

Global Markets Research
FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.0685

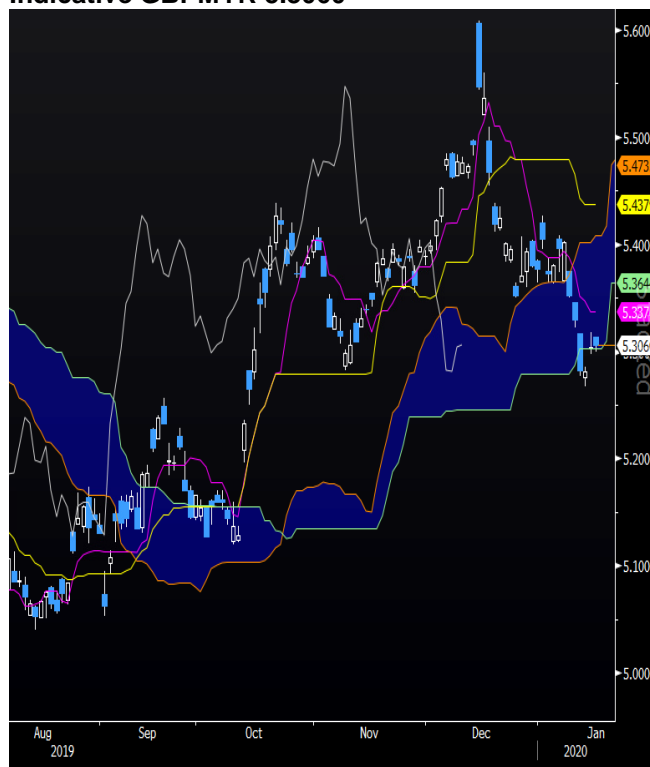


Source: Bloomberg

- USDMYR opened little changed at 4.0715 today. **Daily outlook slightly bearish.**
- **Weekly outlook and monthly outlook bullish.**
- **MYR daily outlook is slightly bullish after the inking of US-China trade deal but we expect USDMYR to continue recover back above 4.0800-4.1000 range in the short term after hitting a recent trough given that the US-China trade deal offered neither surprise nor groundbreaking development. MYR medium term outlook is still bearish, expecting the USD to be well supported by solid data in 1Q20.**
- **Key resistances:** 4.0700 (S1), 4.0800 (S2), 4.0900 (S3)
- **Key supports:** 4.0600 (R1), 4.0550 (R2), 4.0500 (R3)
- **Expected range for the day:** 4.0600 – 4.0800

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

Indicative GBPMYR 5.3060



Source: Bloomberg

- GBPMYR opened 0.18% higher at 5.3131 today. **Daily outlook bearish.**
- **Weekly and monthly outlook bearish.**
- **GBPMYR is bearish today on stronger MYR component as the sterling’s outlook remains weak in the short term over rising expectations of a BOE rate cut that could happen as soon as the end of this month. Medium term outlook hinges on outcome of the said BOE’s MPC meeting and Britain’s successful withdrawal from the EU on 31 January which is to be followed by a long period of economic transition.**
- **Key resistances:** 5.3227 (R1), 5.3376 (R2), 5.3500 (R3)
- **Key supports:** 5.2880 (S1), 5.2670 (S2), 5.2500 (S3)
- **Expected range for the day:** 5.2850 – 5.3230

Indicative AUDUSD 0.6910



Source: Bloomberg

- AUDUSD opened unchanged at 0.6902 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish.**
- **AUD daily outlook is slightly bullish** and is likely trading above 0.6900 handle in the short term amidst more optimistic trade outlook. **Medium term outlook is bearish** on increasing prospect of an RBA rate cut in early February.
- **Key resistances:** 0.6915 (R1), 0.6940 (R2), 0.6950 (R3)
- **Key supports:** 0.6900 (S1), 0.6880 (S2), 0.6850 (S3)
- **Expected range for the day:** 0.6900 – 0.6920

Indicative AUDMYR 2.8108

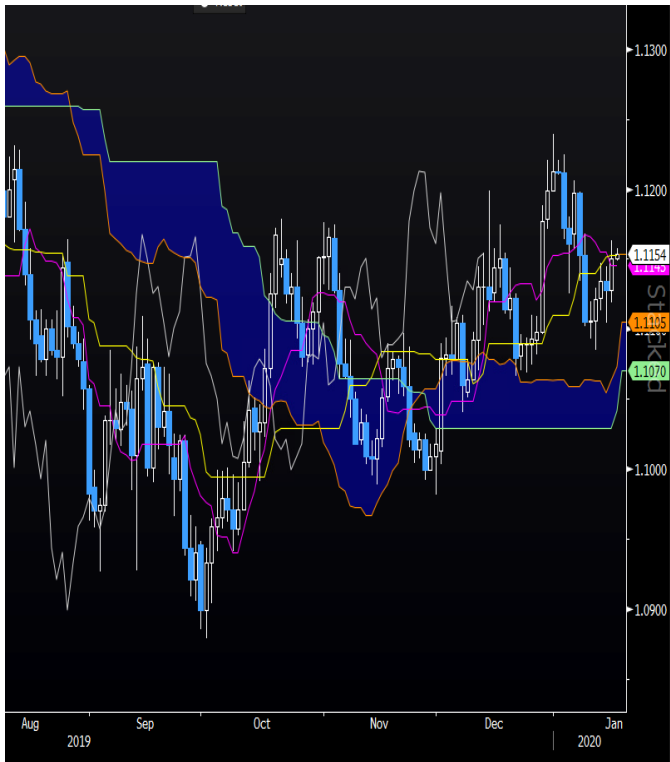


Source: Bloomberg

- AUDMYR opened 0.32% higher at 2.8145 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **We are neutral on AUDMYR cross today** as both currencies are strong in response to weaker USD amidst improving trade outlook. **Medium term outlook is bearish** on increasing prospect of an RBA rate cut in early February.
- **Key resistances:** 2.8170 (R1), 2.8200 (R2), 2.8250 (R3)
- **Key supports:** 2.8050 (S1), 2.8000 (S2), 2.7960 (S3)
- **Expected range for the day:** 2.8070– 2.8180

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Indicative EURUSD 1.1154



Source: Bloomberg

- EURUSD opened unchanged at 1.1150 today. **Daily outlook slightly bullish.**
- **Weekly and monthly outlook bearish.**
- **Daily outlook is slightly bullish** as EUR is looking to breach 1.1160 in Asian morning. Key driver today is US retail sales data of which a strong print could easily reverse EUR's recent gain as this scenario again would put the Eurozone economy back into a relatively much weaker state compared to the US. **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:** 1.1160 (R1), 1.1180 (R2), 1.1200 (R3)
- **Key supports:** 1.1150 (S1), 1.1120 (S2), 1.1100 (S3)
- **Expected range for the day:** 1.1120- 1.1180

Indicative EURMYR 4.5375



Source: Bloomberg

- EURMYR opened 0.22% higher at 4.5441 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURMYR cross is neutral today** as both MYR and EUR are strong in tandem with a weaker 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:** 4.5450 (R1), 4.5546 (R2) 4.5600 (R3)
- **Key supports:** 4.5300 (S1), 4.5150 (S2), 4.5000 (S3)
- **Expected range for the day:** 4.5300- 4.5500

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