

Global Markets Research

FX Strategy

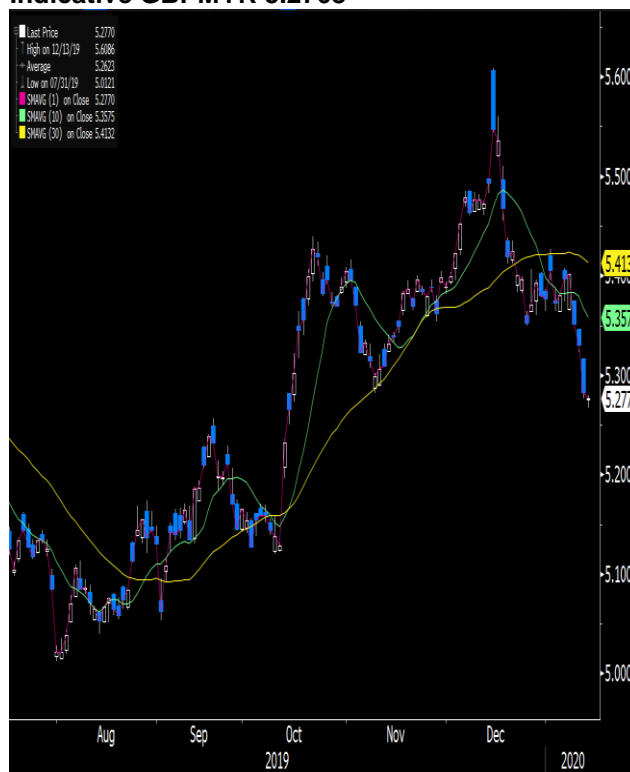
Daily Currency Outlook – 11am edition

Indicative USDMYR 4.0623



Source: Bloomberg

Indicative GBPMYR 5.2768



Source: Bloomberg

- USDMYR opened lower at 4.0590 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook bullish.**
- **Daily outlook for MYR is bullish** in anticipation of sustained risk-on in the markets, supported by continuous trade optimism and absence of negative surprises from the US Treasury latest semi-annual FX report with no major trading partners, most notably China, being labeled as a currency manipulator. **MYR medium term outlook is still bearish**, expecting the USD to be well supported by solid data in 1Q20.
- **Key resistances:** 4.0646 (S1), 4.0727 (S2), 4.0761 (S3)
- **Key supports:** 4.0550 (R1), 4.0450 (R2), 4.0400 (R3)
- **Expected range for the day:** 4.0550 – 4.0700

- GBPMYR opened 0.12% lower at 5.2758 today. **Daily outlook bearish.**
- **Weekly outlook bearish and monthly outlook neutral.**
- **GBPMYR is expected to remain bearish today** as MYR strength is expected to overshadow lingering weakness in the sterling dampened by weak UK data overnight that heightened risks of a near term BOE cut. **Medium term outlook is neutral** now as PM Boris Johnson's Brexit bill is expected to be signed off by the House of Lords before going to the European Parliament that likely to lead Britain finally leaving the EU on 31 Jan.
- **Key resistances:** 5.2818 (R1), 5.3000 (R2), 5.3180 (R3)
- **Key supports:** 5.2670 (S1), 5.2480 (S2), 5.2400 (S3)
- **Expected range for the day:** 5.2500 – 5.2820

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

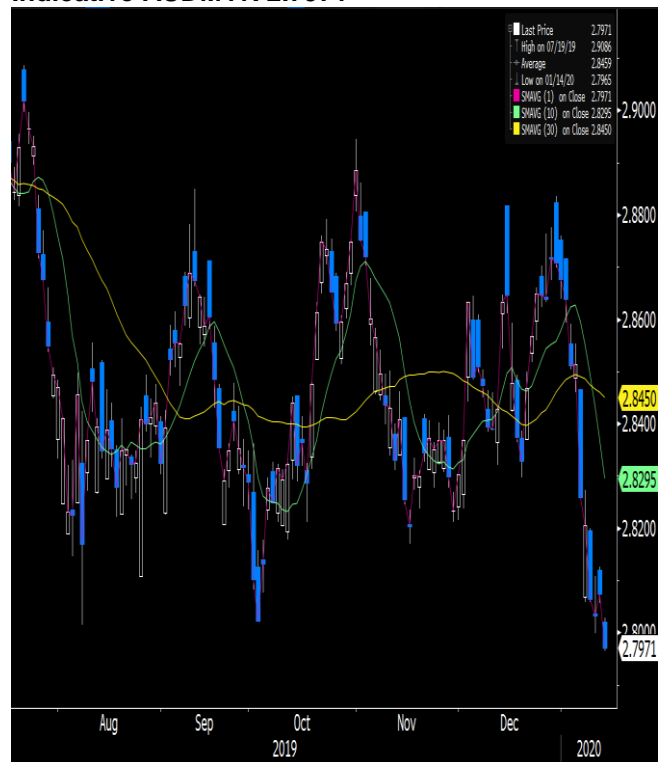
Indicative AUDUSD 0.6888



Source: Bloomberg

- AUDUSD opened unchanged at 0.6904 today. **Daily outlook neutral with a slight bullish bias.**
- **Weekly and monthly outlook bearish.**
- **AUD daily outlook is neutral with a slight bullish bias** supported by overall better risk sentiments even though upside would likely be limited as the country continues to juggle with the impact of wildfire. **Medium term outlook is bearish** on rising possibility of an RBA rate cut as early as February.
- **Key resistances:** 0.6920 (R1), 0.6940 (R2), 0.6950 (R3)
- **Key supports:** 0.6885 (S1), 0.6870 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6870 – 0.6920

Indicative AUDMYR 2.7971



Source: Bloomberg

- AUDMYR opened 0.19% lower at 2.8021 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish.**
- **We are bearish on AUDMYR cross today** expecting further strength in the MYR vis-à-vis more muted gains in the Aussie against the USD. **Medium term outlook is bearish** on rising possibility of an RBA rate cut in early February.
- **Key resistances:** 2.8025 (R1), 2.8040 (R2), 2.8065 (R3)
- **Key supports:** 2.7964 (S1), 2.7923 (S2), 2.7886 (S3)
- **Expected range for the day:** 2.7920– 2.8030

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Indicative EURUSD 1.1137



Source: Bloomberg

- EURUSD opened unchanged at 1.1134 today. **Daily outlook neutral to slightly bullish.**
- **Weekly and monthly outlook bearish.**
- **Daily outlook is neutral with a slight bullish tilt** on the back of continued USD weakness. **Medium term outlook is still bearish** on ECB's accommodative monetary policy stance and continued weaker growth outlook versus a more solid US economy.
- **Key resistances:** 1.1150 (R1), 1.1170 (R2), 1.1180 (R3)
- **Key supports:** 1.1100 (S1), 1.0980 (S2), 1.0950 (S3)
- **Expected range for the day:** 1.1120 – 1.1150

Indicative EURMYR 4.5216



Source: Bloomberg

- EURMYR opened 0.22% higher at 4.5234 today. **Daily outlook bearish.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross is bearish today** on stronger MYR component while EUR is expected to trade more neutral against the USD. **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:** 4.5313 (R1), 4.5400 (R2) 4.5500 (R3)
- **Key supports:** 4.5150 (S1), 4.5100 (S2), 4.4940 (S3)
- **Expected range for the day:** 4.5100– 4.5300

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