

Global Markets Research

FX Strategy

Daily Currency Outlook – 11am edition

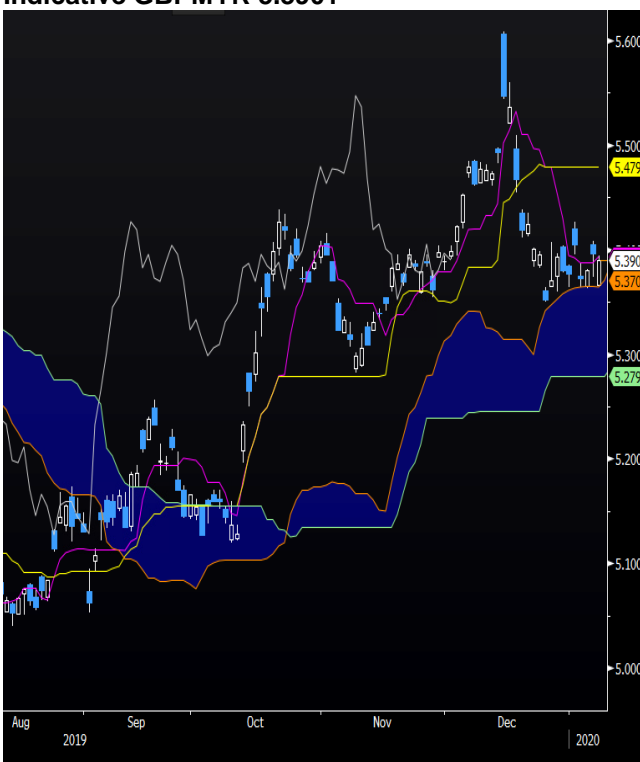
Indicative USDMYR 4.1090



Source: Bloomberg

- USDMYR opened little changed at 4.0915 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bullish.**
- **Daily outlook for MYR is bearish** expecting the dollar to push the ringgit back above 4.1000 with a potential breach of the 4.1200 handle following a fresh retreat in risk sentiment in response to latest news on Iranian strikes on US forces in Iraq. **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), 4.1300 (S3)
- **Key supports:** 4.1000 (R1), 4.0950 (R2), 4.0900 (R3)
- **Expected range for the day:** 4.0900- 4.1250

Indicative GBPMYR 5.3901



Source: Bloomberg

- GBPMYR opened 0.56% lower at 5.3663 today. **Daily outlook neutral.**
- **Weekly and monthly outlook neutral.**
- **GBPMYR outlook turned neutral** as the cross rebounded from daily low with MYR weakness in play. Focus returns to debate on PM Boris Johnson’s EU Withdrawal Agreement at Parliament. MPs will vote on the bill next Thursday. **Medium term outlook is neutral** for now, awaiting more Brexit-related development.
- **Key resistances:** 5.4080 (R1), 5.4380 (R2), 5.4700 (R3)
- **Key supports:** 5.3500 (S1), 5.3200 (S2), 5.3000 (S3)
- **Expected range for the day:** 5.3640 – 5.4100

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

Indicative AUDUSD 0.6877



Source: Bloomberg

- AUDUSD opened unchanged at 0.6879 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish.**
- AUD rolled into the Asian session at 0.6870 and is seen under pressure around 0.6850. **Daily outlook is still bearish** as it is expected to extend current losing streak amidst a fresh retreat in risk sentiment, not to mention the ongoing concerns over the impact of wildfire has on the Australian economy. **Medium term outlook turns bearish** as markets continue to raise bets on possibility of an RBA rate cut in early February.
- **Key resistances:** 0.6880 (R1), 0.6900 (R2), 0.6920 (R3)
- **Key supports:** 0.6850 (S1), 0.6825 (S2), 0.6800 (S3)
- **Expected range for the day:** 0.6820 – 0.6880

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Indicative AUDMYR 2.8251



Source: Bloomberg

- AUDMYR opened 0.67% lower at 2.8069 today. **Daily outlook slightly bearish.**
- **Weekly and monthly outlook neutral.**
- **AUDMYR is slightly bearish today** as the pair managed to bounce off daily low on weaker MYR component. **Medium term outlook turns bearish** as markets continue to raise bets on possibility of an RBA rate cut in early February.
- **Key resistances:** 2.8300 (R1), 2.8370 (R2), 2.8450 (R3)
- **Key supports:** 2.8100 (S1), 2.8060 (S2), 2.8000 (S3)
- **Expected range for the day:** 2.8059 – 2.8275

Indicative EURUSD 1.1155



Source: Bloomberg

- EURUSD opened unchanged at 1.1153 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish.**
- **EUR** is seen struggling around 1.1150 handle this morning, **daily outlook is bearish** on stronger dollar that is likely to benefit from fresh risk-off sentiment. Medium **term outlook is bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy as confirmed by recent data.
- **Key resistances:** 1.1180 (R1), 1.1200 (R2), 1.1250 (R3)
- **Key supports:** 1.1150 (S1), 1.1120 (S2), 1.1100 (S3)
- **Expected range for the day:** 1.1130-1.1170

Indicative EURMYR 4.5813



Source: Bloomberg

- EURMYR opened 0.27% lower at 4.5642 today. **Daily outlook slightly bullish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross turned slightly bullish today** driven by a sharper fall in MYR amidst a retreat in sentiment. **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:** 4.5600– 4.5950

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