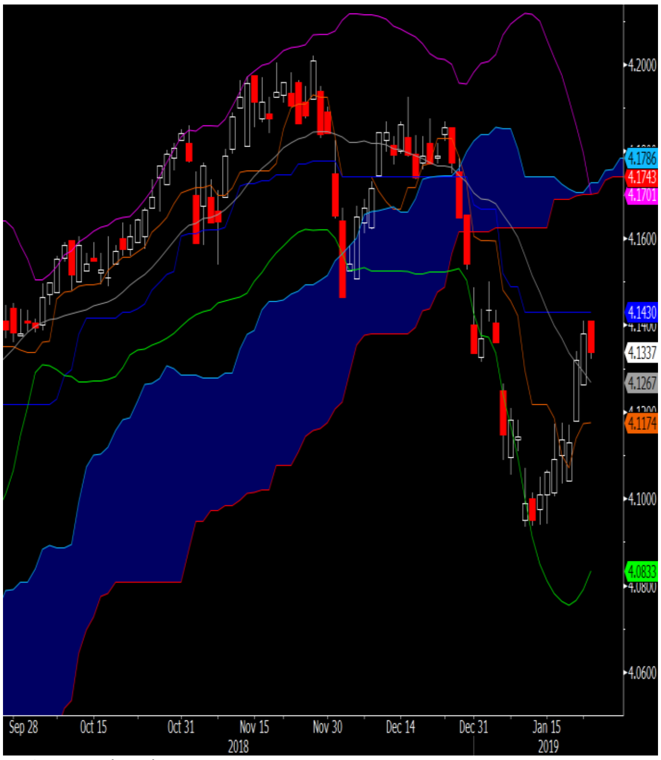
January 24, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

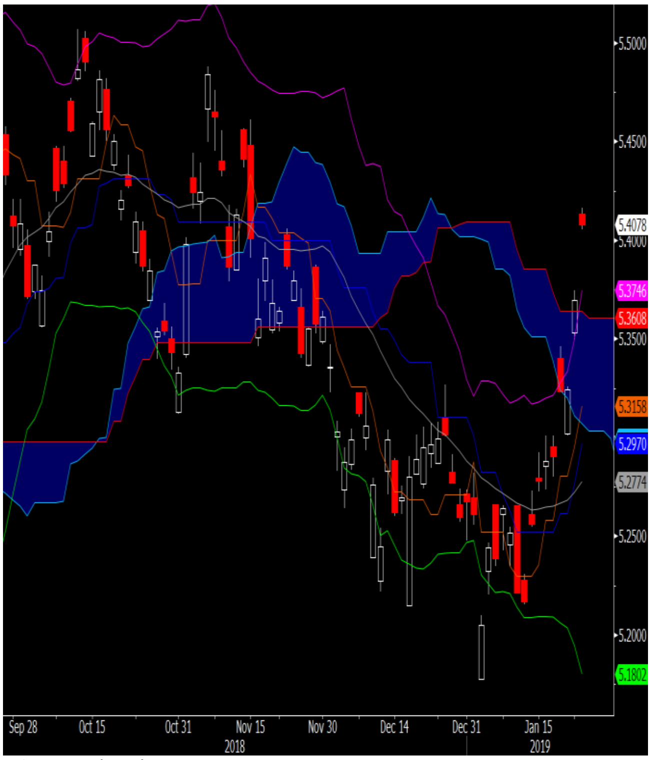
Indicative USDMYR 4.1337



Source: Bloomberg

- USDMYR opened higher today. **Daily outlook slightly bullish**, with MYR pressured by fading market sentiment.
- **Weekly outlook bullish, monthly outlook bearish**.
- A mild upward momentum continues to prevail, alongside lingering bullish trend, are both expected to tilt USDMYR towards the upside. We continue to expect USDMYR to soon challenge 4.1385 – 4.1400.
- **Key resistances:** 4.1350 (R1), 4.1385 (R2), 4.1400 (R3)
- **Key supports:** 4.1300 (S1), 4.1265 (S2), 4.1210 (S3)
- **Expected range for the day:** 4.1320 – 4.1420

Indicative GBPMYR 5.4078

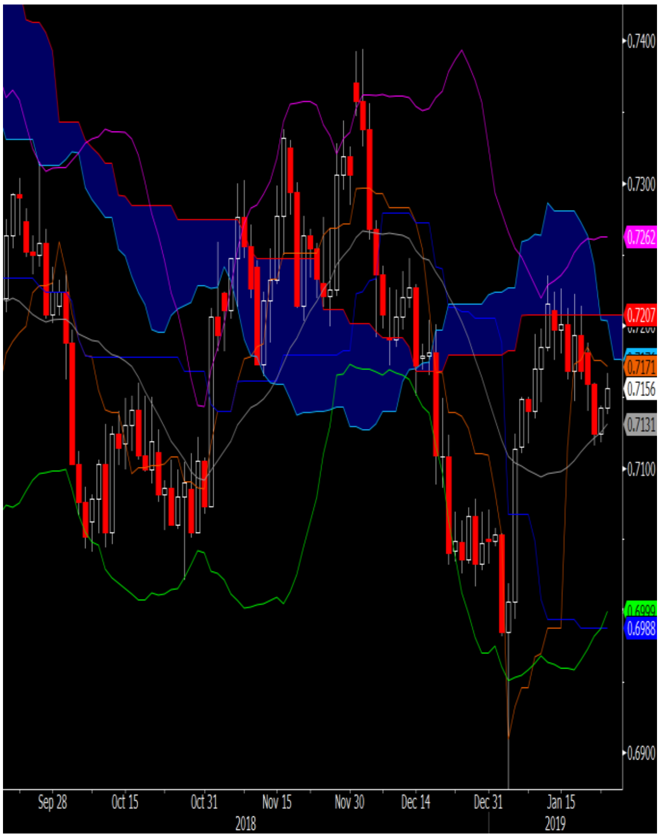


Source: Bloomberg

- GBPMYR opened 438pips higher at 5.4134 today. **Daily outlook bullish**, lifted by the sharply higher opening but expect some retracements of early gains.
- **Weekly and monthly outlook bullish**.
- GBPMYR remains tilted upwards amid rising upward momentum and prevailing bullish trend. However, we caution of increasing tendency for GBPMYR to slide below 5.3874 in the coming days / week.
- **Key resistances**: 5.4100 (R1), 5.4157 (R2), 5.4185 (R3)
- **Key supports**: 5.4050 (S1), 5.4013 (S2), 5.4000 (S3)
- **Expected range for the day:** 5.3950 – 5.4165

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

Indicative AUDUSD 0.7156



Source: Bloomberg

- AUDUSD opened unchanged at 0.7142 today. **Daily outlook slightly bearish** as we expect risk aversion in the FX space to prevail.
- **Weekly outlook bearish, monthly outlook bullish**.
- A bearish trend prevails and while AUDUSD may still continue the bounce higher from yesterday, it should close below 0.7168 before heading lower and break below 0.7124. A close above 0.7168 will alter current bearish outlook.
- **Continue to expect a potential decline to 0.7100**, otherwise curbed by a close above 0.7180.
- **Key resistances:** 0.7150 (R1), 0.7171 (R2), 0.7180 (R3)
- **Key supports:** 0.7130 (S1), 0.7118 (S2), 0.7100 (S3)
- **Expected range for the day:** 0.7100 – 0.7170

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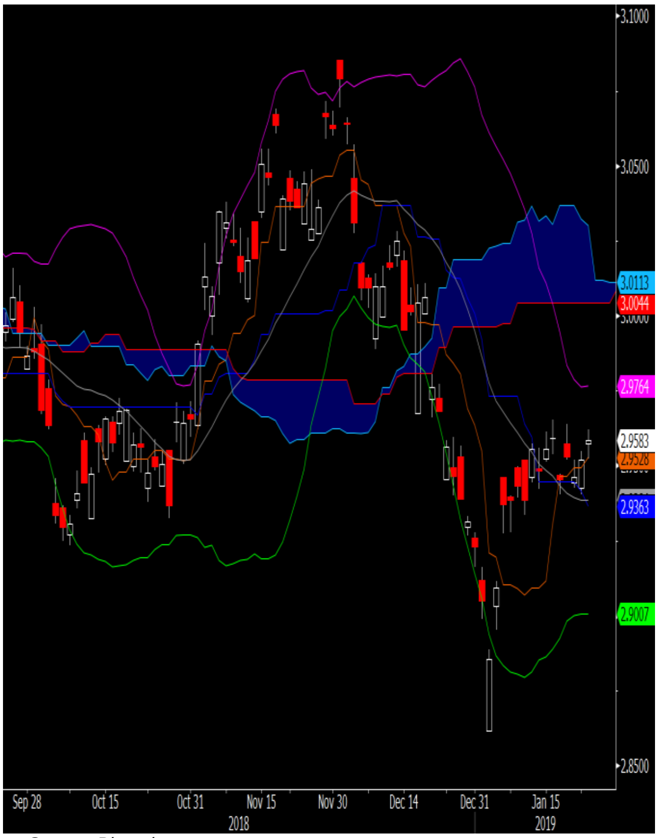
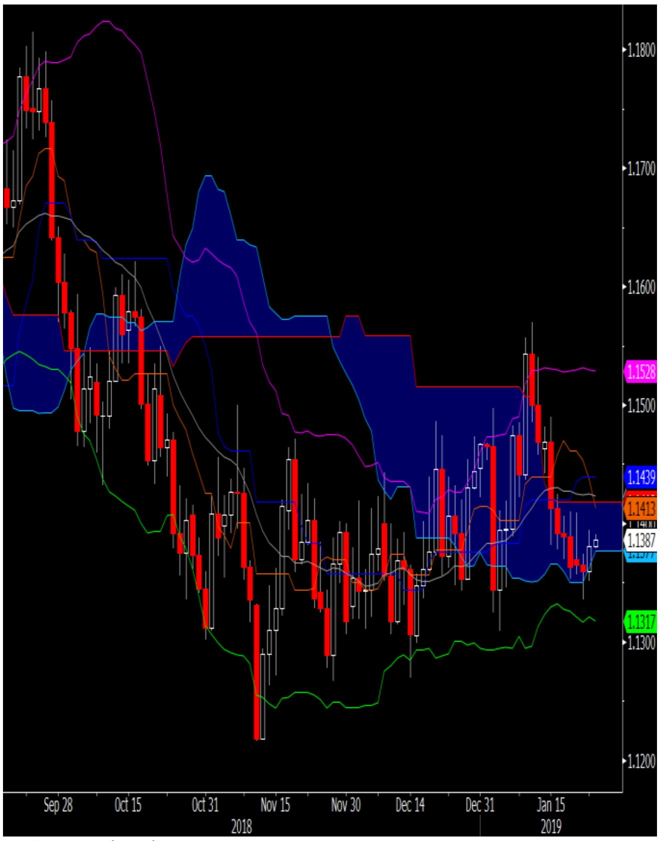
Indicative AUDMYR 2.9583



Source: Bloomberg

- AUDMYR opened 54pips higher at 2.9573 today. **Daily outlook neutral** on technical reasons.
- **Weekly outlook bearish, monthly outlook bullish**.
- Upside bias in AUDMYR continues to appear dubious as upward momentum recedes. Despite a higher opening, risk of a slide lower is rising, and we caution that inability to close above 2.9571 today will push AUDMYR lower going forward, possibly testing 2.9369 in the next leg lower.
- **Key resistances:** 2.9613 (R1), 2.9653 (R2), 2.9685 (R3)
- **Key supports:** 2.9571 (S1), 2.9528 (S2), 2.9500 (S3)
- **Expected range for the day:** 2.9500 – 2.9620

Indicative EURUSD 1.1387



Source: Bloomberg

- EURUSD opened unchanged at 1.1381 today. **Daily outlook bearish** as risk aversion is likely to rise heading into ECB meeting, on top of receding expectation on ECB to normalize policy given as softer global outlook.
- **Weekly outlook bearish, monthly outlook neutral**.
- EURUSD has overturned its bearish trend but caution that it will easily by revived should there be a close below 1.1363 today. Even if bearish trend no longer holds, EURUSD momentum remains in negative territory and expectation of a sustained advance remains soft at this juncture.
- **Key resistances:** 1.1400 (R1), 1.1413 (R2), 1.1423 (R3)
- **Key supports:** 1.1377 (S1), 1.1367 (S2), 1.1350 (S3)
- **Expected range for the day:** 1.1350 – 1.1400

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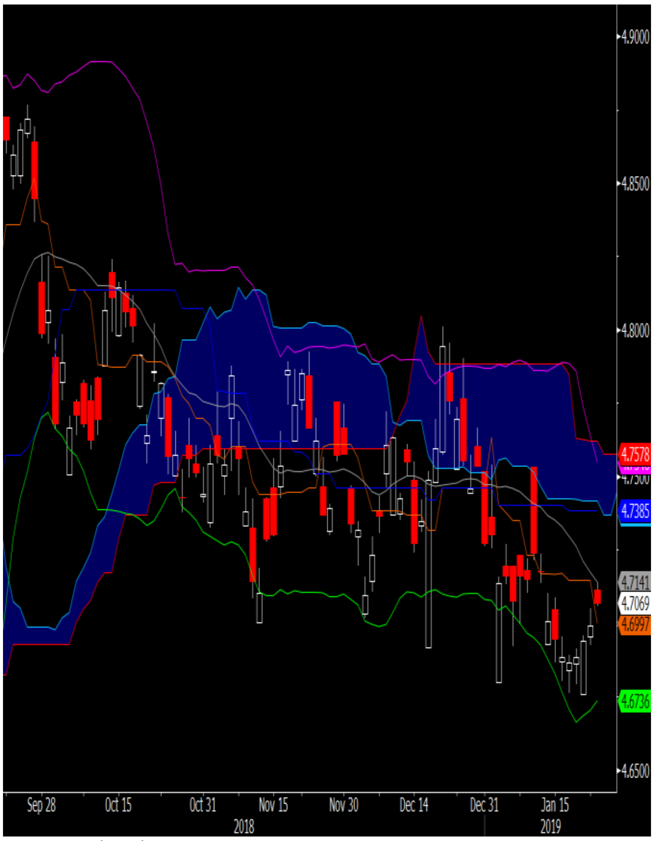
Indicative EURMYR 4.7069



Source: Bloomberg

- EURMYR opened 122pips higher at 4.7113 today. **Daily outlook slightly bullish**, lifted by the sharply higher opening, but caution on potential recede going into European session.
- **Weekly outlook neutral, monthly outlook bearish**.
- EURMYR remains tilted to the upside, with room to test 4.7147. Beating this exposes a move to 4.7345 in the next leg higher.
- **Key resistances:** 4.7087 (R1), 4.7143 (R2), 4.7213 (R3)
- **Key supports:** 4.7052 (S1), 4.7034 (S2), 4.7000 (S3)
- **Expected range for the day:** 4.7020 – 4.7140

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