

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.1080



Source: Bloomberg

- USDMYR opened little changed at 4.1000 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bullish.**
- **Daily outlook for MYR is bearish** as the dollar is expected to benefit on safe havens bidding as risk sentiment retreated amidst heightening US-Iran tensions. **Medium MYR outlook is still bearish** taking into account solid US fundamentals/data in 1Q20 that is expected to keep USD supported.
- **Key resistances:** 4.1100 (S1), 4.1200 (S2), 4.1300 (S3)
- **Key supports:** 4.1000 (R1), 4.0900 (R2), 4.0800 (R3)
- **Expected range for the day:** 4.1000 - 4.1200

Indicative GBPMYR 5.3727



Source: Bloomberg

- GBPMYR opened 0.14% lower at 5.3648 today. **Daily outlook neutral.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **GBPMYR is neutral today** as GBP is expected to trade in a tight range amidst US-Iran standoff while MPs return to Parliament after a break with no major driver in the short term. **Medium term outlook is neutral** for now, awaiting more Brexit related development.
- **Key resistances:** 5.3882 (R1), 5.4260 (R2), 5.4600 (R3)
- **Key supports:** 5.3600 (S1), 5.3510 (S2), 5.3200 (S3)
- **Expected range for the day:** 5.3500- 5.3900

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

**Indicative AUDUSD 0.6950**

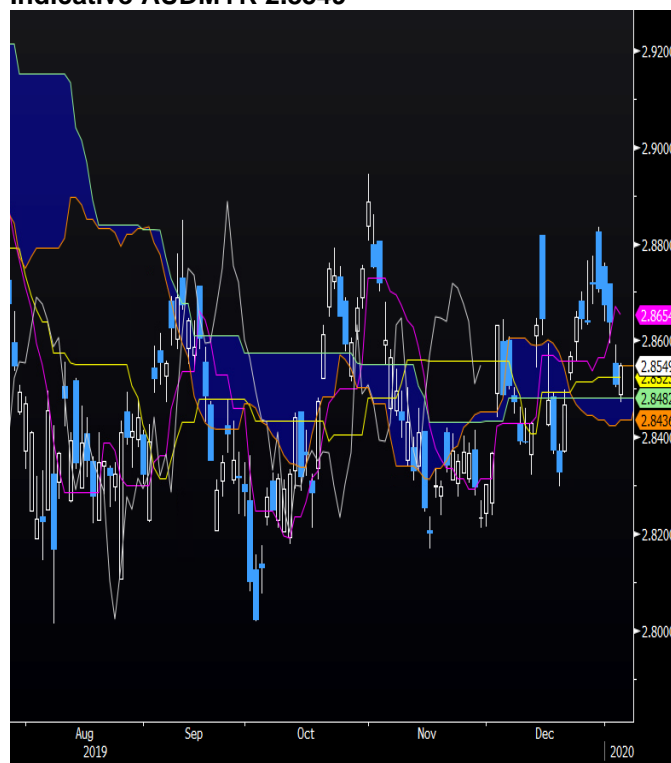


Source: Bloomberg

- AUDUSD opened little changed at 0.6954 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **AUD daily outlook is still bearish** despite bouncing off daily low this morning as the currency is not expected to fare well amidst risk aversion. Key data to watch out is China Caixin services PMI. **Medium term outlook is neutral** amidst lower risk of a US-China trade war escalation and RBA's accommodative stance.
- **Key resistances:** 0.6980 (R1), 0.7000 (R2), 0.7020 (R3)
- **Key supports:** 0.6930 (S1), 0.6900 (S2), 0.6880 (S3)
- **Expected range for the day:** 0.6920 -0.6980

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**Indicative AUDMYR 2.8549**

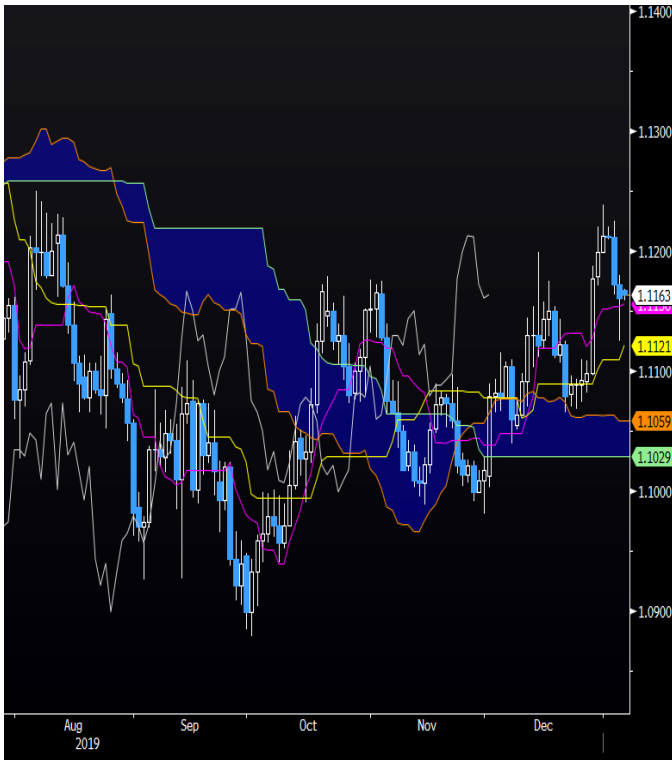


Source: Bloomberg

- AUDMYR opened little changed at 2.8488 today. **Daily outlook neutral.**
- **Weekly and monthly outlook neutral.**
- **We are neutral on AUDMYR cross today** as both currencies are expected to trade weaker against the stronger dollar in a risk-averse market. **Medium term outlook is neutral** amidst lower risk of a US-China trade war escalation and RBA's accommodative stance.
- **Key resistances:** 2.8600 (R1), 2.8650 (R2), 2.8700 (R3)
- **Key supports:** 2.8450 (S1), 2.8400 (S2), 2.8320 (S3)
- **Expected range for the day:** 2.8450 – 2.8600

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

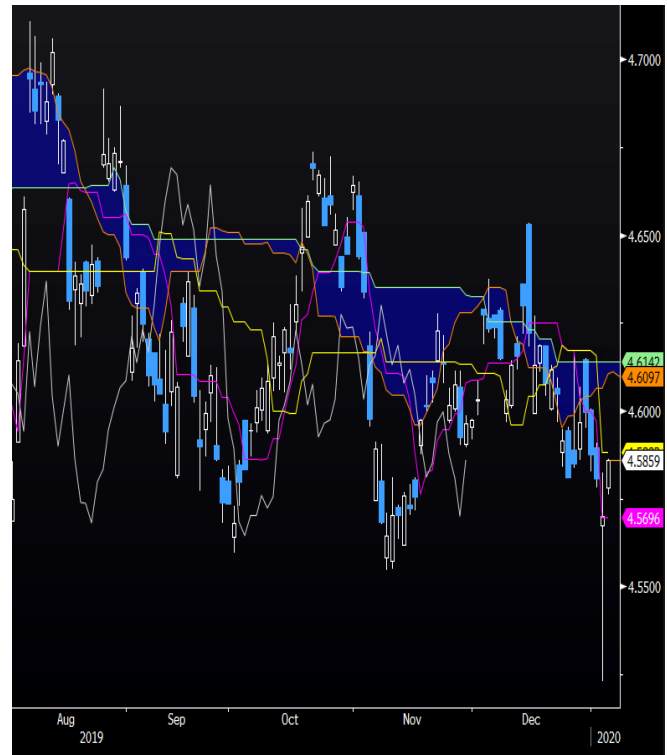
**Indicative EURUSD 1.1163**



Source: Bloomberg

- EURUSD opened little changed at 1.1168 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EUR daily outlook is neutral** for now expecting the currency to consolidate around 1.1150-1.1180 in a likely sideways session today. Markets need a break above 1.1180 for further upside but the lack of driver means that chances are slim. **Medium term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 1.1180 (R1), 1.1200 (R2), 1.1220 (R3)
- **Key supports:** 1.1150 (S1), 1.1120 (S2), 1.1100 (S3)
- **Expected range for the day:** 1.1150-1.1180

**Indicative EURMYR 4.5859**



Source: Bloomberg

- EURMYR opened 0.18% higher at 4.5782 today. **Daily outlook bullish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross is bullish today bearish on higher opening and MYR is expected to continue weakening against a stronger dollar while EUR trades sideways. Medium term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 4.5883 (R1), 4.6000 (R2) 4.6100 (R3)
- **Key supports:** 4.5700 (S1), 4.5600 (S2), 4.5550 (S3)
- **Expected range for the day:** 4.5760– 4.5950

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