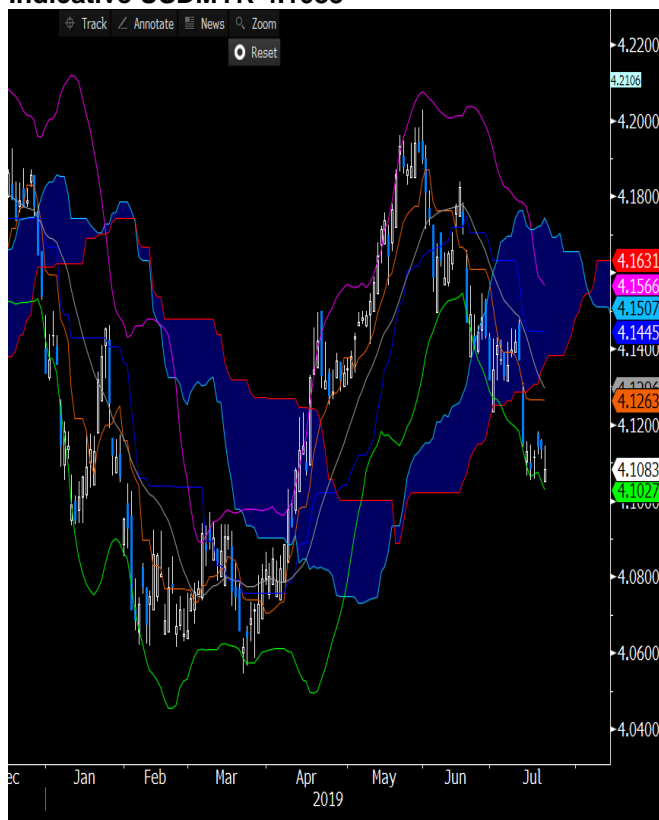


Global Markets Research

FX Strategy

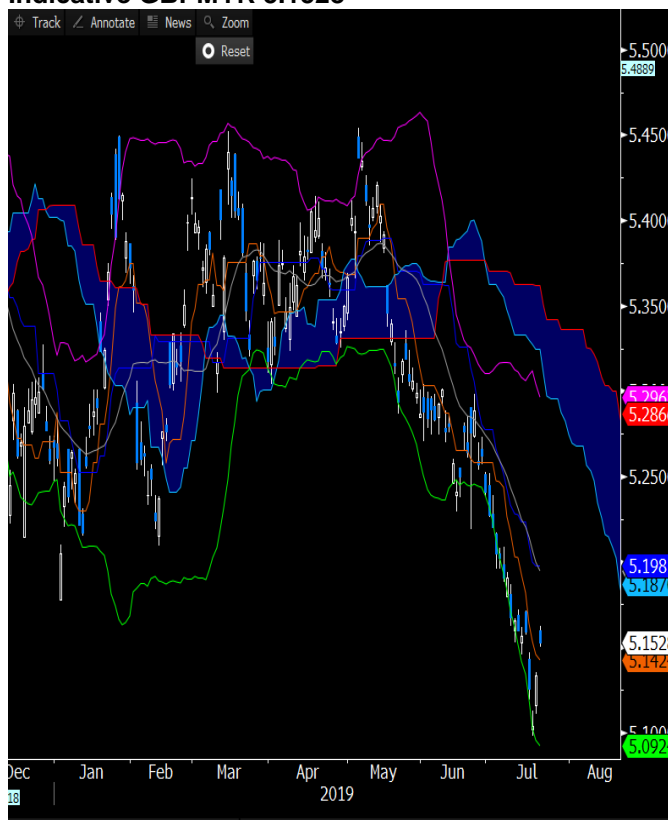
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1083



Source: Bloomberg

Indicative GBPMYR 5.1528



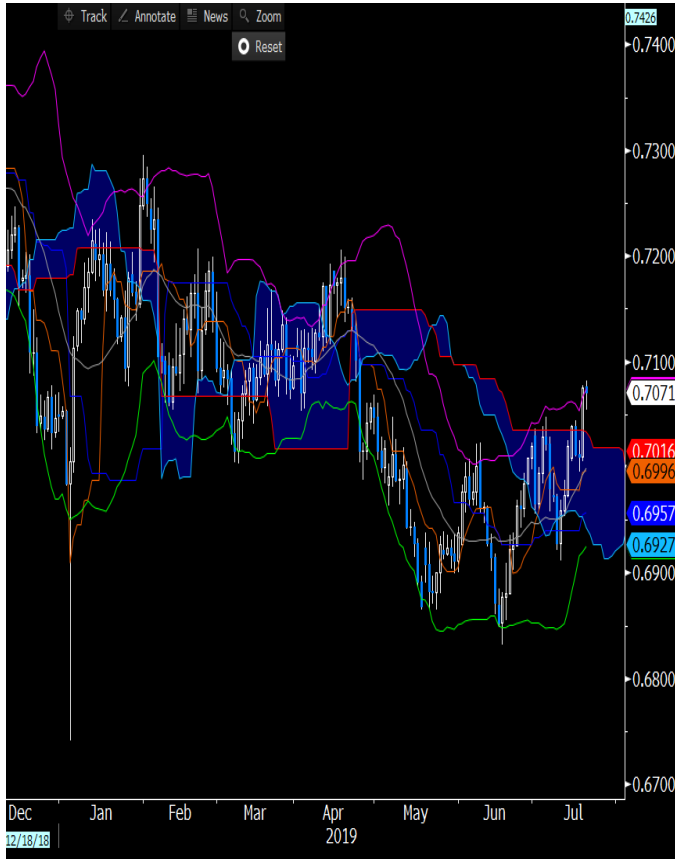
Source: Bloomberg

- USDMYR opened 0.21% lower at 4.1137. **Daily outlook bearish.**
- **Weekly outlook and monthly outlook bearish.**
- **We are bearish on USDMYR today** taking cue from the broad-based decline in USD overnight after Fed officials called for quick actions to ease policy and firmed up expectations of more aggressive rate cut by the central bank. In the medium term, we remain bearish on USDMYR, reinforced by solid prospect of a Fed rate cut as we head towards FOMC meeting at the end of July.
- **Key resistances:** 4.1100 (R1), 4.1150 (R2), 4.1175 (R3)
- **Key supports:** 4.1050 (S1), 4.1025 (S2), 4.1000 (S3)
- **Expected range for the day:** 4.1050 – 4.1100

- GBPMYR opened 0.52% higher at 5.1599 today. **Daily outlook neutral to slightly bearish.**
- **Weekly outlook and monthly outlook bearish.**
- **We are neutral to slightly bearish on the pair today** due to stronger MYR component and weaker GBP from a technical correction. In the medium term, we remain bearish on GBP as fears of a no-deal Brexit and the UK political drama continues to unfold, exerting more downward pressure on the sterling.
- **Key resistances:** 5.1720 (R1), 5.1835 (R2), 5.1900 (R3)
- **Key supports:** 5.1424 (S1), 5.1355 (S2), 5.1065 (S3)
- **Expected range for the day:** 5.1400 – 5.1720

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

Indicative AUDUSD 0.7071

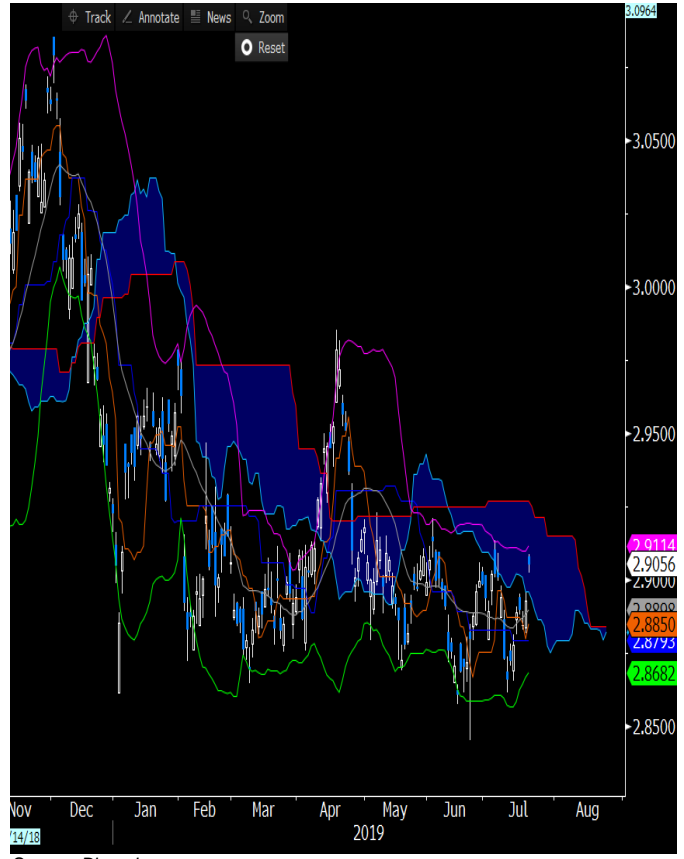


Source: Bloomberg

- AUDUSD opened minimally higher at 0.7076 today. **Daily outlook neutral to slightly bearish.**
- **Weekly outlook and monthly outlook slightly bullish.**
- **We are neutral to slightly bearish on AUDUSD today** similarly on technical correction. In the medium term, we remain bullish on AUD as the Fed cuts rate and the RBA stays pat at least for the next two meetings judging from yesterday strong full-time job figures. Any potential US-China trade resolutions would also send the Aussie towards the upside.
- **Key resistances:** 0.7085 (R1), 0.7100 (R2), 0.7120 (R3)
- **Key supports:** 0.7050 (S1), 0.7040 (S2), 0.7005 (S3)
- **Expected range for the day:** 0.7050-0.7085

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

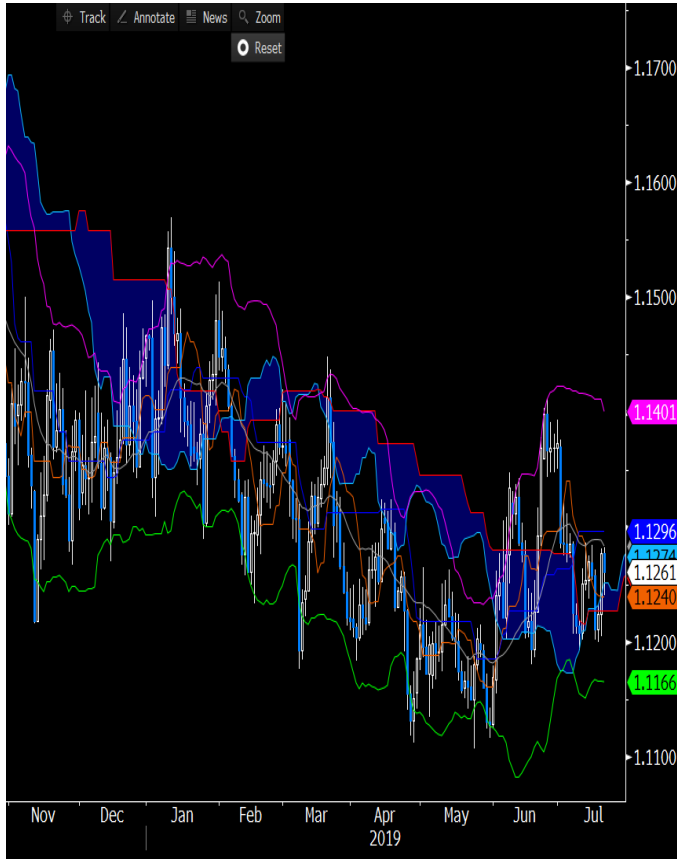
Indicative AUDMYR 2.9056



Source: Bloomberg

- AUDMYR opened 0.52% higher at 2.9078 today. **Daily outlook bearish.**
- **Weekly outlook neutral and monthly outlook slightly bearish.**
- **We are neutral to slightly bearish on the pair today** due to stronger MYR component and weaker AUD from a technical correction. In the more medium term, we stick to the view that the pair would take cues from AUD due to its sensitivity to US-China trade talks developments.
- **Key resistances:** 2.9100 (R1), 2.9115 (R2), 2.9165 (R3)
- **Key supports:** 2.9010 (S1), 2.8950 (S2), 2.8900 (S3)
- **Expected range for the day:** 2.9000-2.9100

Indicative EURUSD 1.1261

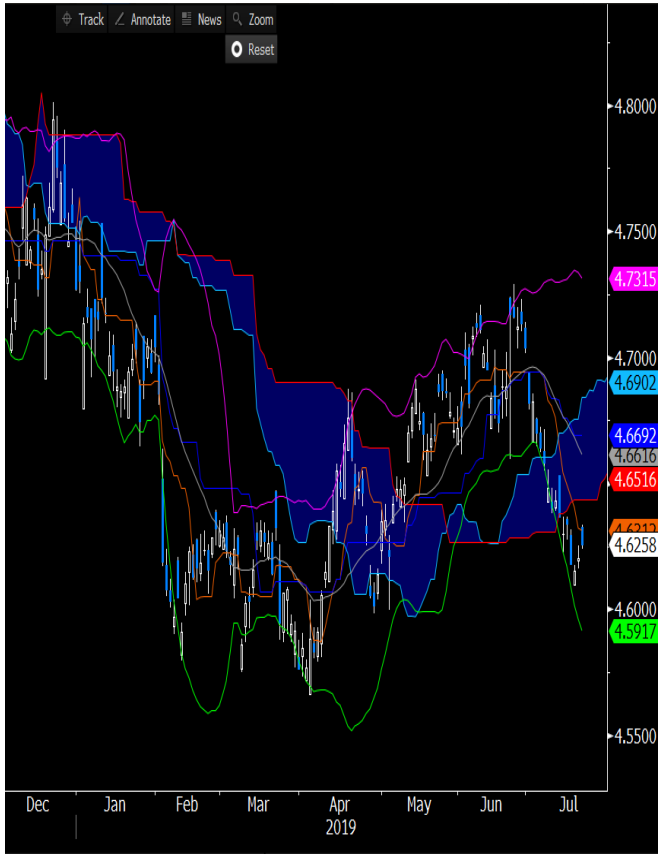


Source: Bloomberg

- EURUSD opened unchanged at 1.1277 today. **Daily outlook neutral to slightly bearish**
- **Weekly and monthly outlook bullish.**
- **We are neutral to slightly bearish on EUR today** mainly because a sharp jump overnight would lead to a technical correction today. We remain bullish on EUR in the medium term over a solid prospect of a Fed rate cut versus the still uncertain outlook of ECB policy. The ECB might revise its forward guidance next week to signal a cut in deposit rate but any potential cut may not materialize prior to President Draghi's departure.
- **Key resistances:** 1.1285 (R1), 1.1295 (R2), 1.1300 (R3)
- **Key supports:** 1.1240 (S1), 1.1200 (S2), 1.1185 (S3)
- **Expected range for the day:** 1.1200 – 1.1295

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

Indicative EURMYR 4.6258



Source: Bloomberg

- EURMYR opened 0.09% higher at 4.6195 today. **Daily outlook neutral to slightly bearish.**
- **Weekly and monthly outlook bearish.**
- **We are neutral to slightly bearish on the pair today** due to stronger MYR component and weaker EUR from a technical correction. In the medium term, we are bearish on the pair as the ECB might revise its forward guidance next week to signal a cut in deposit rate. We also look towards US-China trade talks for more directional cues.
- **Key resistances:** 4.6325 (R1) 4.6365 (R1), 4.6400 (R3)
- **Key supports:** 4.6235 (S1), 4.6160 (S2), 4.6095 (S3)
- **Expected range for the day:** 4.6200 – 4.6365

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