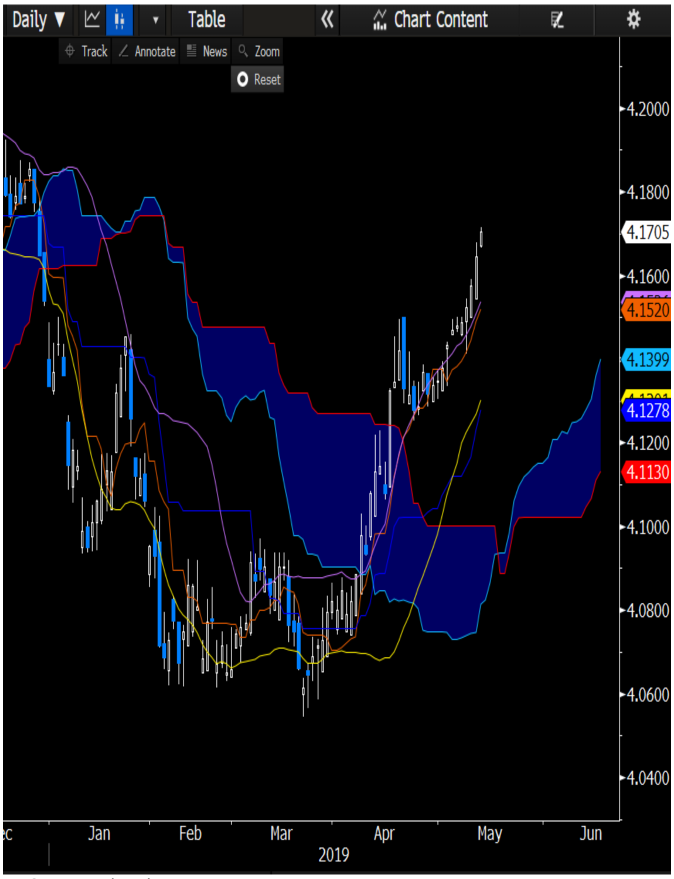
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1702

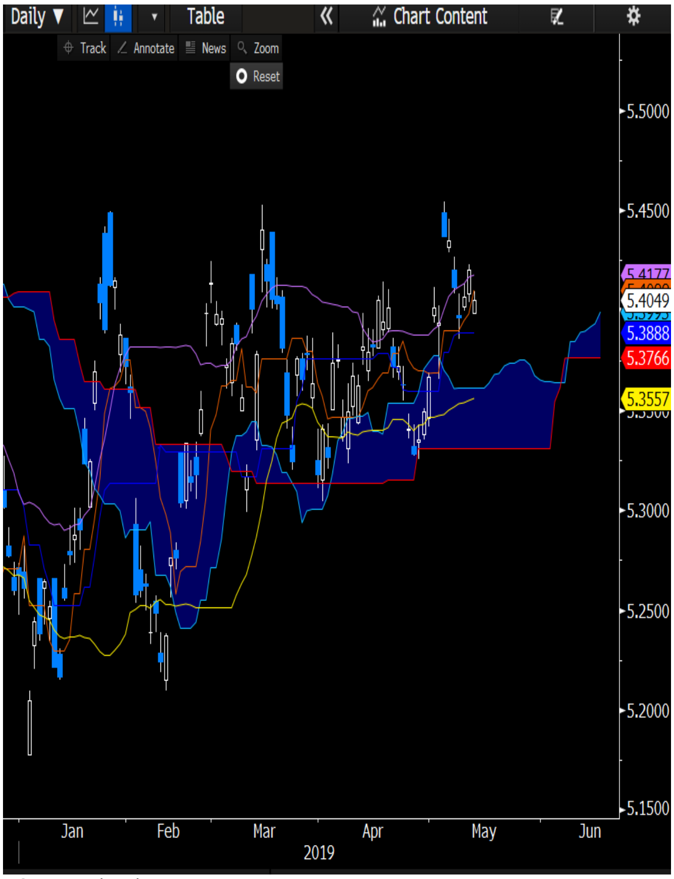


Source: Bloomberg

- USDMYR opened 0.07% higher at 4.1672 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bullish**.
- The pair is on track to achieve target of 4.20 given current upwards momentum in line with other USD/AXJ. Continued pressure on CNY and CNH against the USD continues to lead USD/AXJ and will likely continue to provide short term guidance in current environment.
- **Key resistances:** 4.1750 (R1), 4.1775 (R2), 4.1800 (R3)
- **Key supports:** 4.1650 (S1), 4.1600 (S2), 4.1550 (S3)
- **Expected range for the day:** 4.1600 – 4.1750

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

Indicative GBPMYR 5.4049



Source: Bloomberg

- GBPMYR opened 0.40% lower at 5.3987 today. **Daily outlook bearish** on a sharply lower opening although we expect losses to narrow.
- **Weekly outlook bullish and monthly outlook neutral**.
- A bullish MYR component continues to support the pair towards the 5.44 handle objective. Usually it's the GBP component that drives movement in the pair however, a lack of Brexit headlines will leave the pair vulnerable to US-China headlines.
- **Key resistances**: 5.4250 (R1), 5.4400 (R2), 5.4750 (R3)
- **Key supports**: 5.4000 (S1), 5.3800 (S2), 5.3650 (S3)
- **Expected range for the day:** 5.3800 – 5.4200

Indicative AUDUSD 0.6954

Source: Bloomberg

- AUDUSD opened unchanged at 0.6944 today. **Daily outlook bearish** on the back of risk-off in the market amid fiery US-China trade spat.
- **Weekly and monthly outlook bearish**.
- We maintained AUD bearishness as a break below 0.6950 multi-month low serves to drag the pair further down while trade tensions played out given the AUD's sensitivity to China.
- **Key resistances:** 0.6975 (R1), 0.7000 (R2), 0.7050 (R3)
- **Key supports:** 0.6945 (S1), 0.6935 (S2), 0.6900 (S3)
- **Expected range for the day:** 0.6940 – 0.7000

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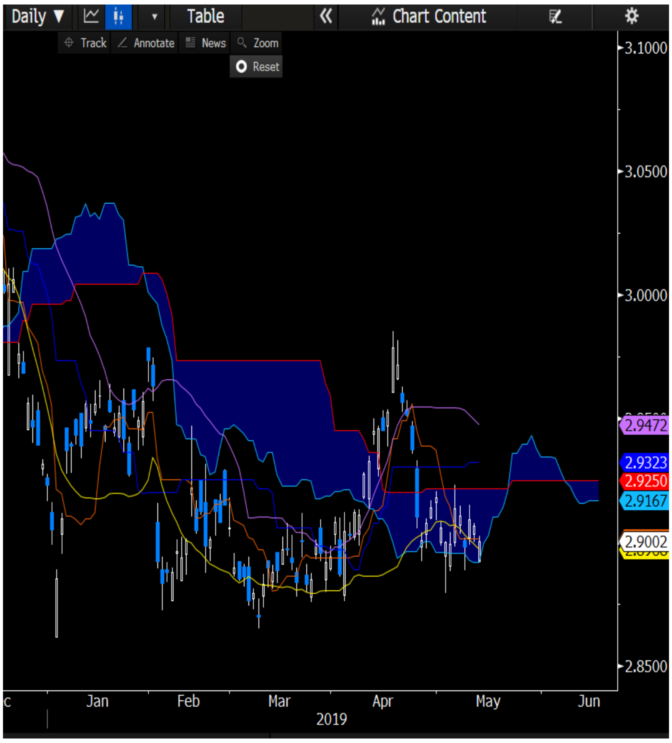
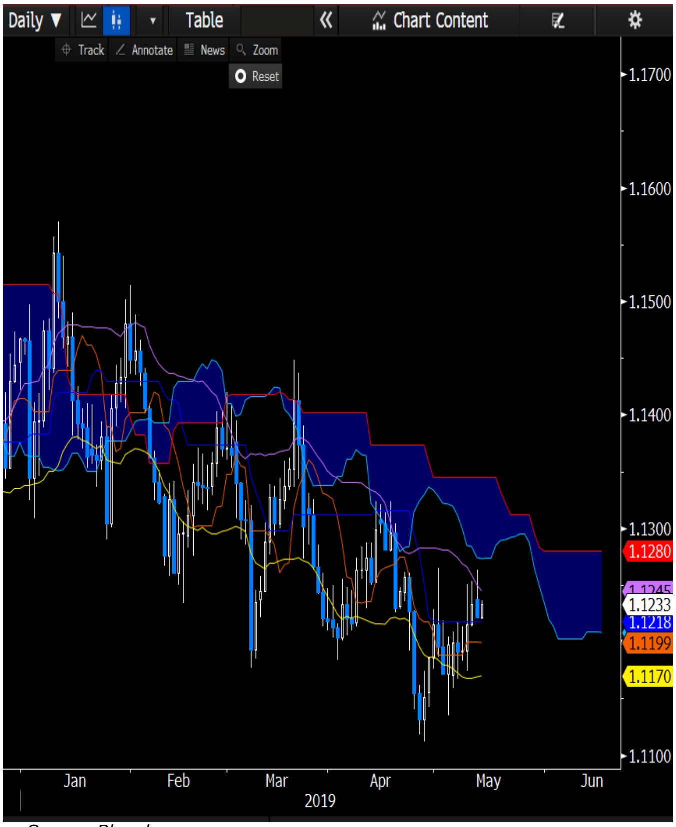
Indicative AUDMYR 2.8998



Source: Bloomberg

- AUDMYR opened 0.5% lower at 2.8920 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish**.
- Conflicting components continued to provide some stability for the pair as the 2.88 handle lends some support but outlook remains bearish to the low 2.88 handle in the short term. The pair needs a close above 2.91 handle to negate current bearish momentum.
- **Key resistances:** 2.9100 (R1), 2.9200 (R2), 2.9300 (R3)
- **Key supports:** 2.8900 (S1), 2.8850 (S2), 2.8800 (S3)
- **Expected range for the day:** 2.8900 – 2.9100

Indicative EURUSD 1.1233

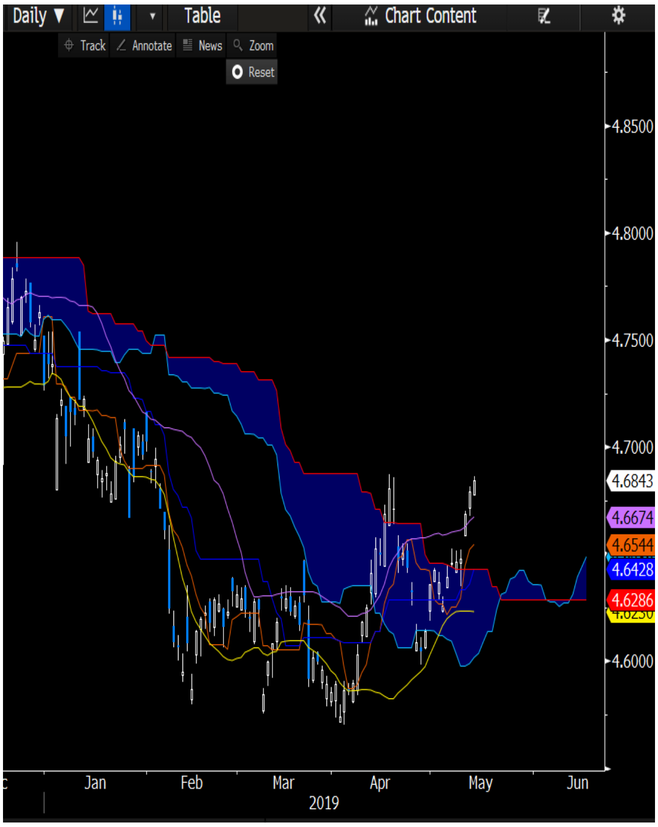


Source: Bloomberg

- EURUSD opened unchanged at 1.1222. **Daily outlook bearish.**
- **Weekly outlook neutral and monthly outlook bearish**.
- Bearish on EUR today in line with broader USD strength as trade tensions escalated, leading the pair to likely trading lower towards 1.1200 and below.
- **Key resistances:** 1.1250 (R1), 1.1275 (R2), 1.1300 (R3)
- **Key supports:** 1.1200 (S1), 1.1170 (S2), 1.1150 (S3)
- **Expected range for the day:** 1.1200 – 1.1250

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

Indicative EURMYR 4.6842



Source: Bloomberg

- EURMYR opened 0.05% lower at 4.6778 today. **Daily outlook neutral.**
- **Weekly outlook bullish, monthly outlook bearish**.
- EURMYR managed to break above the 4.6800 resistance level on prevailing risk-off sentiments. Maintained view that a break above 4.6800 will expose the pair to 4.7050 200 DMA resistance with support only coming in at 4.6400 and 4.6150.
- **Key resistances:** 4.6900 (R1) 4.7000 (R1), 4.7050 (R3)
- **Key supports:** 4.6650 (S1), 4.6450 (S2), 4.6400 (S3)
- **Expected range for the day:** 4.6750– 4.7000

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