

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

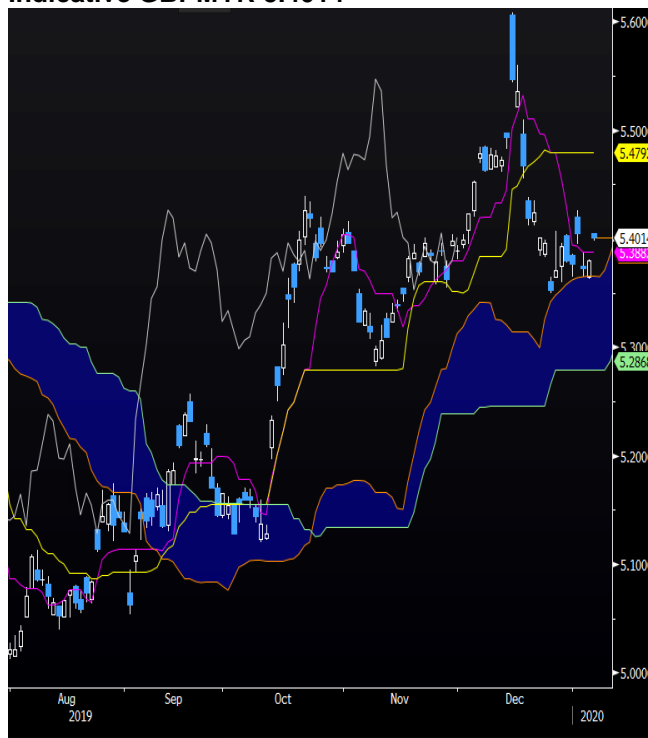
Indicative USDMYR 4.1000



Source: Bloomberg

- USDMYR opened marginally lower at 4.0992 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bullish.**
- **Daily outlook for MYR is neutral** expecting the local unit to continue trading within the 4.0980 - 4.1200 range as risk-off mode eased slightly while investors wait for more US-Iran related development. **MYR medium term outlook is still bearish** taking into account solid US fundamentals/data in 1Q20 that is expected to keep USD supported.
- **Key resistances:** 4.1150 (S1), 4.1200 (S2), 4.1250 (S3)
- **Key supports:** 4.0950 (R1), 4.0900 (R2), 4.0800 (R3)
- **Expected range for the day:** 4.0980 - 4.1200

Indicative GBPMYR 5.4014

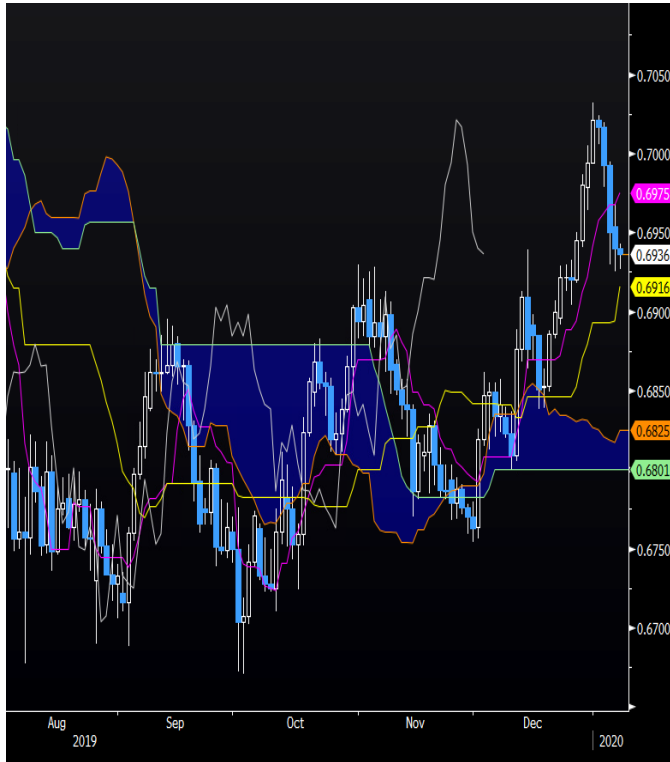


Source: Bloomberg

- GBPMYR opened 0.46% higher at 5.4051 today. **Daily outlook bullish.**
- **Weekly and monthly outlook neutral.**
- **GBPMYR is bullish today** on higher opening after the sterling was boosted overnight by better than expected services PMI. Brexit is back into focus as PM Boris Johnson meets with European Commission President Ursula von der Leyen on Wednesday. **Medium term outlook is neutral** for now, awaiting more Brexit related development.
- **Key resistances:** 5.4250 (R1), 5.4500 (R2), 5.4800 (R3)
- **Key supports:** 5.3882 (S1), 5.3600 (S2), 5.3400 (S3)
- **Expected range for the day:** 5.3880 – 5.4250

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

**Indicative AUDUSD 0.6936**



Source: Bloomberg

- AUDUSD opened unchanged at 0.6940 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **AUD daily outlook is still bearish** despite an easing of risk-off sentiment as concerns over the country's wildfire remain high. Futures priced in higher chances of an RBA February rate cut compared to a week ago. **Medium term outlook is neutral for now** amidst lower risk of a US-China trade war escalation, while we assess the impact the wild fire has on the economy.
- **Key resistances:** 0.6950 (R1), 0.6980 (R2), 0.7000 (R3)
- **Key supports:** 0.6920 (S1), 0.6900 (S2), 0.6880 (S3)
- **Expected range for the day:** 0.6900 – 0.6950

**Indicative AUDMYR 2.8436**



Source: Bloomberg

- AUDMYR opened 0.16% lower at 2.8466 today. **Daily outlook bearish.**
- **Weekly and monthly outlook neutral.**
- **AUDMYR is bearish today** as the Aussie dollar extends further losses against the dollar while ringgit trades on muted note. **Medium term outlook is neutral for now** amidst lower risk of a US-China trade war escalation, while we assess the impact the wild fire has on the economy.
- **Key resistances:** 2.8500 (R1), 2.8550 (R2), 2.8650 (R3)
- **Key supports:** 2.8400 (S1), 2.8330 (S2), 2.8270 (S3)
- **Expected range for the day:** 2.8350 – 2.8470

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

**Indicative EURUSD 1.1194**



Source: Bloomberg

- EURUSD opened unchanged at 1.1197 today. **Daily outlook slightly bullish for now.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EUR daily outlook is slightly bullish** for now as market retest 1.1200 key handle after being rejected in previous American session. A break above 1.1200 would open up potential climb to 1.1220 but a lack of driver would likely keep the currency below 1.1200 in the Asian session ahead of key data namely Eurozone HICP inflation and US ISM services index. A solid ISM reading likely pushes the EUR back to the 1.1160 area. **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:** 1.1200 (R1), 1.1220 (R2), 1.1250 (R3)
- **Key supports:** 1.1180 (S1), 1.1150 (S2), 1.1120 (S3)
- **Expected range for the day:** 1.1160-1.1200

**Indicative EURMYR 4.5896**



Source: Bloomberg

- EURMYR opened little changed at 4.5940 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross is neutral today** as both currencies are expected to move very little against the dollar in the Asian session ahead of key data and a lack of driver. **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:** 4.6000 (R1), 4.6100 (R2) 4.6200 (R3)
- **Key supports:** 4.5760 (S1), 4.5700 (S2), 4.5600 (S3)
- **Expected range for the day:** 4.5830– 4.6000

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