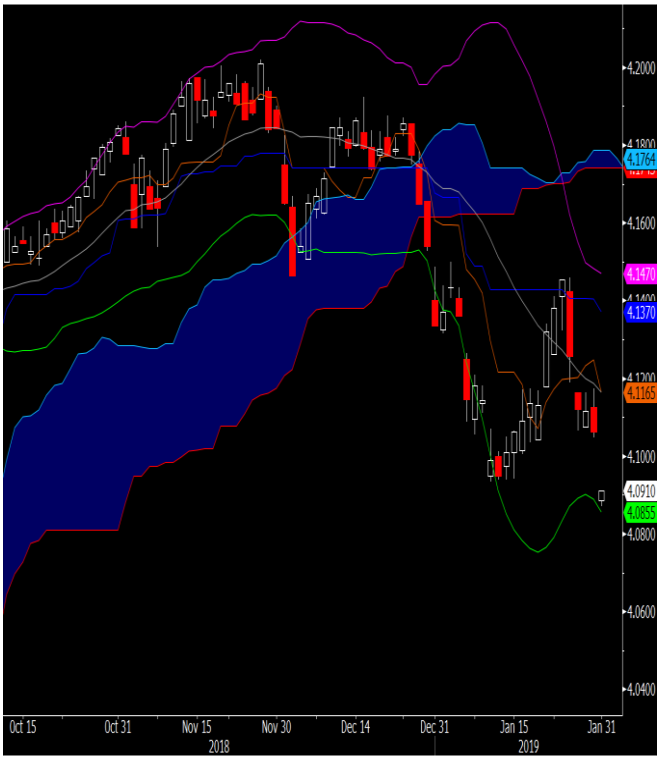
January 31, 2019

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

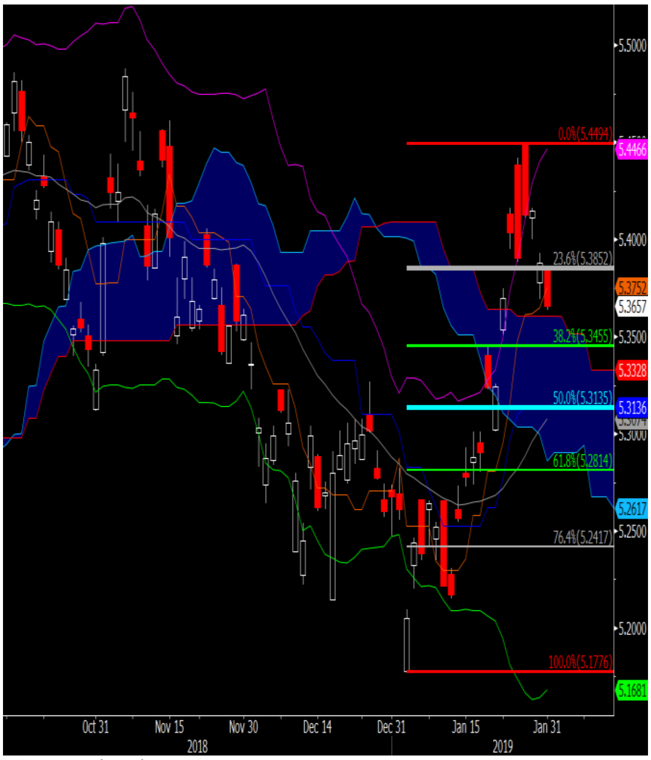
Indicative USDMYR 4.0910



Source: Bloomberg

- USDMYR opened lower today. **Daily outlook bearish** on the back of a soft USD, while MYR is likely supported by improved risk appetite in the markets.
- **Weekly and monthly outlook bearish**.
- USDMYR has broken below 4.0940, which has increased its bearish bias. There is room to slide to circa 4.0855 in the next leg lower.
- **Key resistances:** 4.0935 (R1), 4.0950 (R2), 4.0970 (R3)
- **Key supports:** 4.0900 (S1), 4.0885 (S2), 4.0855 (S3)
- **Expected range for the day:** 4.0855 – 4.0930

Indicative GBPMYR 5.3657

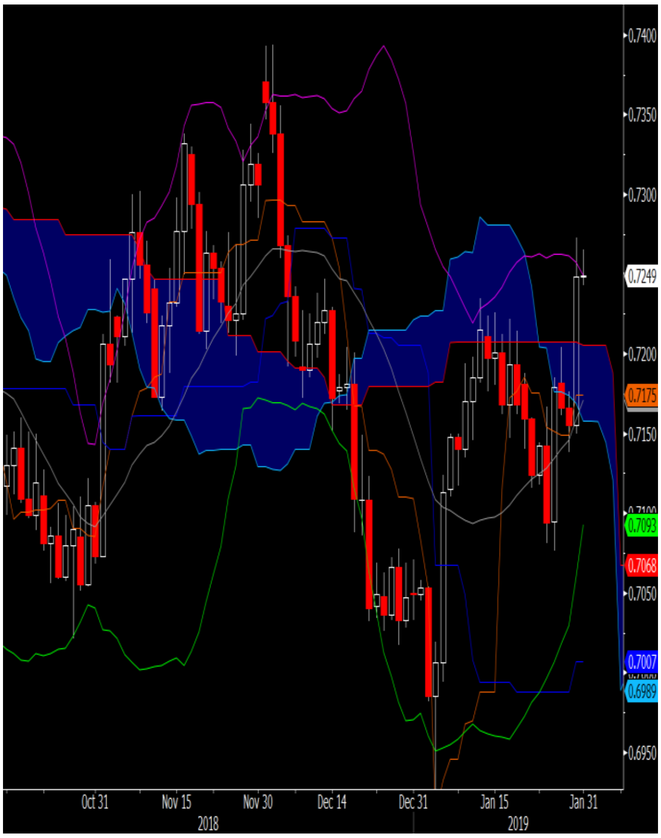


Source: Bloomberg

- GBPMYR opened 14pips lower at 5.3863 today. **Daily outlook bearish** in anticipation of further downsides in GBP following sagging Brexit sentiment.
- **Weekly outlook bearish, monthly outlook bullish**.
- Bearish bias continues to linger, tilting GBPMYR lower. It is likely taking aim at 5.3608, below which GBPMYR will accelerate to the downside and challenge 5.3455.
- **Continue to expect a potential decline to 5.3455**, otherwise curbed by a close above 5.3780.
- **Key resistances**: 5.3690 (R1), 5.3752 (R2), 5.3769 (R3)
- **Key supports**: 5.3608 (S1), 5.3558 (S2), 5.3500 (S3)
- **Expected range for the day:** 5.3550 – 5.3860

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

Indicative AUDUSD 0.7249



Source: Bloomberg

- AUDUSD opened unchanged at 0.7248 today. **Daily outlook bullish** on the back of a weak USD, further supported by improving risk appetite in the markets.
- **Weekly and monthly outlook bullish**.
- Beating 0.7229 has exposed AUDUSD to further gains, potentially testing 0.7295 next. We are cautious on rising risk of rejection approaching 0.7295 – 0.7300, which could push AUDUSD back below 0.7229. Beating this range increases the sustainability of AUDUSD's upward move.
- **AUDUSD expectedly climbed to 0.7267**.
- **Key resistances:** 0.7273 (R1), 0.7295 (R2), 0.7300 (R3)
- **Key supports:** 0.7229 (S1), 0.7210 (S2), 0.7175 (S3)
- **Expected range for the day:** 0.7220 – 0.7290

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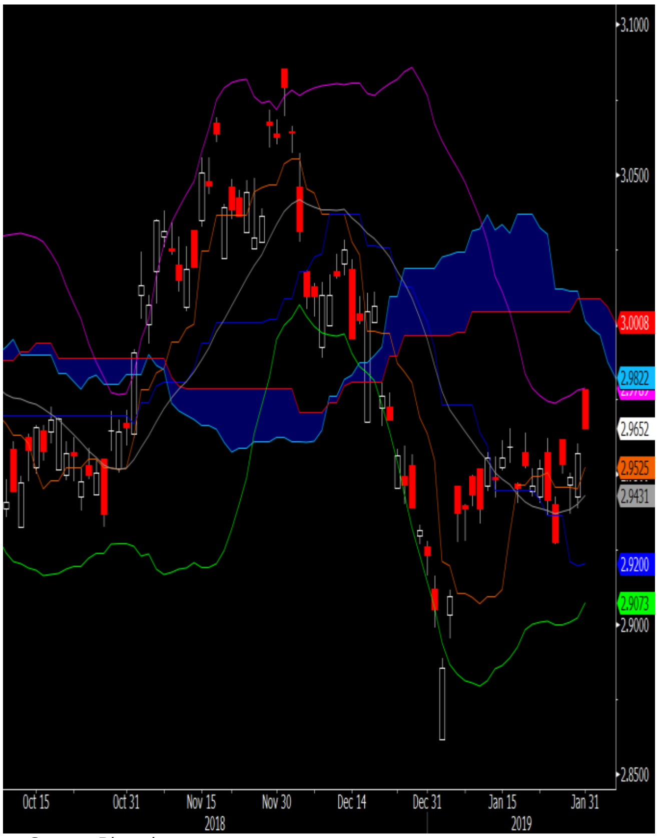
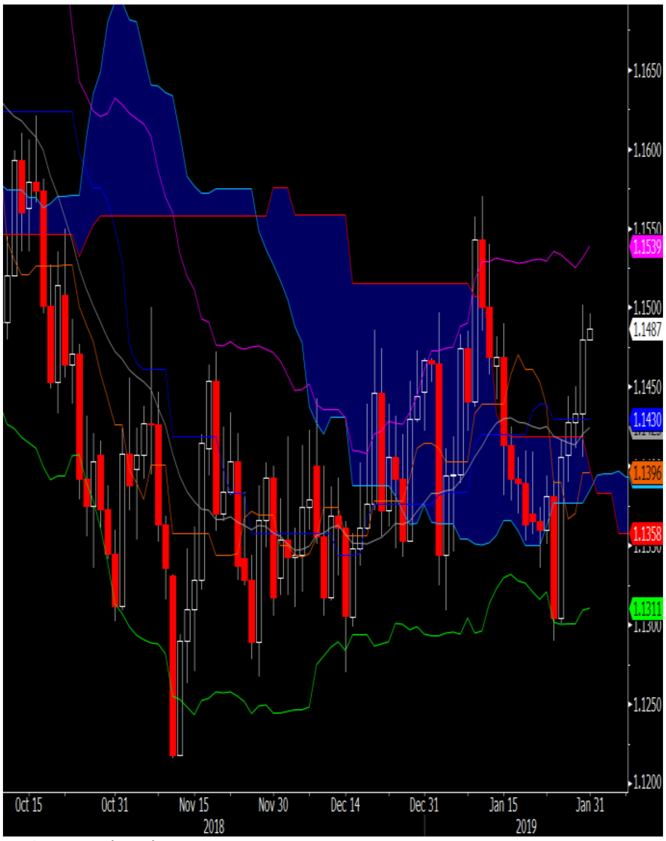
Indicative AUDMYR 2.9652



Source: Bloomberg

- AUDMYR opened 216pips higher at 2.9785 today. **Daily outlook bullish** as firmer risk appetite in the markets supports AUD.
- **Weekly and monthly outlook bullish**.
- Beating 2.9610 has imbued AUDMYR with more bullish bias. Despite an early retracement of an upward gap, we maintain that AUDMYR is likely to climb higher going forward, with room to test 2.9861.
- **AUDMYR expectedly advanced to 2.9753** in early trade.
- **Key resistances:** 2.9723 (R1), 2.9772 (R2), 2.9795 (R3)
- **Key supports:** 2.9652 (S1), 2.9614 (S2), 2.9600 (S3)
- **Expected range for the day:** 2.9615 – 2.9785

Indicative EURUSD 1.1487



Source: Bloomberg

- EURUSD opened unchanged at 1.1480 today. **Daily outlook bullish**, anticipating a soft USD.
- **Weekly and monthly outlook bullish**.
- EURUSD beating 1.1471 is yet another bullish signal that suggests further gains are likely going forward. We expect a test at 1.1540 next, but caution that risk of rejection will rise approaching 1.1581. Beating this level exposes a move to 1.1623.
- **EURUSD expectedly advanced to 1.1471**.
- **Key resistances:** 1.1502 (R1), 1.1539 (R2), 1.1564 (R3)
- **Key supports:** 1.1482 (S1), 1.1450 (S2), 1.1430 (S3)
- **Expected range for the day:** 1.1465 – 1.1530

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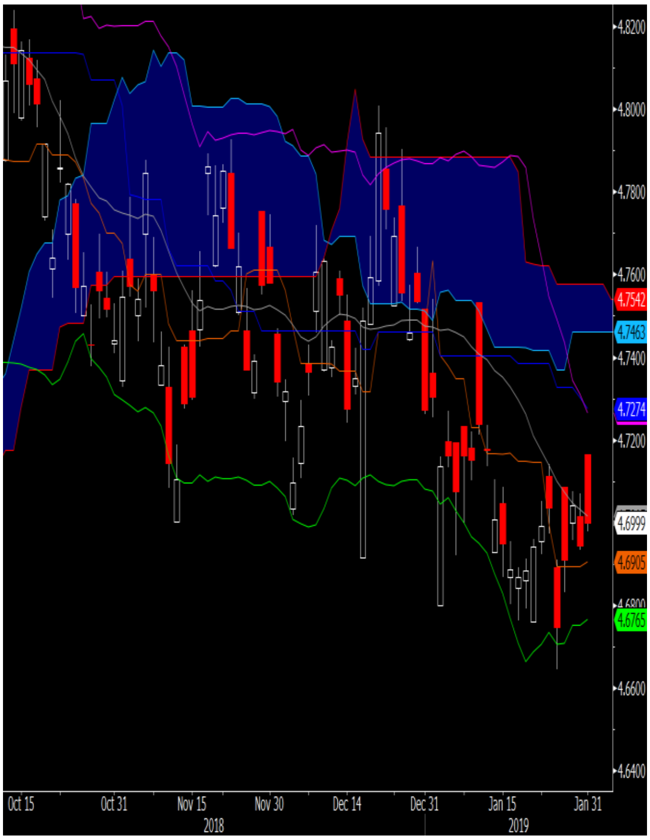
Indicative EURMYR 4.6999



Source: Bloomberg

- EURMYR opened 221pips higher at 4.7166 today. **Daily outlook slightly bullish**, anticipating a firmer EUR in European session.
- **Weekly outlook bullish, monthly outlook neutral**.
- Technical outlook for EURMYR continues improve. Expect EURMYR to attempt a break at 4.7044 soon, above which 4.7193 will be targeted.
- **Continue to expect a potential advance to 4.7193**.
- **Key resistances:** 4.7034 (R1), 4.7076 (R2), 4.7100 (R3)
- **Key supports:** 4.6957 (S1), 4.6927 (S2), 4.6893 (S3)
- **Expected range for the day:** 4.6975 – 4.7170

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