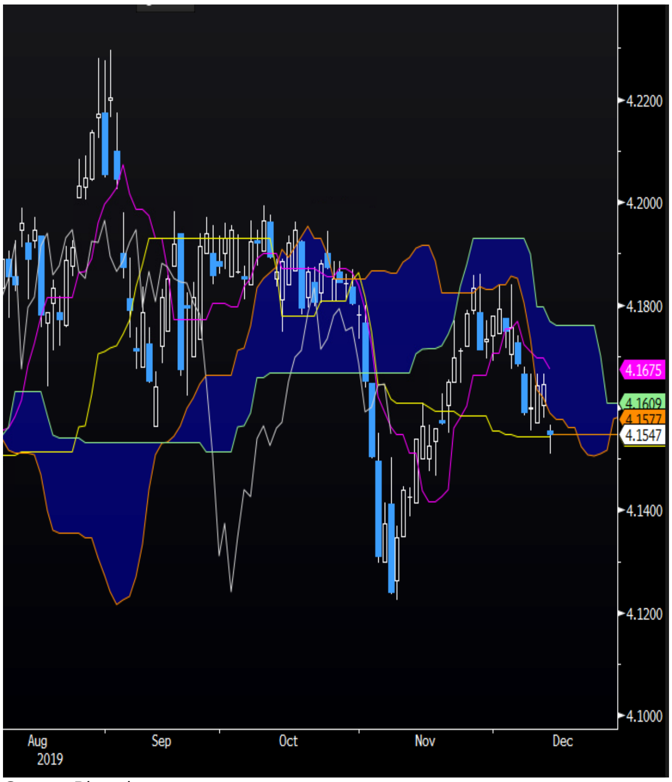
December 12, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1547



Source: Bloomberg

- USDMYR opened 0.22% lower at 4.1555 today. Daily outlook bearish.
- **Weekly and monthly outlook bullish.**
- **MYR daily outlook is bullish today** taking cue from the overnight broad-based losses in the greenback in response to the Fed's steady policy rate outlook. **MYR medium term outlook is still bearish** as the dollar is expected to be well supported by solid data especially in the consumer/retail sector.
- **Key resistances:** 4.1600 (S1), 4.1700 (S2), 4.1800 (S3)
- **Key supports:** 4.1500 (R1), 4.1450 (R2), 4.1400 (R3)
- **Expected range for the day:** 4.1450-4.1600

Indicative GBPMYR 5.4927

Source: Bloomberg

- GBPMYR opened 0.45% higher at 5.4971. **Daily outlook bullish.**
- **Weekly and monthly outlook** will be **headlines driven.**
- **We are bullish on GBPMYR cross today** mainly because of the pound's overnight strength extending into today's Asian session. The pound remains strong and was last seen trading above 1.3200 against the dollar ahead today's UK election but we caution that a reversal seems to be approaching in a likely volatile session with limited upside move amidst an extremely overbought condition.
- **Key resistances**: 5.5000 (R1), 5.5100 (R2), 5.5150 (R3)
- **Key supports**: 5.4600 (S1), 5.4400 (S2), 5.4200 (S3)
- **Expected range for the day:** 5.4600-5.5000

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

Indicative AUDUSD 0.6882

Source: Bloomberg

- AUDUSD opened unchanged at 0.6876 today. **Daily outlook bullish.**
- **Weekly and monthly outlook slightly bullish.**
- **Daily outlook is bullish as** it breached 0.6880 key handle but could be threatened by unfavorable US-China trade development as the 15 Dec tariffs deadline approaches**. Medium term outlook is still slightly bullish**, expecting continuous recovery. US-China trade talk's outcome continues to be a major driver.
- **Key resistances:** 0.6900 (R1), 0.6915 (R2), 0.6930 (R3)
- **Key supports:** 0.6880 (S1), 0.6850 (S2), 0.6820 (S3)
- **Expected range for the day:** 0.6860- 0.6900

Indicative AUDMYR 2.8595

Source: Bloomberg

- AUDMYR opened 0.64% higher at 2.8610 today. **Daily outlook bullish.**
- **Weekly and monthly outlook slightly bullish.**
- **We are bullish on AUDMYR today on** higher opening as AUD's overnight strength extended into today's session. **Medium term outlook is still slightly bullish**, expecting continuous recovery. US-China trade talk's outcome continues to be a major driver.
- **Key resistances:** 2.8650 (R1), 2.8700 (R2), 2.8800 (R3)
- **Key supports:** 2.8500 (S1), 2.8450 (S2), 2.8350 (S3)
- **Expected range for the day:** 2.8540 – 2.8640

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Indicative EURUSD 1.1138

Source: Bloomberg

- EURUSD opened unchanged at 1.1130 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **EUR is neutral today** and is expected to hover around recent ranges of 1.1120-1.1145 ahead of ECB meeting today**. Medium term outlook is bearish**, weighed down by the Eurozone's relatively dismal growth and inflation outlook versus stronger US fundamentals. We look towards today's ECB statement and Christine Lagarde's first press conference for further guidance.
- **Key resistances:** 1.1150 (R1), 1.1180 (R2), 1.1200 (R3)
- **Key supports:** 1.1100 (S1), 1.1080 (S2), 1.1050 (S3)
- **Expected range for the day:** 1.1120-1.1145

Indicative EURMYR 4.6276

Source: Bloomberg

- EURMYR opened 0.44% higher at 4.6361 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish.**
- **We are bullish on EURMYR cross** on higher opening as the euro overnight's strength rolled into today' session. **Medium term outlook is bearish**, weighed down by the Eurozone's relatively dismal growth and inflation outlook versus stronger US fundamentals. We look towards today's ECB statement and Christine Lagarde's first press conference for further guidance.
- **Key resistances:** 4.6300 (R1) 4.6400 (R1), 4.6500 (R3)
- **Key supports:** 4.6200 (S1), 4.6100 (S2), 4.6000 (S3)
- **Expected range for the day:** 4.6200 – 4.6400

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