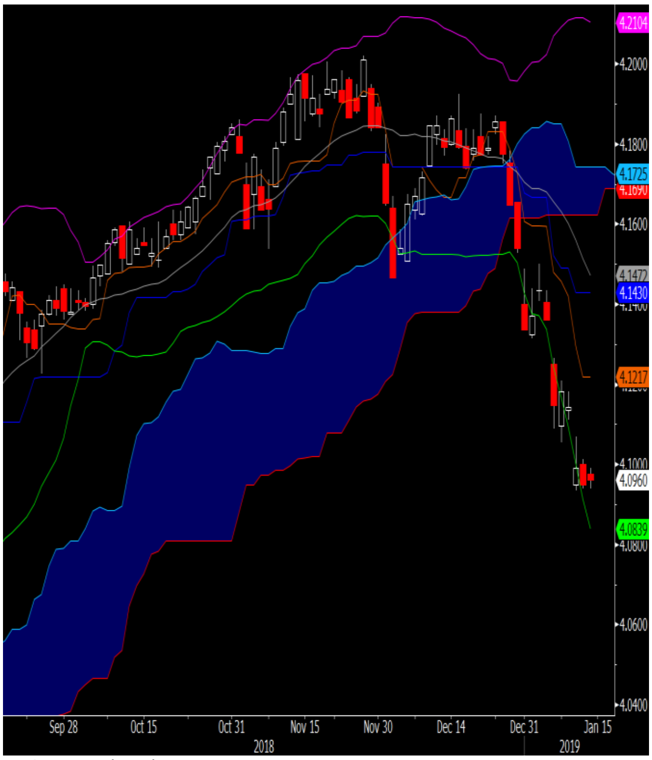
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

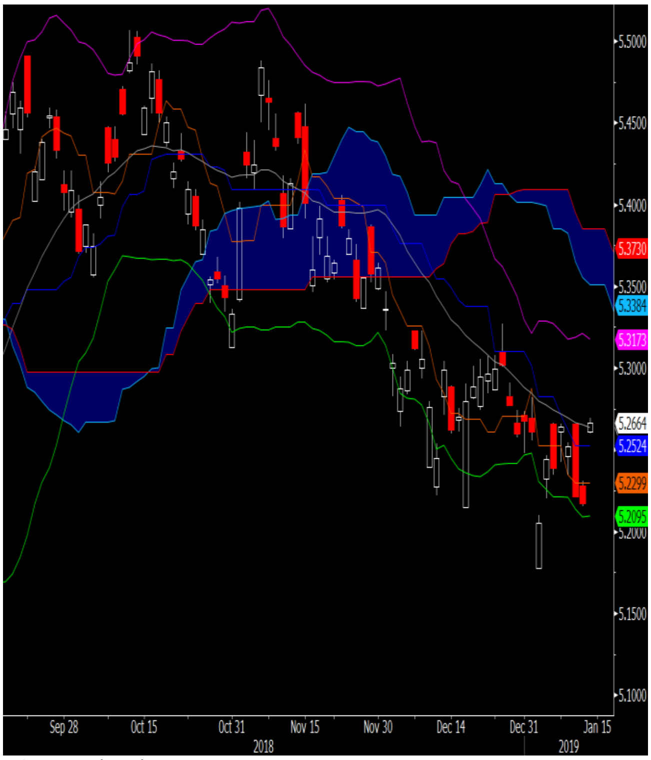
Indicative USDMYR 4.0960



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook neutral**, with room for mild gains.
- **Weekly and monthly outlook bearish**.
- We reiterate our caution that recent declines may have exhausted USDMYR's bearish strength and there may be a minor rebound, possibly back to circa 4.1110 – 4.1150 first, before extending further losses.
- **Key resistances:** 4.0990 (R1), 4.1010 (R2), 4.1050 (R3)
- **Key supports:** 4.0950 (S1), 4.0920 (S2), 4.0900 (S3)
- **Expected range for the day:** 4.0920 – 4.0990

Indicative GBPMYR 5.2664

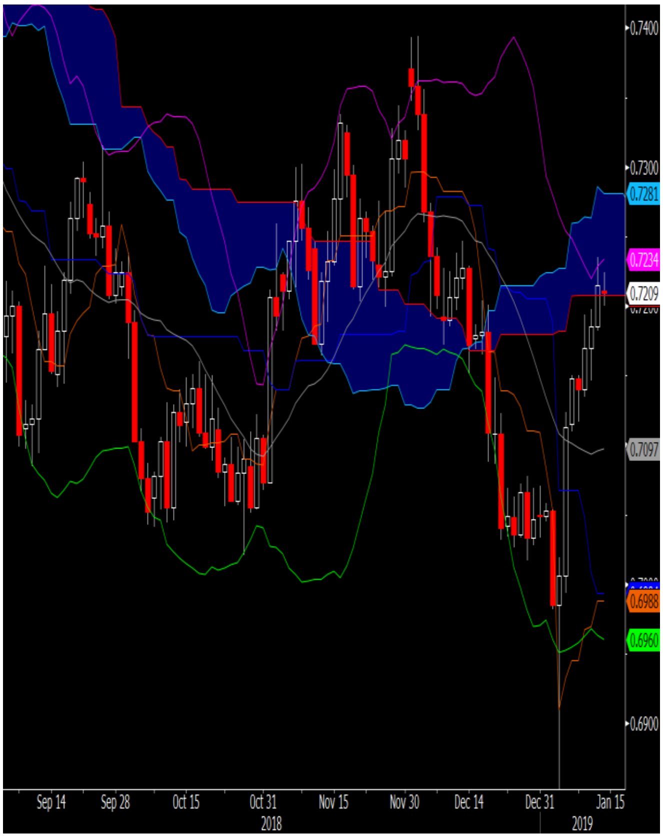


Source: Bloomberg

- GBPMYR opened 443pips higher at 5.2613 today. **Daily outlook bullish**, supported by a higher opening and improved Brexit sentiment.
- **Weekly and monthly outlook bullish**.
- Increased upward momentum and strong gap up that bypassed several resistance have tilted GBPMYR towards the upside. A break above 5.2740 will likely establish a firm path towards 5.2902.
- **Key resistances**: 5.2710 (R1), 5.2740 (R2), 5.2797 (R3)
- **Key supports**: 5.2600 (S1), 5.2557 (S2), 5.2524 (S3)
- **Expected range for the day:** 5.2570 – 5.2690

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

Indicative AUDUSD 0.7209



Source: Bloomberg

- AUDUSD opened 4pips lower at 0.7211 today. **Daily outlook bullish**, supported by lingering optimism of US-China trade talks.
- **Weekly and monthly outlook bullish**.
- A close above 0.7207 on Friday is to us a bullish sign. On top of rising upward momentum, we expect further gains going forward, with room to test 0.7234 - 0.7247 range.
- **AUDUSD expectedly advanced to 0.7207**.
- **Key resistances:** 0.7229 (R1), 0.7247 (R2), 0.7260 (R3)
- **Key supports:** 0.7207 (S1), 0.7200 (S2), 0.7185 (S3)
- **Expected range for the day:** 0.7195 – 0.7230

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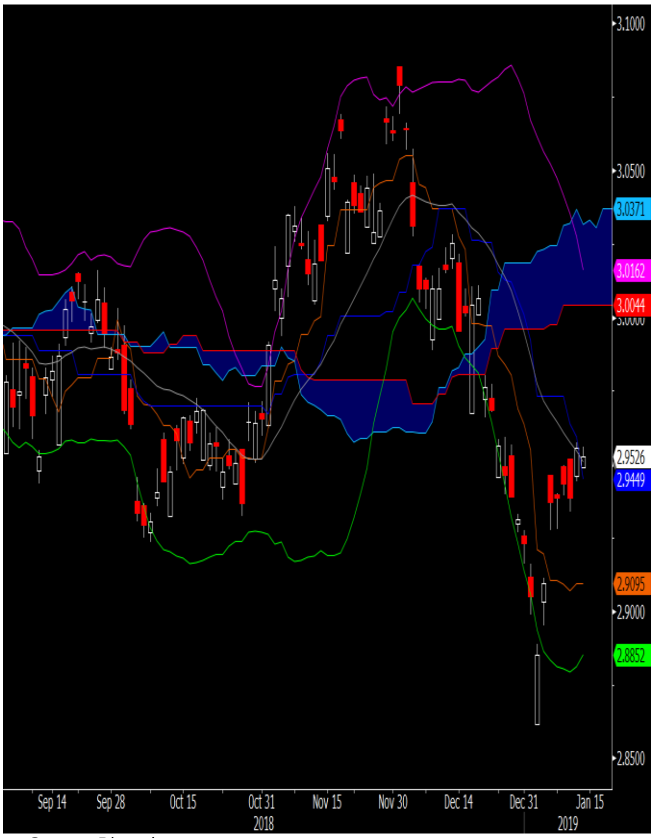
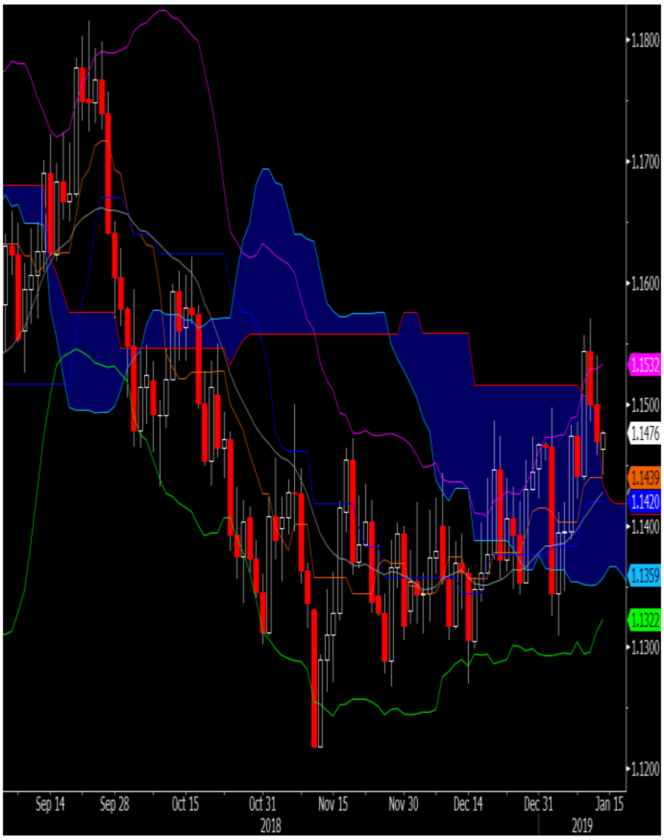
Indicative AUDMYR 2.9526



Source: Bloomberg

- AUDMYR opened 67pips lower at 2.9490 today. **Daily outlook bullish**, lifted by improving risk appetite supporting AUD.
- **Weekly and monthly outlook bullish**.
- AUDMYR remains tilted to the upside, with room to climb higher to circa 2.9675 going forward. Holding above 2.9369 is likely to preserve a bullish bias in AUDMYR.
- **Continue to expect a potential advance to 2.9675**, otherwise curbed by a close below 2.9440.
- **Key resistances:** 2.9566 (R1), 2.9600 (R2), 2.9650 (R3)
- **Key supports:** 2.9500 (S1), 2.9443 (S2), 2.9402 (S3)
- **Expected range for the day:** 2.9480 – 2.9600

Indicative EURUSD 1.1476



Source: Bloomberg

- EURUSD opened 6pips lower at 1.1463 today. **Daily outlook slightly bearish** on the back of a rebounding USD, but losses may be moderate unless Eurozone data surprises to the downside.
- **Weekly outlook neutral, monthly outlook bullish**.
- EURUSD has lost upward momentum and could extend its recent losses. Expect declines to be stemmed near 1.1427, otherwise EURUSD will be exposed to a drop to circa 1.1356 – 1.1375.
- **EURUSD is now unlikely to advance to 1.1581**.
- **Key resistances:** 1.1480 (R1), 1.1497 (R2), 1.1520 (R3)
- **Key supports:** 1.1450 (S1), 1.1439 (S2), 1.1420 (S3)
- **Expected range for the day:** 1.1440 – 1.1490

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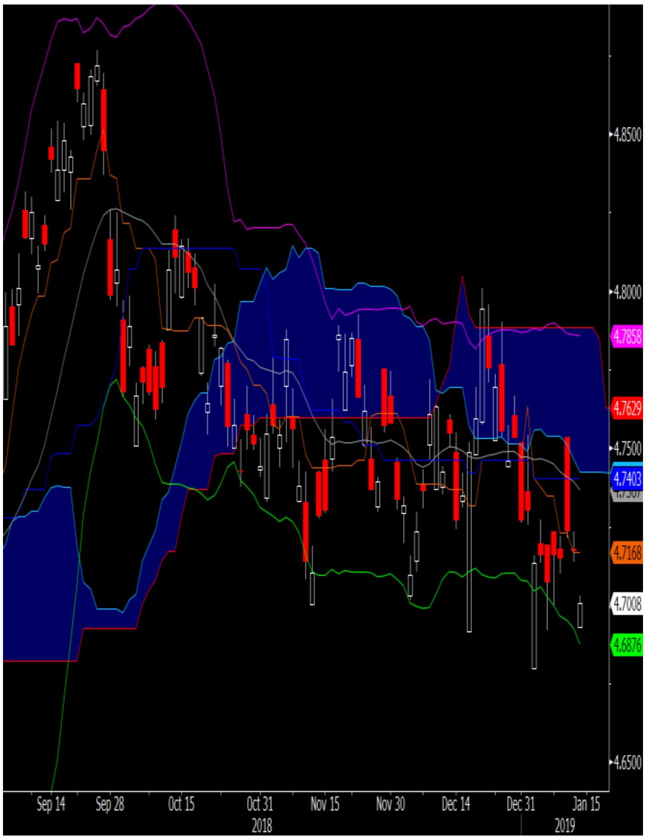
Indicative EURMYR 4.7008



Source: Bloomberg

- EURMYR opened 247pips lower at 4.6929 today. **Daily outlook bearish**, weighed down by the sharply lower opening.
- **Weekly outlook neutral, monthly outlook bullish**.
- Bearish bias has increased after the sharp gap down in the morning. While losses are likely to prevail, we reckon that 4.6816 may stem further downsides and bounce EURMYR higher.
- **Key resistances:** 4.7031 (R1), 4.7075 (R2), 4.7093 (R3)
- **Key supports:** 4.7000 (S1), 4.6916 (S2), 4.6900 (S3)
- **Expected range for the day:** 4.6930 – 4.7050

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