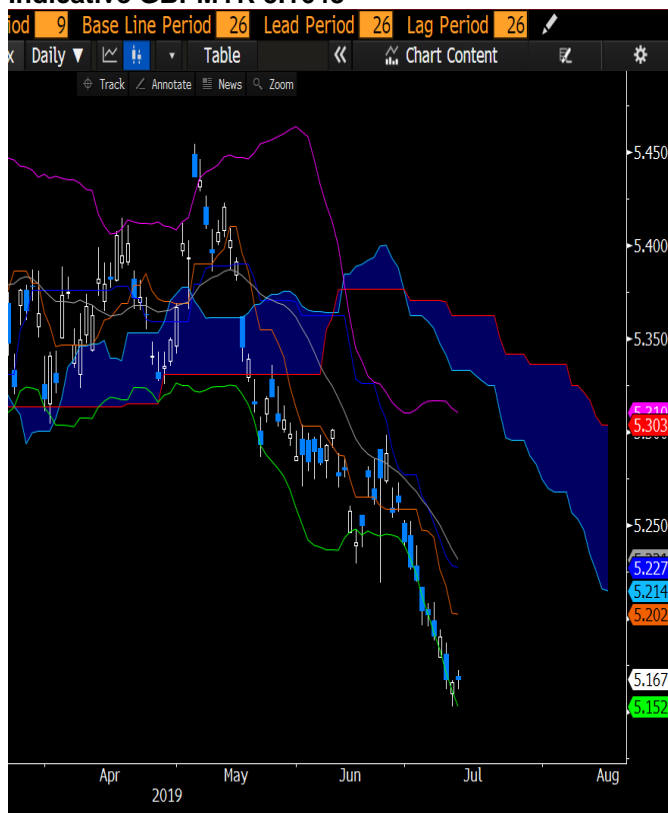
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1300



Source: Bloomberg

Indicative GBPMYR 5.1643



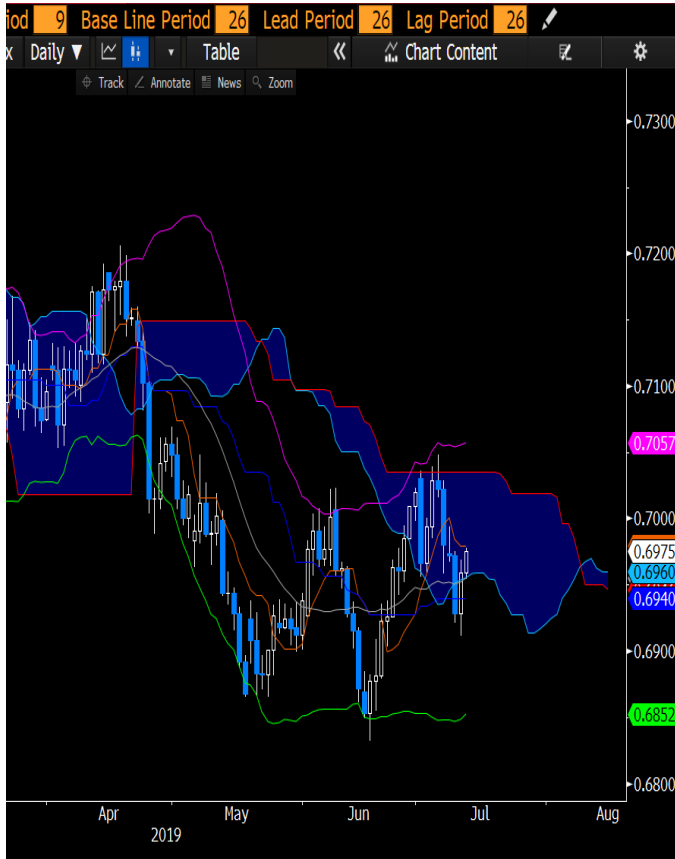
Source: Bloomberg

- USDMYR opened 0.22% lower at 4.1280. **Daily outlook bearish.**
- **Weekly outlook neutral to slightly bullish and monthly outlook bearish.**
- **We are bearish USDMYR today** in line with overall USD weakness as Fed Chair Powell more or less cements the case for a July rate cut. **We remain bullish MYR in the medium term** given that MYR continues to trade below the 4.1600 pivot as well as any resolution of trade war issues likely to give MYR a boost.
- **Key resistances:** 4.1350 (R1), 4.1400 (R2), 4.1450 (R3)
- **Key supports:** 4.1250 (S1), 4.1225 (S2), 4.1200 (S3)
- **Expected range for the day:** 4.1225– 4.1350

- GBPMYR opened marginally higher at 5.1689 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral to mildly bearish.**
- **We remain bearish pair** as MYR component receives some support from a dovish Fed with a more or less confirmed July rate cut. **We remain bearish on the pair in the medium term** due to a dovish BOE and relatively poor economic data alongside Brexit issues which should weigh on GBP component.
- **Key resistances:** 5.1700 (R1), 5.1800 (R2), 5.1950 (R3)
- **Key supports:** 5.1600 (S1), 5.1450 (S2), 5.1300 (S3)
- **Expected range for the day:** 5.1450– 5.1700

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

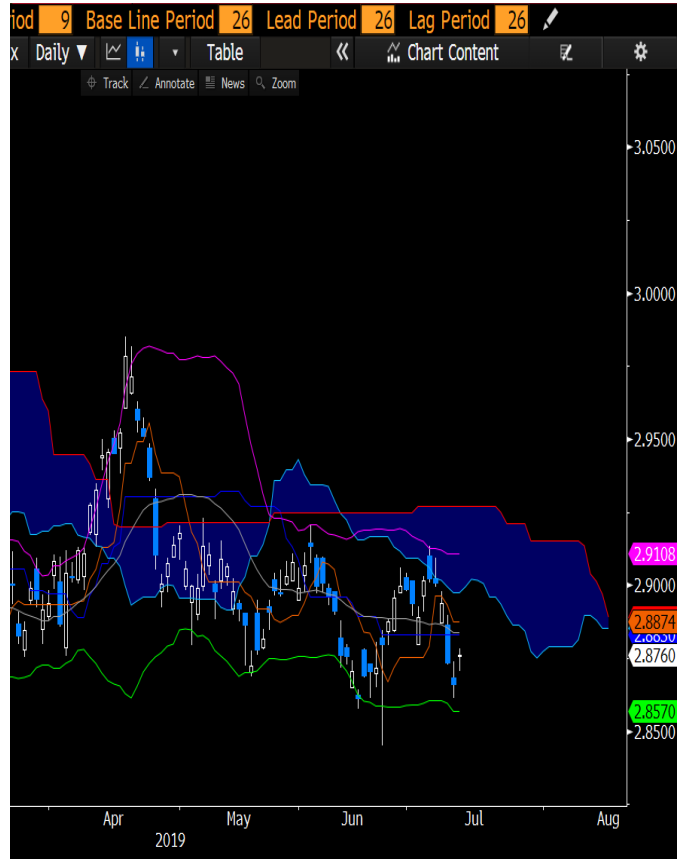
**Indicative AUDUSD 0.6956**



Source: Bloomberg

- AUDUSD opened unchanged at 0.6959 today. **Daily outlook bullish.**
- **Weekly and monthly outlook slightly bullish.**
- **We turn bullish AUD** in the short term as a dovish Fed more or less confirmed a July rate cut. In the medium term, US-China trade events are key to determine further AUD direction.
- **Key resistances:** 0.6975 (R1), 0.7000 (R2), 0.7025 (R3)
- **Key supports:** 0.6925 (S1), 0.6900 (S2), 0.6875 (S3)
- **Expected range for the day:** 0.6940-0.7000

**Indicative AUDMYR 2.8725**

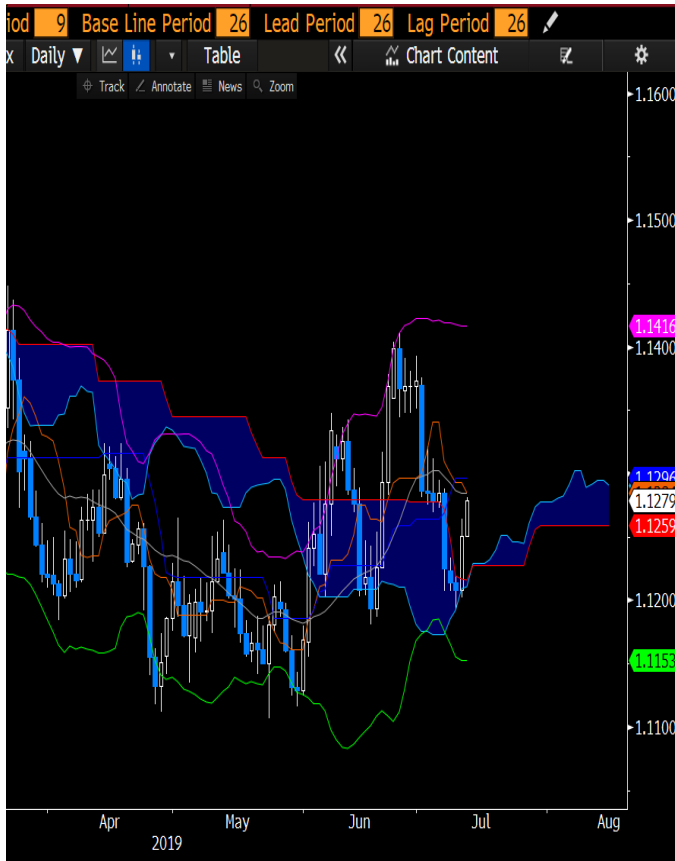


Source: Bloomberg

- AUDMYR opened 0.34% higher at 2.8759 today. **Daily outlook bearish.**
- **Weekly outlook neutral and monthly outlook slightly bearish.**
- **We remain bearish on the pair over the short term** as MYR component receives some support from a dovish Fed. In the more medium term, the pair is likely to take cues from AUD component due to its sensitivity to US-China trade talks.
- **Key resistances:** 2.8800 (R1), 2.9000 (R2), 2.9100 (R3)
- **Key supports:** 2.8600 (S1), 2.8500 (S2), 2.8350 (S3)
- **Expected range for the day:** 2.8600– 2.8800

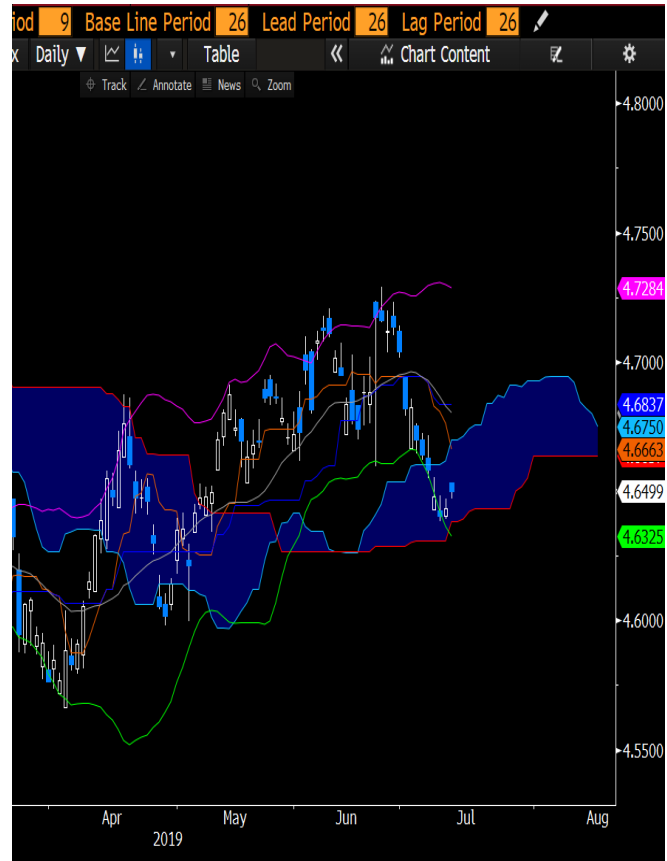
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**Indicative EURUSD 1.1261**



Source: Bloomberg

**Indicative EURMYR 4.6505**



Source: Bloomberg

- EURUSD opened unchanged at 1.1251 today. **Daily outlook bullish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **We turn bullish EUR today** as Fed Chair Powell's speech cements the chances of a July rate cut. **We remain bullish EUR** in the medium term as the ECB is likely to hold its key rates steady for the remainder of 2019 which should support the EUR against USD.
- **Key resistances:** 1.1285 (R1), 1.1300 (R2), 1.1330 (R3)
- **Key supports:** 1.1230 (S1), 1.1200 (S2), 1.1180 (S3)
- **Expected range for the day:** 1.1220 – 1.1285

- EURMYR opened 0.21% higher at 4.6532 today. **Daily outlook bearish on strong MYR component.**
- **Weekly outlook bullish, monthly outlook bearish.**
- **We are bearish the pair today** as MYR component gains strength from a dovish Fed. In the medium term, we look to US-China trade talks for more directional cues.
- **Key resistances:** 4.6600 (R1) 4.6700 (R1), 4.6800 (R3)
- **Key supports:** 4.6400 (S1), 4.6300 (S2), 4.6200 (S3)
- **Expected range for the day:** 4.6400– 4.6600

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