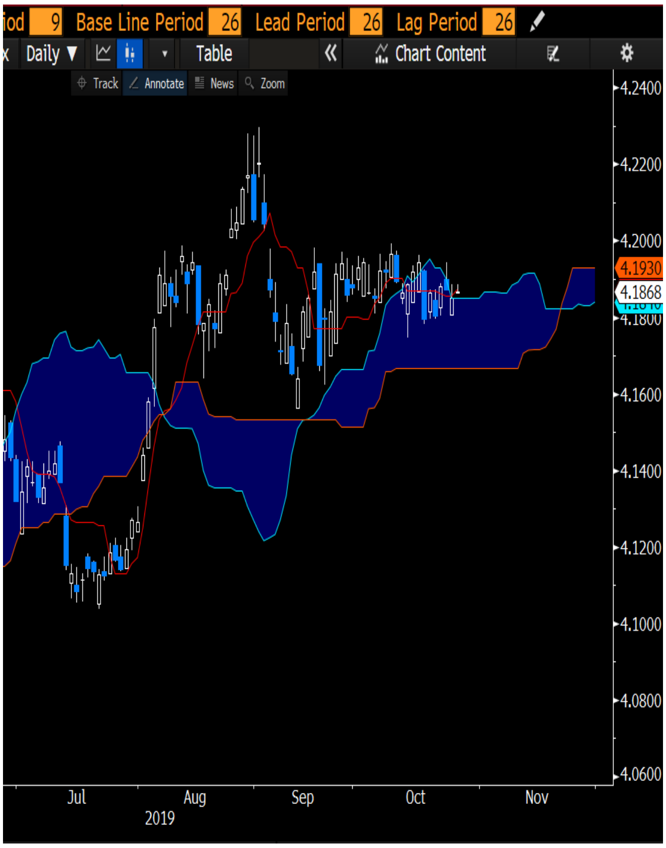
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1900

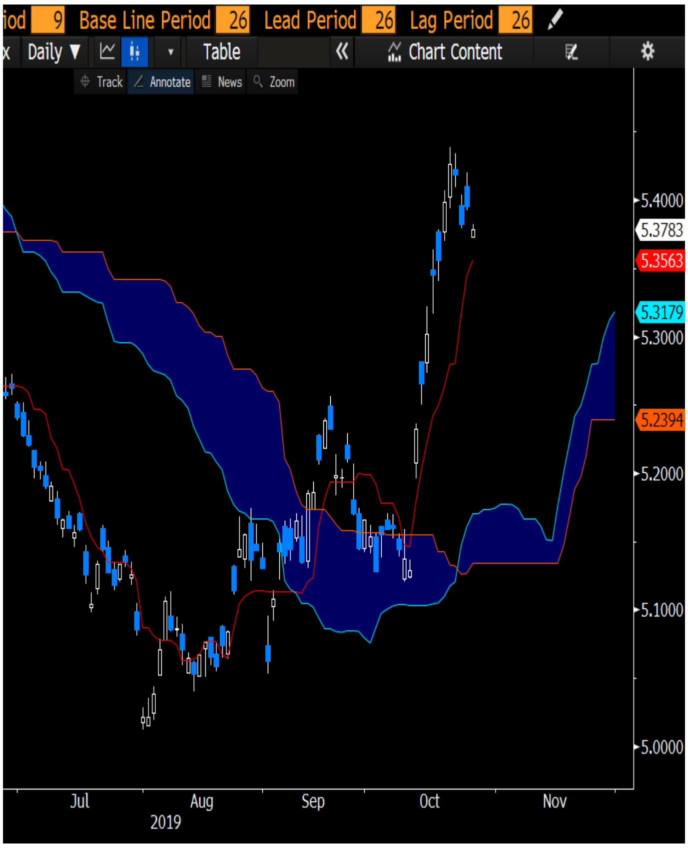


Source: Bloomberg

- USDMYR opened marginally higher at 4.1865 today. **Daily outlook neutral to mildly bullish.**
- **Weekly outlook neutral and monthly outlook neutral to slightly bullish.**
- **We are neutral to mildly bullish USDMYR today** as the broad USD received some strength overnight on some Brexit drama and that strength is likely to spill over into today's session on a lack of headlines and a relatively empty data calendar. **We remain bearish USDMYR over the medium term** on an expected Fed rate cut and its balance sheet expansion plan.
- **Key resistances:** 4.1950 (S1), 4.2000 (S2), 4.2050 (S3)
- **Key supports:** 4.1850 (R1), 4.1800 (R2), 4.1750 (R3)
- **Expected range for the day:** 4.1800- 4.2000

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

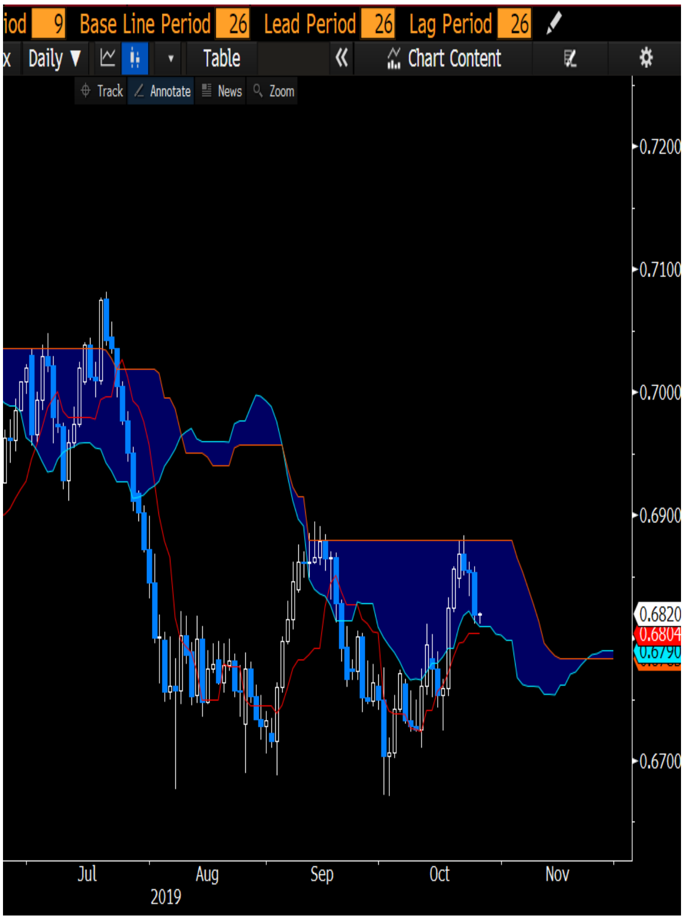
Indicative GBPMYR 5.3820



Source: Bloomberg

- GBPMYR opened 0.42% lower at 5.3733 today. **Daily outlook mildly bearish.**
- **Weekly outlook bearish; monthly outlook neutral** and will be **headlines driven.**
- **We remain mildly bearish on GBP in the interim** as EU lawmakers mull on the decision of a Brexit extension while UK lawmakers prepare for a snap election. Watch out for Brexit headlines in the interim to gauge potential short term moves.
- **Key resistances**: 5.4000 (R1), 5.4200 (R2), 5.4400 (R3)
- **Key supports**: 5.3650 (S1), 5.3400 (S2), 5.3300 (S3)
- **Expected range for the day:** 5.3600- 5.4000

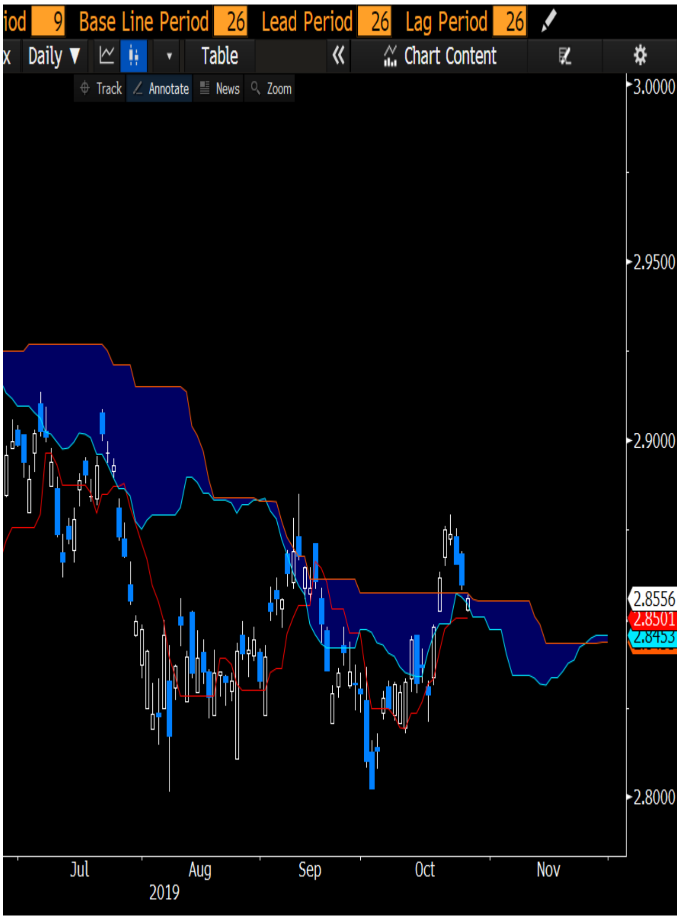
Indicative AUDUSD 0.6816



Source: Bloomberg

- AUDUSD opened unchanged at 0.6819 today. **Daily outlook neutral to mildly bearish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **We are neutral to mildly bearish AUD today** as the overall USD gains some strength over Brexit fears while the broad market as a whole is still in consolidation over a lack of negative headlines and a relatively empty data calendar. **We remain bearish AUD over the medium term** on potential RBA easing in the face of slower global growth and prolonged trade uncertainty.
- **Key resistances:** 0.6840 (R1), 0.6870 (R2), 0.6900 (R3)
- **Key supports:** 0.6800 (S1), 0.6770 (S2), 0.6750 (S3)
- **Expected range for the day:** 0.6785- 0.6835

Indicative AUDMYR 2.8551



Source: Bloomberg

- AUDMYR opened 0.24% lower at 2.8526 today. **Daily outlook neutral.**
- **Weekly outlook bullish and monthly outlook bearish.**
- **We are neutral on pair today** as both components are in conflict due to a mildly stronger USD overnight due to Brexit drama and a relatively light data calendar. **In the medium term, we remain bearish AUD** on potential RBA easing in the face of slower global growth and prolonged trade uncertainty.
- **Key resistances:** 2.8750 (R1), 2.8850 (R2), 2.9000 (R3)
- **Key supports:** 2.8450 (S1), 2.8350 (S2), 2.8250 (S3)
- **Expected range for the day:** 2.8400 – 2.8700

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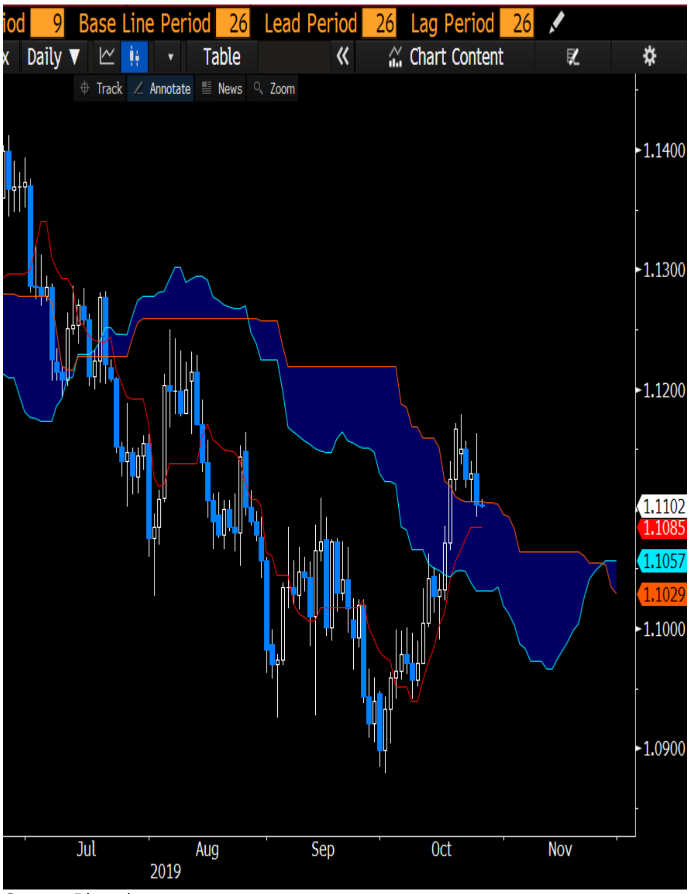
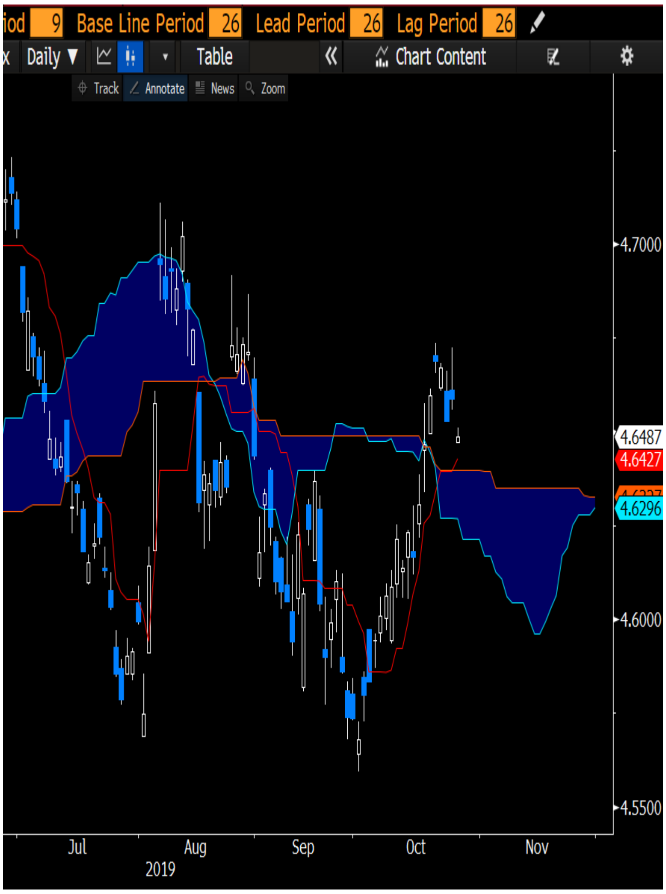
Indicative EURUSD 1.1105



Source: Bloomberg

- EURUSD opened unchanged at 1.1104 today. **Daily outlook neutral to mildly bearish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **We are neutral to mildly bearish EUR today** in sympathy of a lower GBP as the pair continues to be influenced by the drama ongoing there. **We remain bearish EUR over the medium term** as the shared currency is expected to weaken once the ECB restarts its Asset Purchase Program in November.
- **Key resistances:** 1.1125 (R1), 1.1150 (R2), 1.1175 (R3)
- **Key supports:** 1.1080 (S1), 1.1050 (S2), 1.1025 (S3)
- **Expected range for the day:** 1.1080-1.1130

Indicative EURMYR 4.6530



Source: Bloomberg

- EURMYR opened 0.25% lower at 4.6472 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **We remain neutral on the pair today** as both components are neutral to slightly conflicting due to mild USD strength. **In the medium term, we remain bearish EUR over the medium term** as the shared currency is expected to weaken once the ECB restarts its Asset Purchase Program in November.
- **Key resistances:** 4.6700 (R1) 4.6800 (R1), 4.6900 (R3)
- **Key supports:** 4.6300 (S1), 4.6200 (S2), 4.6100 (S3)
- **Expected range for the day:** 4.6350– 4.6700

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