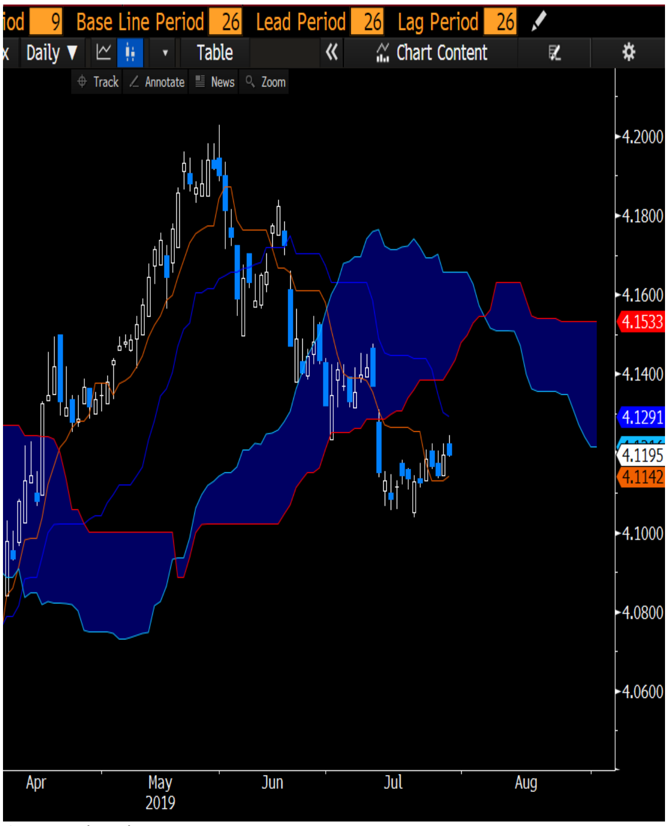
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1195

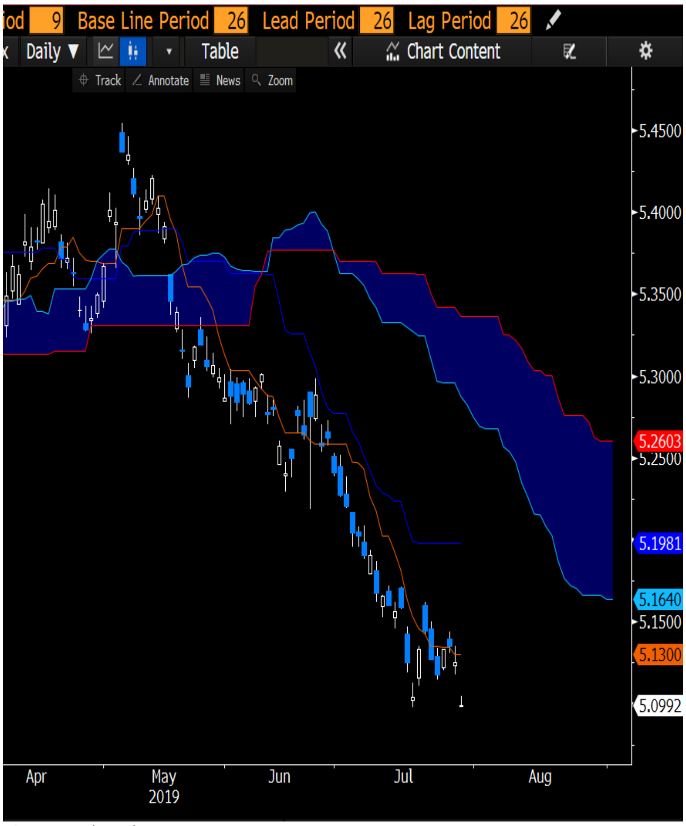


Source: Bloomberg

- USDMYR opened marginally higher at 4.1225. **Daily outlook neutral.**
- **Weekly outlook and monthly outlook bearish**.
- **We are neutral on USDMYR today** as the market may be sidelined ahead of an ad hoc holiday tomorrow and ahead of key event risks**. In the medium term, we remain bearish on USDMYR** in anticipation of the upcoming rate cut by the Fed. US-China trade talks are also resuming which could reignite trade resolution optimism and thus favourable for EM currencies.
- **Key resistances:** 4.1250 (R1), 4.1275 (R2), 4.1300 (R3)
- **Key supports:** 4.1200 (S1), 4.1175 (S2), 4.1150 (S3)
- **Expected range for the day:** 4.1150- 4.1250

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

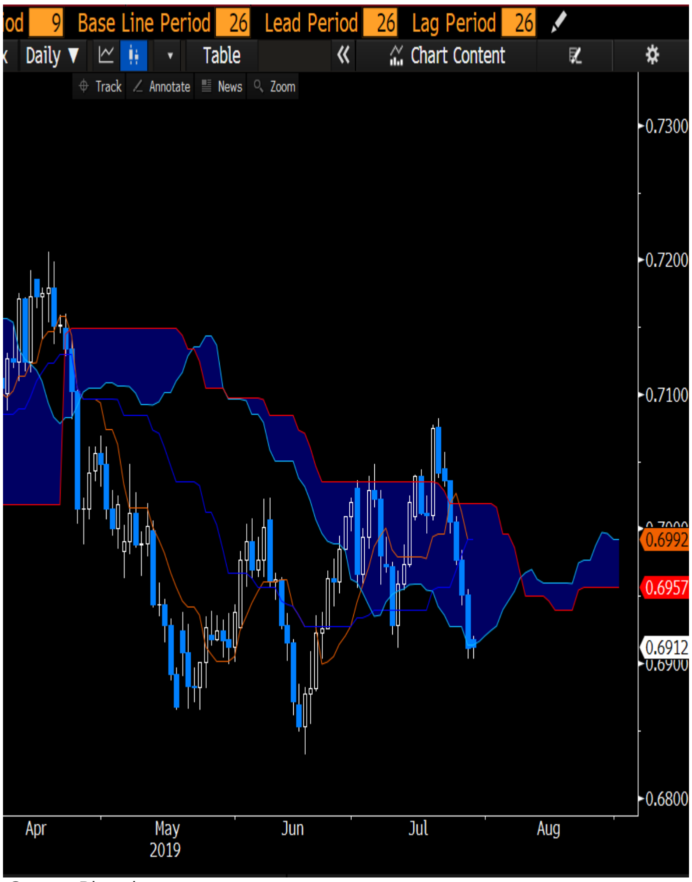
Indicative GBPMYR 5.0992



Source: Bloomberg

- GBPMYR opened 0.53% lower at 5.0984 today. **Daily outlook neutral to mildly bearish.**
- **Weekly and monthly outlook bearish**.
- **We are neutral to mildly bearish on the pair today as the** pair maybe sidelined ahead of key risk events but weighed down by a bearish GBP component**. In the medium term, we remain bearish GBP** as the odds of a no-deal Brexit remain high as BoJo starts hammering out a Brexit deal before 31 Oct deadline.
- **Key resistances**: 5.1300 (R1), 5.1450 (R2), 5.1550 (R3)
- **Key supports**: 5.0900 (S1), 5.0750 (S2), 5.0600 (S3)
- **Expected range for the day:** 5.0900 – 5.1200

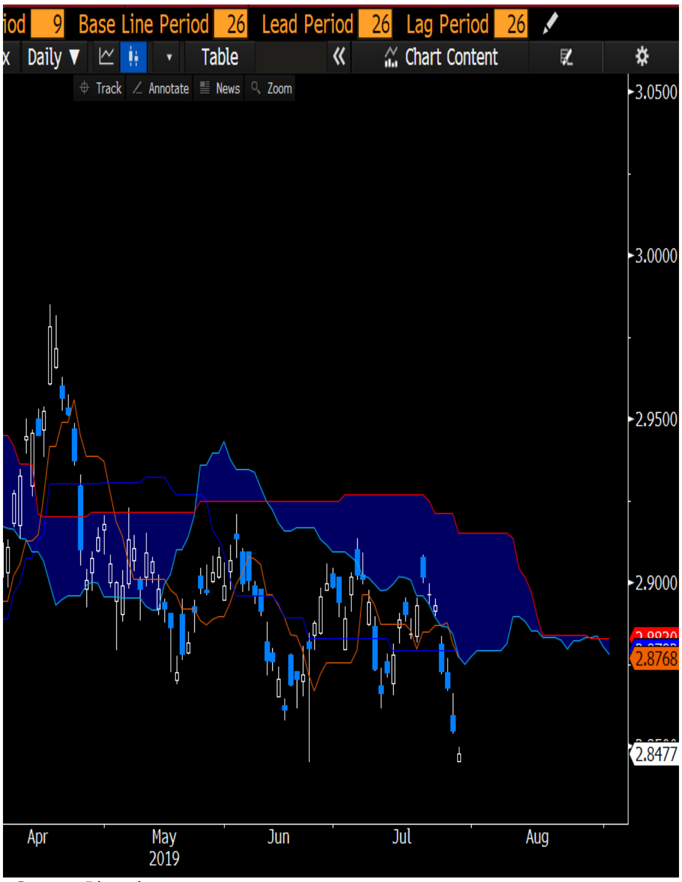
Indicative AUDUSD 0.6912



Source: Bloomberg

- AUDUSD opened marginally higher at 0.6918 today. **Daily outlook mildly bearish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **We are mildly bearish on AUDUSD today** as AUD continues to succumb to broad overall USD strength**. In the medium term, we remain bullish on AUD** on an impending Fed rate cut and any potential US-China trade resolutions which would favour AUD strength.
- **Key resistances:** 0.6925 (R1), 0.6950 (R2), 0.6975 (R3)
- **Key supports:** 0.6900 (S1), 0.6875 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6885-0.6935

Indicative AUDMYR 2.8477



Source: Bloomberg

- AUDMYR opened 0.34% lower at 2.8453 today. **Daily outlook mildly bearish.**
- **Weekly outlook and monthly outlook slightly bearish.**
- **We are mildly bearish on the pair** today on a weaker AUD component. **In the medium term, we maintain the view that the pair would take cues from AUD** due to its sensitivity to US-China trade talk developments which are happening this week.
- **Key resistances:** 2.8600 (R1), 2.8800 (R2), 2.8900 (R3)
- **Key supports:** 2.8400 (S1), 2.8250 (S2), 2.8150 (S3)
- **Expected range for the day:** 2.8400- 2.8600

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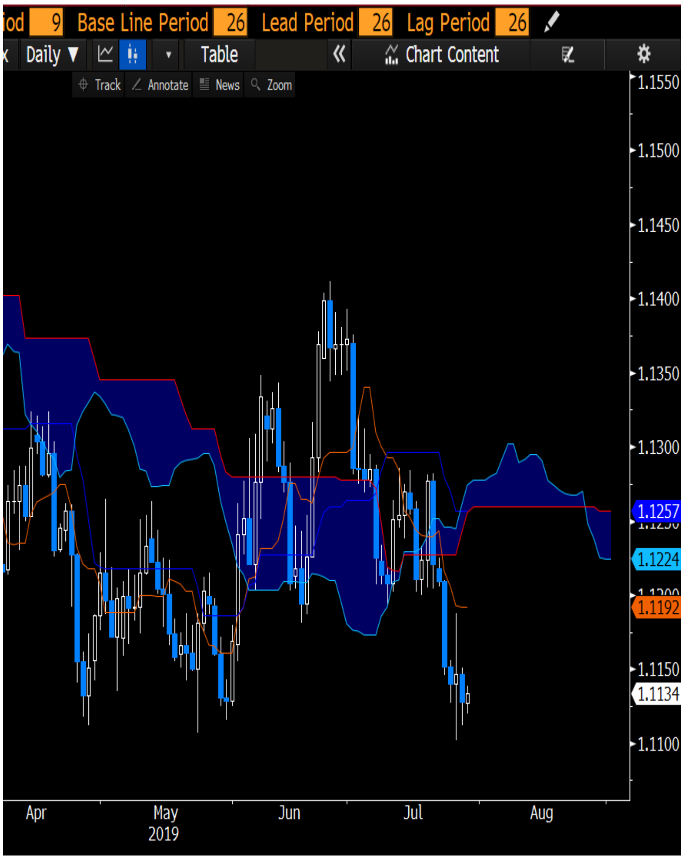
Indicative EURUSD 1.1134



Source: Bloomberg

- EURUSD opened almost unchanged at 1.1127 today. **Daily outlook neutral to mildly bullish.**

- **Weekly outlook neutral and monthly outlook bearish.**

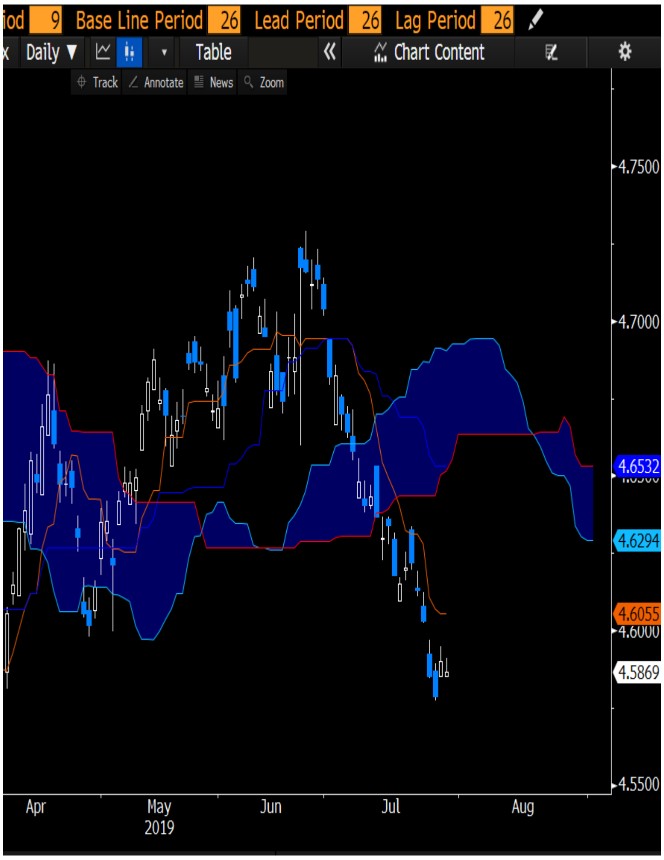
- **We are neutral to mildly bullish on EUR today** as markets may continue to be sidelined ahead of key event risks. **In the medium term,** major global central bank dovishness will likely influence the pair's direction as both Fed and ECB are leaning towards easing bias.

- **Key resistances:** 1.1150 (R1), 1.1175 (R2), 1.1200 (R3)

- **Key supports:** 1.1125 (S1), 1.1110 (S2), 1.1100 (S3)

- **Expected range for the day:** 1.1110 – 1.1180

Indicative EURMYR 4.5869



Source: Bloomberg

- EURMYR opened 0.11% lower at 4.5854 today. **Daily outlook mildly bullish.**

- **Weekly and monthly outlook bearish**.

- **We are mildly bullish on the pair** today as markets may continue to take recent bets off the table ahead of key events this week. **In the medium term, we look towards US-China trade talks** major global central bank policy for directional cues.

- **Key resistances:** 4.6000 (R1) 4.6150 (R1), 4.6250 (R3)

- **Key supports:** 4.5850 (S1), 4.5700 (S2), 4.5600 (S3)

- **Expected range for the day:** 4.5850 – 4.6100

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