December 18, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1427

Source: Bloomberg

- USDMYR opened virtually no changed at 4.1420 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bullish.**
- **MYR daily outlook is neutral for now**, expecting the ringgit to continue consolidating around the range of 4.1350-4.1500 amidst fading US-China trade optimism. **MYR medium term outlook is still bearish** as the dollar is still expected to be well supported by relatively solid data.
- **Key resistances:** 4.1500 (S1), 4.1600 (S2), 4.1700 (S3)
- **Key supports:** 4.1350 (R1), 4.1300 (R2), 4.1250 (R3)
- **Expected range for the day:** 4.1350-4.1500

Indicative GBPMYR 5.4207

Source: Bloomberg

- GBPMYR opened 0.59% lower at 5.4350 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **GBPMYR daily outlook is bearish on lower opening** as the sterling rolled into Asian session lower and looks under pressure against the USD below the 1.3100 handle with technical indicators pointing to a loss in momentum. Key data today are UK CPI and BOE is set to announce bank rate decision tomorrow. **Medium term outlook is determined by Brexit development.**
- **Key resistances**: 5.4530 (R1), 5.4660 (R2), 5.5190 (R3)
- **Key supports**: 5.4000 (S1), 5.3750 (S2), 5.3500 (S3)
- **Expected range for the day:** 5.4000- 5.4530

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

Indicative AUDUSD 0.6848

Source: Bloomberg

- AUDUSD opened virtually unchanged at 0.6852 today. **Daily outlook neutral with a bearish bias.**
- **Weekly outlook neutral and monthly outlook neutral.**
- **Daily outlook is neutral with a bearish bias** as AUD is seen consolidating losses around the 0.6850 rolling into Asian morning. **Medium term outlook is neutral amidst** lower risk of a US-China trade war escalation and RBA's accommodative stance.
- **Key resistances:** 0.6880 (R1), 0.6900 (R2), 0.6930 (R3)
- **Key supports:** 0.6830 (S1), 0.6815 (S2), 0.6800 (S3)
- **Expected range for the day:** 0.6830 – 0.6880

Indicative AUDMYR 2.8369

Source: Bloomberg

- AUDMYR opened virtually unchanged at 2.8373 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook slightly bullish.**
- **We are neutral on AUDMYR cross today** as both AUD and MYR appears to be in respective consolidation against the USD. **Medium term outlook is neutral amidst** lower risk of a US-China trade war escalation and RBA's accommodative stance.
- **Key resistances:** 2.8430 (R1), 2.8500 (R2), 2.8550 (R3)
- **Key supports:** 2.8320 (S1), 2.8260 (S2), 2.8200 (S3)
- **Expected range for the day:** 2.8320 – 2.8430

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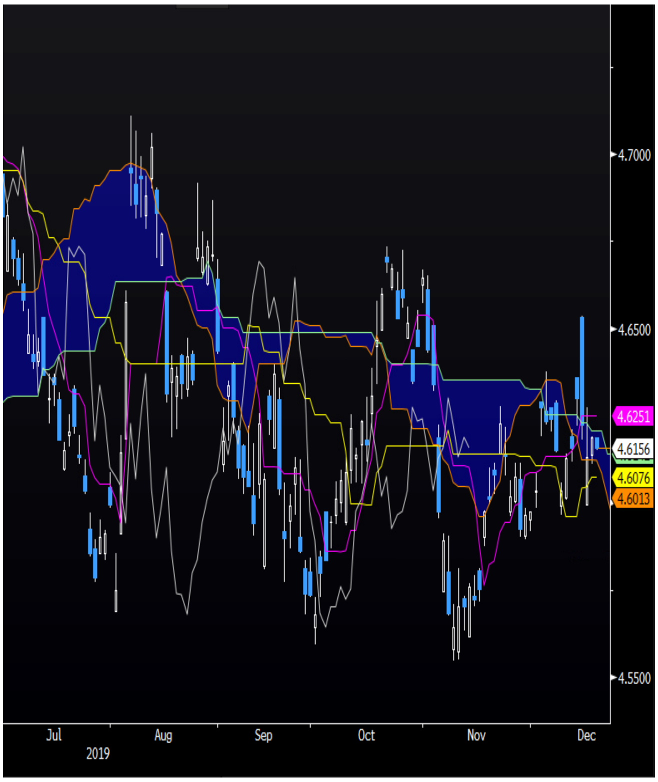
Indicative EURUSD 1.1140

Source: Bloomberg

- EURUSD opened unchanged at 1.1150 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **EUR is neutral today** with limited upside and was seen trading below 1.1150 this morning and likely to range trade around 1.1120- 1.1170 amidst renewed Brexit fear and a lack of catalyst. **Medium term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 1.1150 (R1), 1.1180 (R2), 1.1200 (R3)
- **Key supports:** 1.1120 (S1), 1.1100 (S2), 1.1080 (S3)
- **Expected range for the day:** 1.1120-1.1170

Indicative EURMYR 4.6156



Source: Bloomberg

- EURMYR opened unchanged at 4.6186 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **We are neutral on EURMYR cross** as both EUR and MYR are expected to move little against the USD today. **Medium term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 4.6200 (R1) 4.6300 (R1), 4.6400 (R3)
- **Key supports:** 4.6075 (S1), 4.6000 (S2), 4.5900 (S3)
- **Expected range for the day:** 4.6075 - 4.6250

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