

Global Markets Research

FX Strategy

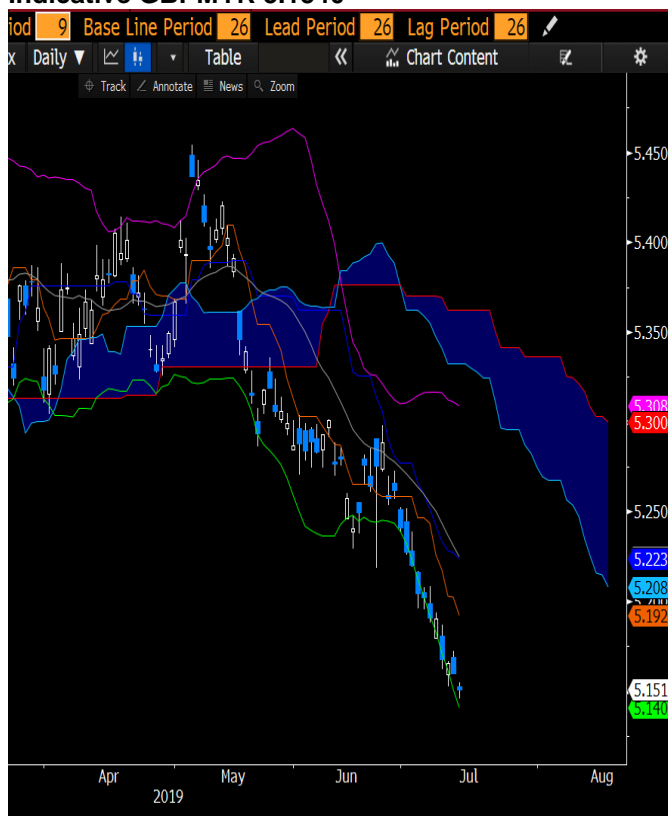
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1140



Source: Bloomberg

Indicative GBPMYR 5.1540



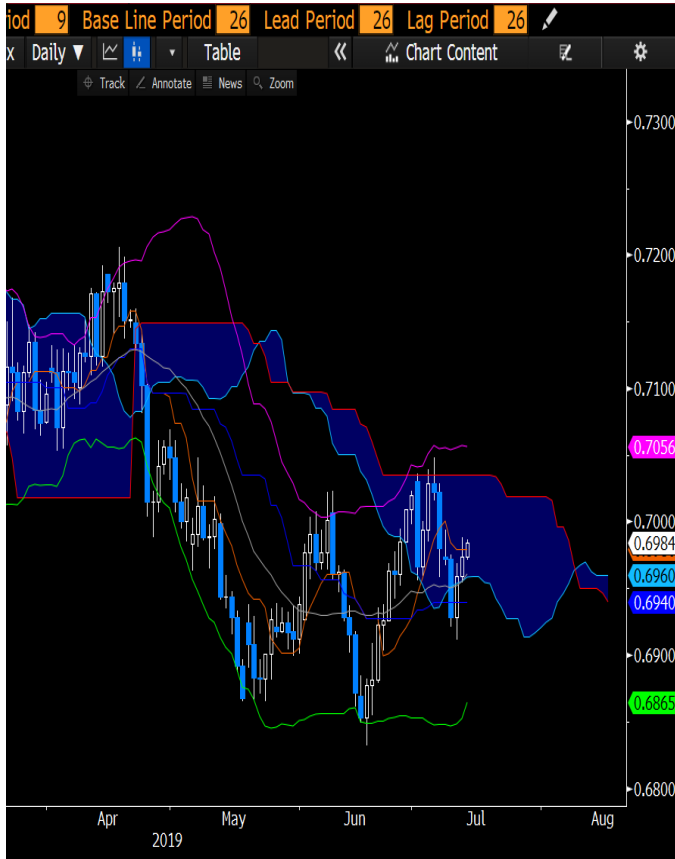
Source: Bloomberg

- USDMYR opened 0.11% lower at 4.1105. **Daily outlook bearish.**
- **Weekly outlook neutral to slightly bullish and monthly outlook bearish.**
- **We are bearish USDMYR today** as the pair managed to break through 4.12 support area on late USD selling pressure which opens up 4.10 psychological support. **We remain bullish MYR in the medium term** given that MYR continues to perform post FOMC minutes and Powell's testimony despite some UST yield volatility and ahead of an impending July rate cut.
- **Key resistances:** 4.1200 (R1), 4.1250 (R2), 4.1300 (R3)
- **Key supports:** 4.1100 (S1), 4.1050 (S2), 4.1000 (S3)
- **Expected range for the day:** 4.1050– 4.1250

- GBPMYR opened 0.15% lower at 5.1525 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral to mildly bearish.**
- **We remain bearish pair** as MYR component continues to receive 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:** 5.1450 (S1), 5.1300 (S2), 5.1200 (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

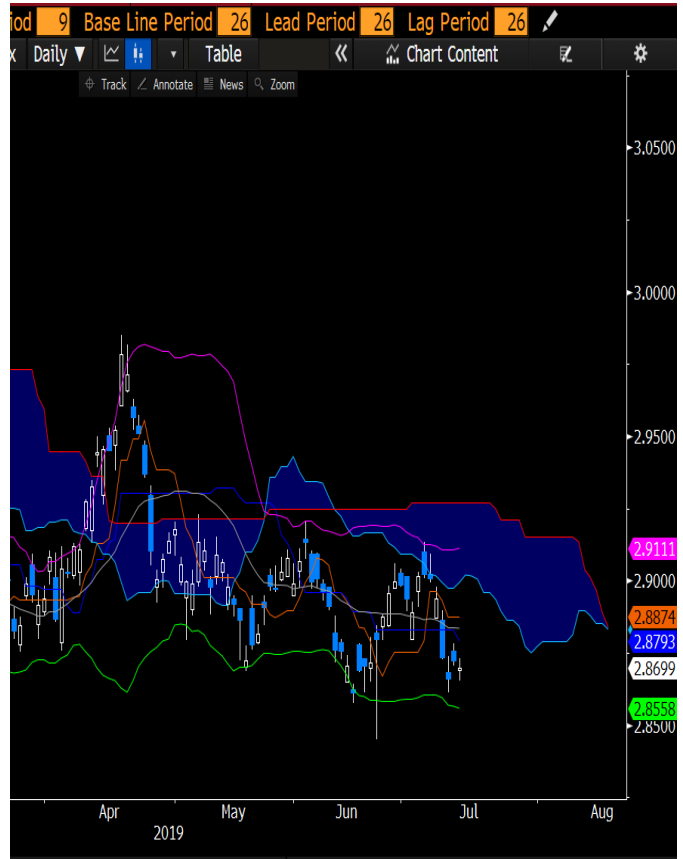
Indicative AUDUSD 0.6978



Source: Bloomberg

- AUDUSD opened unchanged at 0.6974 today. **Daily outlook neutral to mildly bullish.**
- **Weekly and monthly outlook slightly bullish.**
- **We remain bullish AUD** in the short term as AUD continues to receive support from a dovish Fed July rate cut. In the medium term, US-China trade events are key to determine further AUD direction as it seems AUD is consolidating within a broad range set previously.
- **Key resistances:** 0.7000 (R1), 0.7025 (R2), 0.7050 (R3)
- **Key supports:** 0.6950 (S1), 0.6925 (S2), 0.6900 (S3)
- **Expected range for the day:** 0.6950-0.7000

Indicative AUDMYR 2.8707

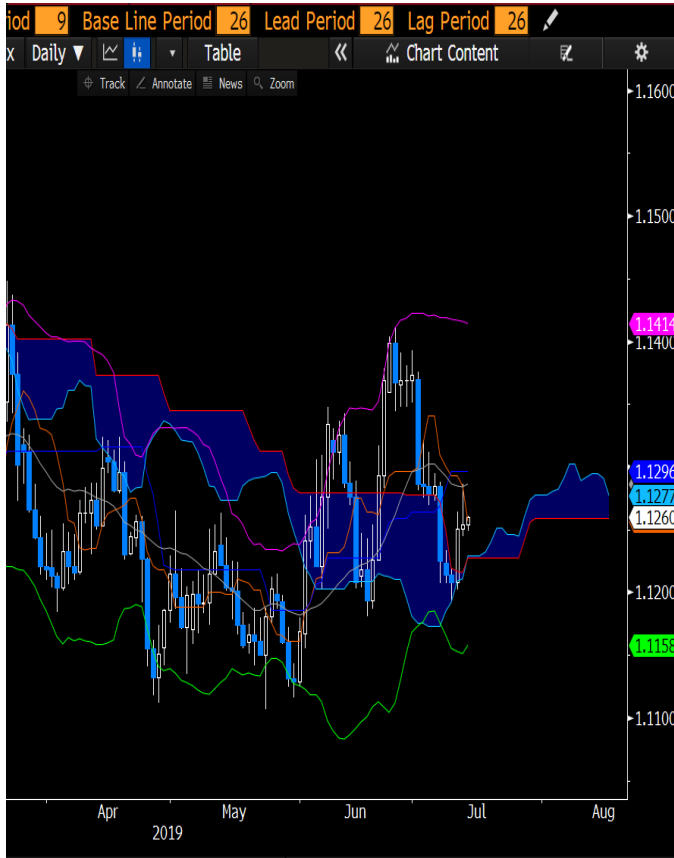


Source: Bloomberg

- AUDMYR opened 0.12% lower at 2.8691 today. **Daily outlook neutral to slightly bearish.**
- **Weekly outlook neutral and monthly outlook slightly bearish.**
- **We are neutral to slightly bearish on the pair over the short term** as MYR component outperforms thanks to the break of technical support in USDMYR. 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

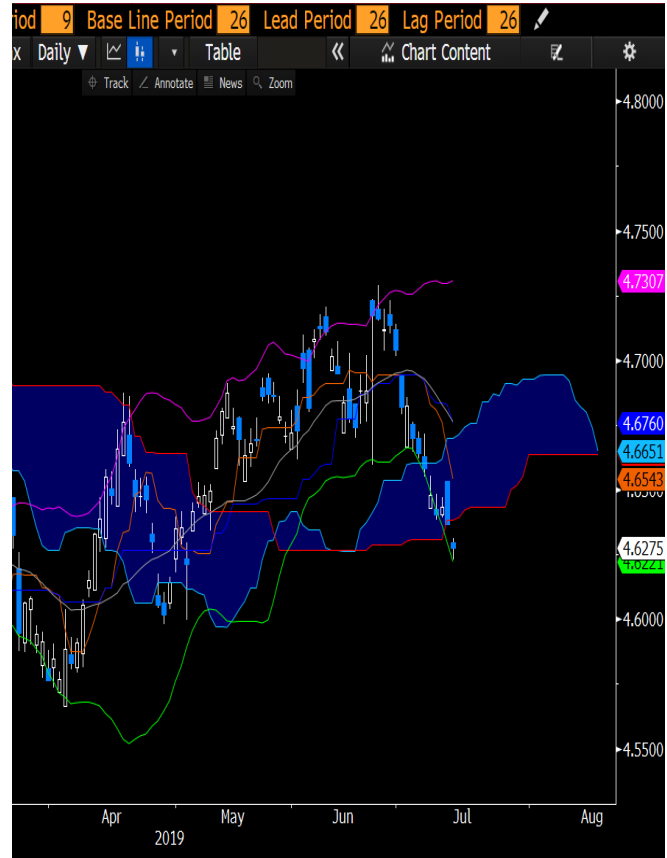
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Indicative EURUSD 1.1254



Source: Bloomberg

Indicative EURMYR 4.6299



Source: Bloomberg

- EURUSD opened unchanged at 1.1254 today. **Daily outlook neutral.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **We turn neutral EUR today** as US released some better than expected inflation data and a poor UST 30y auction which contributed to the USD paring back some recent losses. **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 0.15% lower at 4.6297 today. **Daily outlook bearish on strong MYR component.**
- **Weekly outlook bullish, monthly outlook bearish.**
- **We are bearish the pair today** as MYR component continue to register gains from a dovish Fed and a technical support breach in USDMYR. In the medium term, we look to US-China trade talks for more directional cues.
- **Key resistances:** 4.6400 (R1) 4.6600 (R1), 4.6700 (R3)
- **Key supports:** 4.6200 (S1), 4.6000 (S2), 4.5900 (S3)
- **Expected range for the day:** 4.6200– 4.6400

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