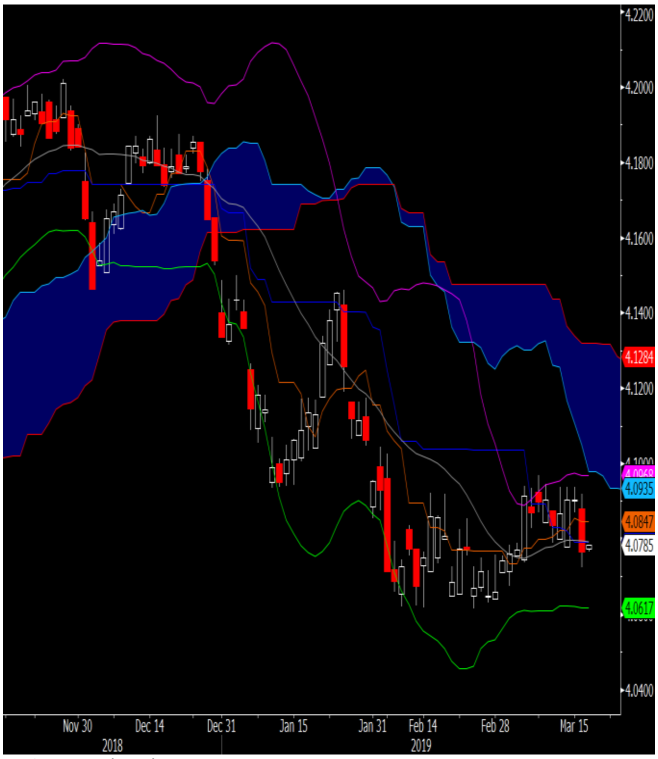
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

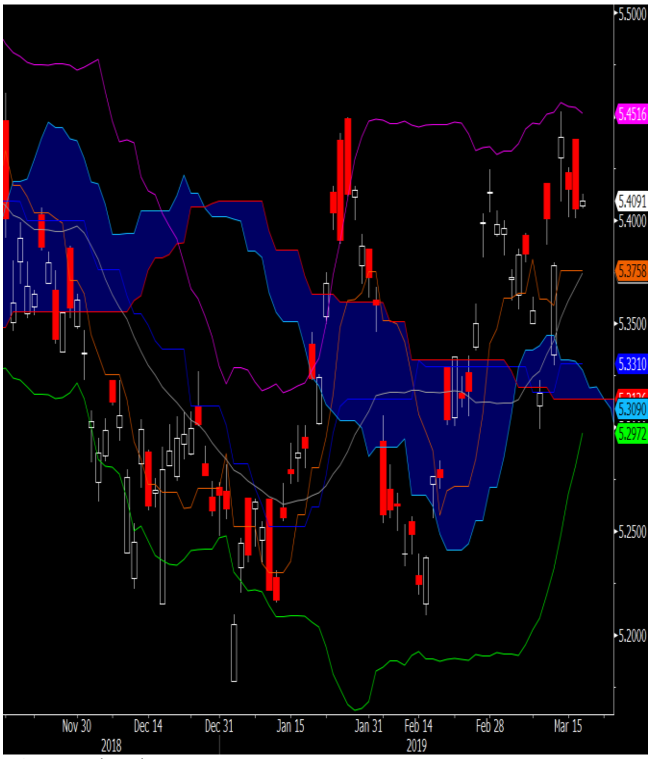
Indicative USDMYR 4.0785



Source: Bloomberg

- USDMYR opened slightly higher today. **Daily outlook neutral** on technical reasons.
- **Weekly outlook neutral, monthly outlook bullish**.
- Technical viewpoint suggests that USDMYR could be in for a mild bounce higher after yesterday's relatively sharp drop. In any case, unless current bearish bias is overturned by breaking above 4.0868, USDMYR is likely headed lower, possibly targeting 4.0705.
- **Key resistances:** 4.0800 (R1), 4.0820 (R2), 4.0830 (R3)
- **Key supports:** 4.0765 (S1), 4.0750 (S2), 4.0730 (S3)
- **Expected range for the day:** 4.0765 – 4.0820

Indicative GBPMYR 5.4091

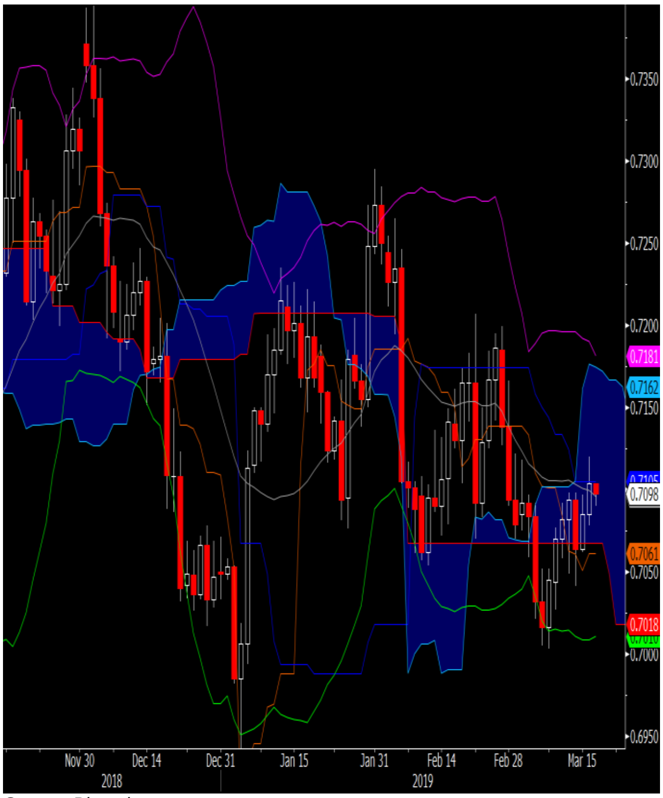


Source: Bloomberg

- GBPMYR opened 14 pips higher at 5.4071 today. **Daily outlook slightly bearish**, weighed down by growing Brexit uncertainties.
- **Weekly and monthly outlook bearish**.
- Expect a bearish GBPMYR going forward after downside break of 5.4146. Further losses are likely to test 5.4012, below which 5.3888 will be threatened.
- **Key resistances**: 5.4130 (R1), 5.4146 (R2), 5.4180 (R3)
- **Key supports**: 5.4047 (S1), 5.4012 (S2), 5.4000 (S3)
- **Expected range for the day:** 5.3950 – 5.4125

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

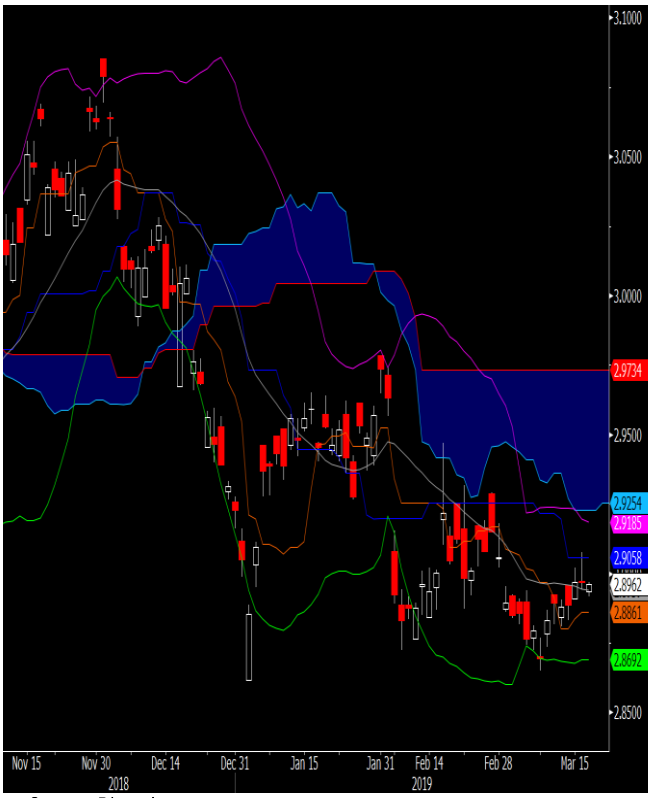
Indicative AUDUSD 0.7098



Source: Bloomberg

- AUDUSD opened unchanged at 0.7104. **Daily outlook slightly bullish**, supported by improving risk appetite in the markets.
- **Weekly and monthly outlook bullish**.
- On the back of a firm bullish trend and emergence of upward momentum, we reckon that there may be room for further gains in AUDUSD, possibly to circa 0.7130 – 0.7138 in the next leg higher. Holding above 0.7068 keeps a bullish bias.
- **Key resistances:** 0.7105 (R1), 0.7118 (R2), 0.7130 (R3)
- **Key supports:** 0.7096 (S1), 0.7090 (S2), 0.7073 (S3)
- **Expected range for the day:** 0.7090 – 0.7120

Indicative AUDMYR 2.8962



Source: Bloomberg

- AUDMYR opened 31pips lower at 2.8937 today. **Daily outlook slightly neutral** as we expect a firmer AUD to overturn early losses.
- **Weekly outlook bullish, monthly outlook neutral**.
- AUDMYR remains in a bullish trend and likely to head higher, with room to test 2.9058. Holding above 2.8939 is crucial to sustain a bullish trend, otherwise expect a drop to 2.8816 – 2.8861 range.
- **Key resistances:** 2.9010 (R1), 2.9058 (R2), 2.9080 (R3)
- **Key supports:** 2.8939 (S1), 2.8918 (S2), 2.8900 (S3)
- **Expected range for the day:** 2.8900 – 2.9000

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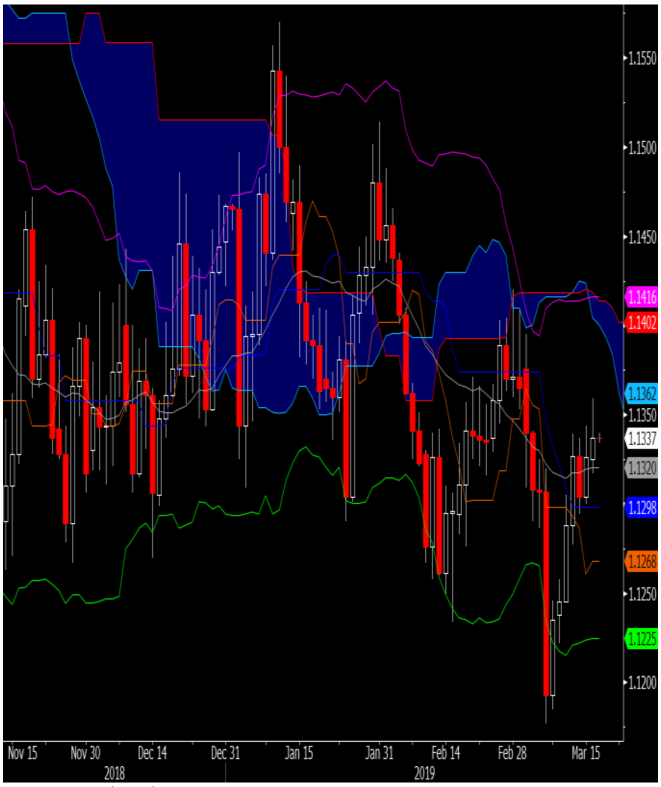
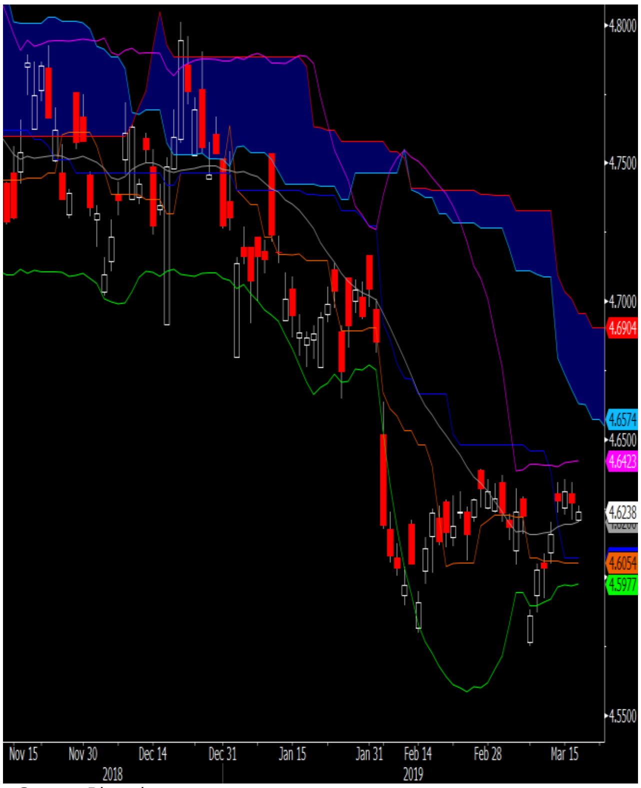
Indicative EURUSD 1.1337



Source: Bloomberg

- EURUSD opened unchanged at 1.1337. **Daily outlook bullish** on the back of a soft USD, with room for further gains if Eurozone data improves.
- **Weekly outlook bullish, monthly outlook neutral**.
- EURUSD upside is supported by a lingering bullish trend and is likely headed towards 1.1368. Breaking this will allow passage to 1.1400. Caution that a close below 1.1327 today will end the bullish trend and tilt EURUSD towards the downside.
- **Key resistances:** 1.1355 (R1), 1.1368 (R2), 1.1380 (R3)
- **Key supports:** 1.1327 (S1), 1.1298 (S2), 1.1275 (S3)
- **Expected range for the day:** 1.1330 – 1.1370

Indicative EURMYR 4.6262



Source: Bloomberg

- EURMYR opened 61 pips lower at 4.6209 today. **Daily outlook neutral**, expecting a firmer EUR to offset early losses.
- **Weekly and monthly outlook bullish**.
- EURMYR is still in a bullish trend but must break above 4.6278 to sustain further gains, otherwise, there is a risk of a drop to 4.6180.
- **Key resistances:** 4.6278 (R1), 4.6300 (R2), 4.6320 (R3)
- **Key supports:** 4.6256 (S1), 4.6234 (S2), 4.6210 (S3)
- **Expected range for the day:** 4.6200 – 4.6280

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