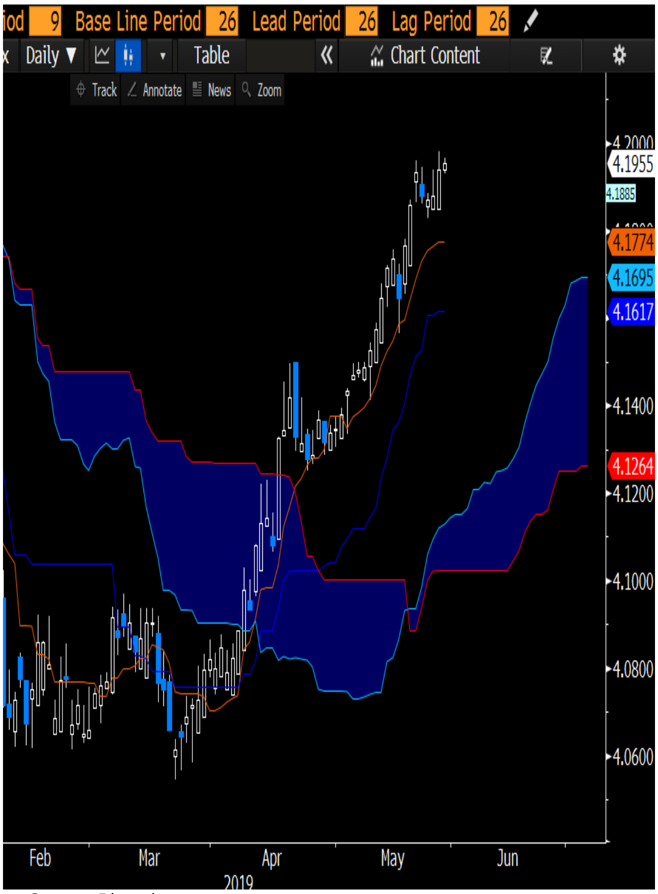
Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

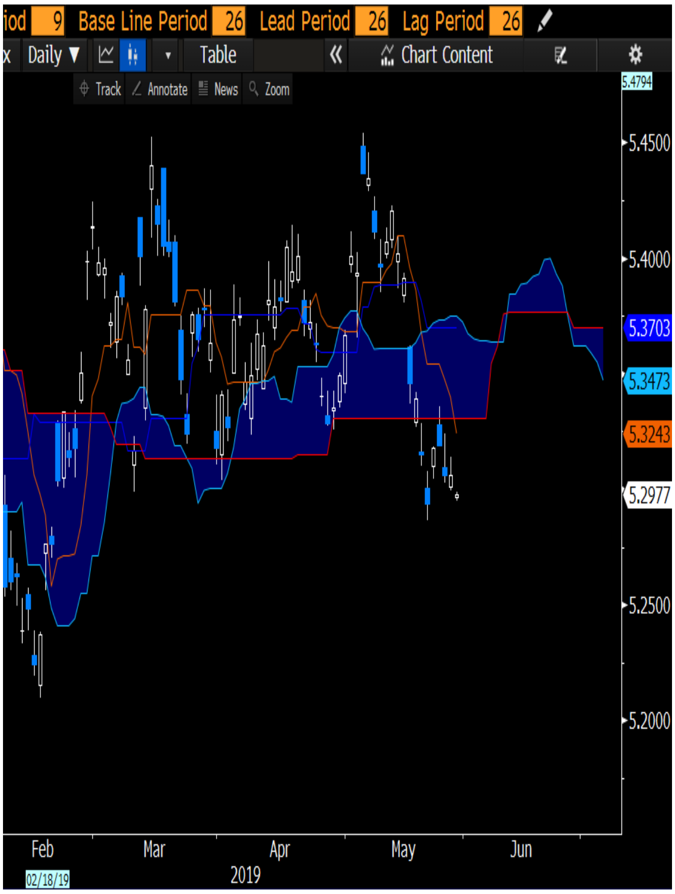
Indicative USDMYR 4.1970



Source: Bloomberg

- USDMYR opened unchanged at 4.1940. **Daily outlook bullish** on continued risk aversion**.**
- **Weekly and monthly outlook bullish***.*
- **MYR remains bearish** as risk aversion trades continue to dominate and support USD in general especially against EM. US Treasury has added Malaysia to a watchlist on potential FX manipulation has given investors some caution which may add to already heightened worries over trade which may add to MYR bearishness.
- **Key resistances:** 4.2000 (R1), 4.2050 (R2), 4.2100 (R3)
- **Key supports:** 4.1900 (S1), 4.1875 (S2), 4.1850 (S3)
- **Expected range for the day:** 4.1900 – 4.2000

Indicative GBPMYR 5.2990

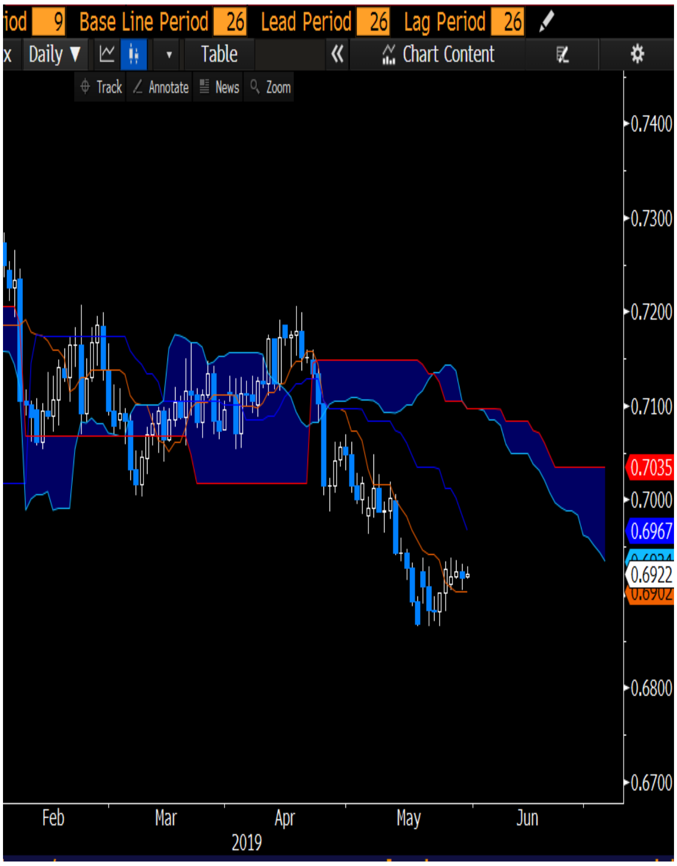


Source: Bloomberg

- GBPMYR opened 0.18% lower at 5.2966 today. **Daily outlook bearish**.
- **Weekly outlook bearish and monthly outlook neutral**.
- We remain bearish GBP as the pair still remains within the trend channel lower and is likely to continue to trend lower with Brexit and trade issues likely to weigh down on GBP.
- **Key resistances**: 5.3200 (R1), 5.3400 (R2), 5.3550 (R3)
- **Key supports**: 5.2950 (S1), 5.2800 (S2), 5.2600 (S3)
- **Expected range for the day:** 5.2800 – 5.3100

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

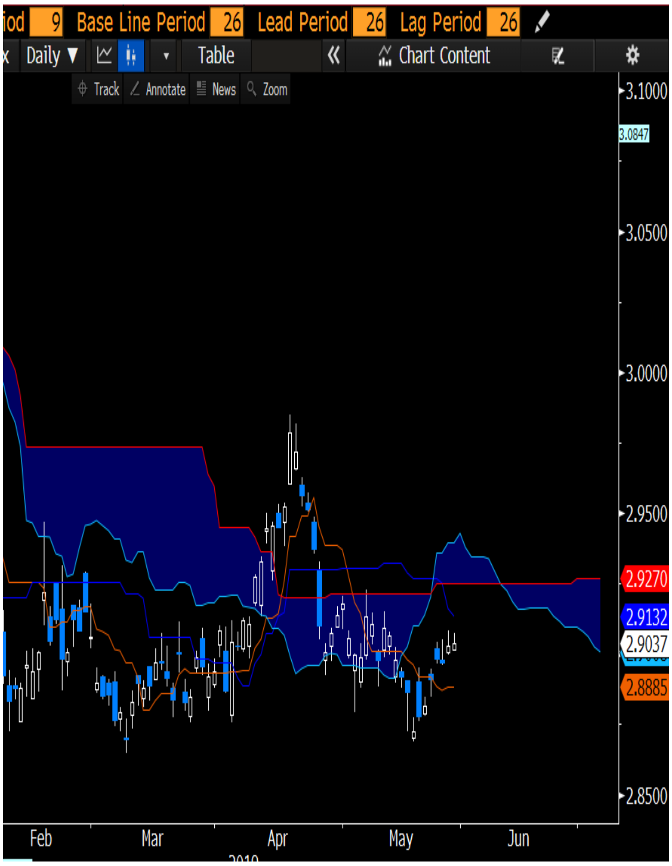
Indicative AUDUSD 0.6922



Source: Bloomberg

- AUDUSD opened a tad higher at 0.6918 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish**.
- **We remain bearish on AUD** as investor focus now shifts towards the possibility of a RBA rate cut next month. AUD is likely to be affected by ongoing trade tensions as it is closely tied to the health of the Chinese economy.
- **Key resistances:** 0.6960 (R1), 0.7000 (R2), 0.7030 (R3)
- **Key supports:** 0.6900 (S1), 0.6875 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6880 – 0.6940

Indicative AUDMYR 2.9055



Source: Bloomberg

- AUDMYR opened marginally lower at 2.9016 today. **Daily outlook mildly bullish.**
- **Weekly and monthly outlook bearish**.
- We remain bearish AUDMYR fundamentally as ongoing trade tensions and a possible rate cut in June by the RBA will drag AUD component lower. A stronger USD overnight lending some strength to USDMYR component but gains may be muted as we approach strong resistance levels.
- **Key resistances:** 2.9130 (R1), 2.9200 (R2), 2.9400 (R3)
- **Key supports:** 2.9000 (S1), 2.8900 (S2), 2.8800 (S3)
- **Expected range for the day:** 2.9000 – 2.9150

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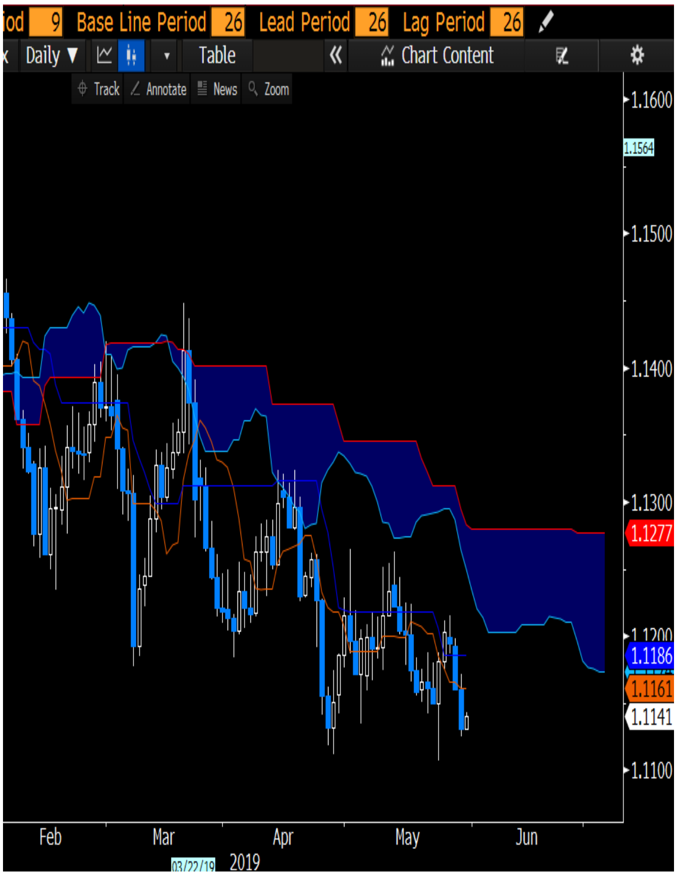
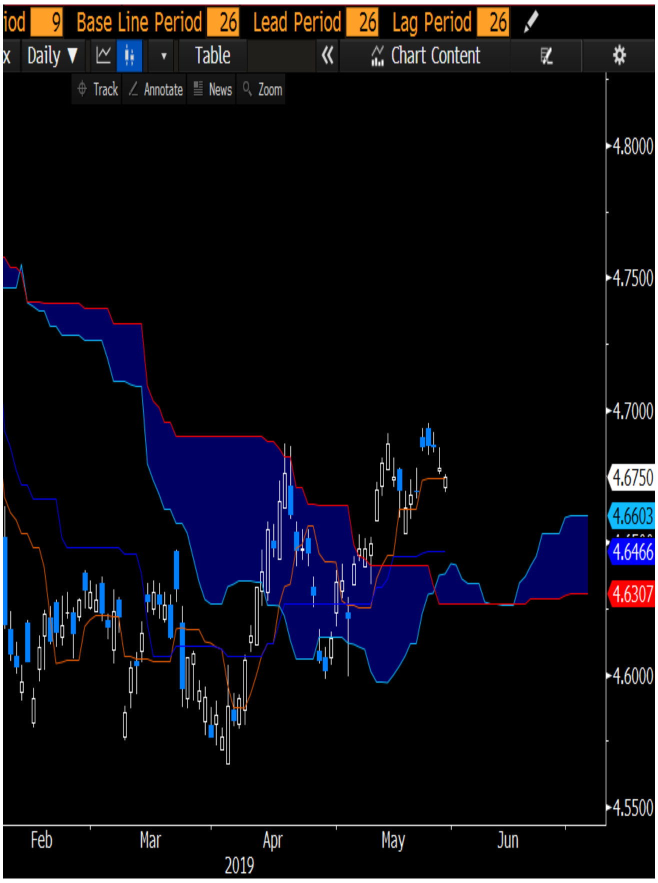
Indicative EURUSD 1.1140



Source: Bloomberg

- EURUSD opened unchanged at 1.1131 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish**.
- **We remain bearish on EUR** over the medium term as 1.1230 continues to provide decent resistance so long as Brexit and trade concerns continue to weigh on EUR. Pair is likely to continue to consolidate lower, capped by falling Ichimoku cloud bottom.
- **Key resistances:** 1.1170 (R1), 1.1200 (R2), 1.1230 (R3)
- **Key supports:** 1.1120 (S1), 1.1100 (S2), 1.1080 (S3)
- **Expected range for the day:** 1.1100 – 1.1170

Indicative EURMYR 4.6760



Source: Bloomberg

- EURMYR opened 0.16% weaker at 4.6707 today. **Daily outlook bearish.**
- **Weekly outlook bullish, monthly outlook bearish**.
- Pair was dragged lower by bearish EUR component overnight although speed of the move is somewhat tempered by a rising USDMYR component. The move lower is likely to be maintained as 4.68-4.69 area continues to provide short term resistance with the 200 DMA continuing to cap the upside so far this year.
- **Key resistances:** 4.6985 (R1) 4.7040 (R1), 4.7200 (R3)
- **Key supports:** 4.6725 (S1), 4.6500 (S2), 4.6400 (S3)
- **Expected range for the day:** 4.6600– 4.6900

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