

**Global Markets Research**  
**FX Strategy**

**Daily Currency Outlook – 11am edition**

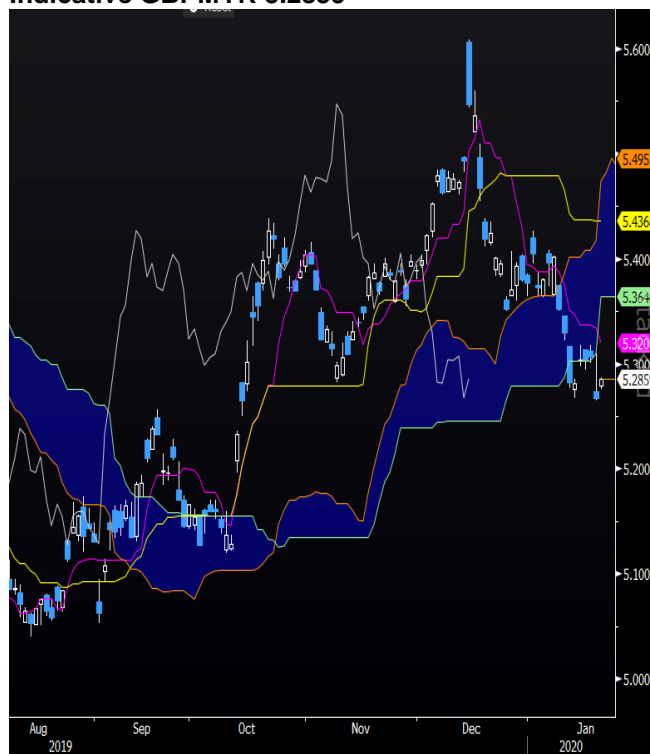
**Indicative USDMYR 4.0677**



Source: Bloomberg

- USDMYR opened little changed at 4.0570 today. **Daily outlook bullish.**
- **Weekly outlook and monthly outlook bullish.**
- **USDMYR outlook remains bullish** as we expect the dollar to recover against the ringgit this week on upbeat US data. As mentioned yesterday, the recent down move appears stretched and the pair has been flirting with the oversold threshold. However, we suspect upside in USDMYR could be limited by a still soft USD. CPI and BNM policy decision tomorrow are also expected to keep MYR markets in cautious mood, unless there are any surprises. We continued to look towards a test at the 4.07-4.08 ranges, with support at 4.053. 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:** 4.0530 (R1), 4.0500 (R2), 4.0450 (R3)
- **Expected range for the day:** 4.0570- 4.0770

**Indicative GBPMYR 5.2859**



Source: Bloomberg

- GBPMYR opened 0.22% higher at 5.2790 today. **Daily outlook neutral.**
- **Weekly and monthly outlook bearish.**
- **GBPMYR daily outlook is neutral** with GBPUSD seen hovering around 1.3000 handle ahead of today's job report. Poor reading poses immediate downside risk to the pair as expectation of a BOE rate cut at the end of this month would have firmed up further. Markets are likely to remain watchful of this week's Brexit progress ahead of the end-January timeline. **Medium term outlook hinges** on BOE's policy stance that would either suggest a hold or a further cut and more details on Brexit transition.
- **Key resistances:** 5.3000 (R1), 5.3230 (R2), 5.3350 (R3)
- **Key supports:** 5.2670 (S1), 5.2500 (S2), 5.2150 (S3)
- **Expected range for the day:** 5.2600 – 5.2950

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

**Indicative AUDUSD 0.6860**



Source: Bloomberg

- AUDUSD opened unchanged at 0.6873 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **AUD is still expected to trade sideways** within the range of 0.6850-0.6950 this week as the Australian bushfires and the prospect of an RBA rate cut reined in the upsides to AUDUSD. Focus this week will be on Thursday's job data. **Medium term outlook is bearish** on increasing prospect of an RBA rate cut in early February.
- **Key resistances:** 0.6880 (R1), 0.6900 (R2), 0.6925 (R3)
- **Key supports:** 0.6850 (S1), 0.6830 (S2), 0.6800 (S3)
- **Expected range for the day:** 0.6850 – 0.6880

**Indicative AUDMYR 2.7909**



Source: Bloomberg

- AUDMYR opened little changed at 2.7915 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **AUDMYR cross is neutral today** over a lack of fresh impetus in the broader market as AUD is still expected to range trade against the USD today. **Medium term outlook is bearish** on increasing prospect of an RBA rate cut in early February.
- **Key resistances:** 2.7950 (R1), 2.8000 (R2), 2.8050 (R3)
- **Key supports:** 2.7880 (S1), 2.7850 (S2), 2.7800 (S3)
- **Expected range for the day:** 2.7880– 2.7960

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Indicative EURUSD 1.1092



Source: Bloomberg

- EURUSD opened unchanged at 1.1095 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **Daily outlook remains neutral** as the pair now needs to break back above 1.1100 for any meaningful gain in the short term. The absence of any fresh impetus ahead of Thursday's ECB meeting is thus likely to keep the pair confined within 1.1080-1.1100. **Medium term outlook is still bearish** as the ECB is likely sticking to its accommodative monetary policy stance and mainly over poorer growth outlook compared to the US economy.
- **Key resistances:** 1.1100 (R1), 1.1120 (R2), 1.1150 (R3)
- **Key supports:** 1.1080 (S1), 1.1065 (S2), 1.1050 (S3)
- **Expected range for the day:** 1.1080- 1.1100

Indicative EURMYR 4.5129



Source: Bloomberg

- EURMYR opened little changed at 4.5047 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish.**
- **EURMYR cross is bullish today** as EUR bounced off yesterday's low on weaker MYR component. **Medium term outlook is still bearish** as the ECB is likely to stick to its accommodative monetary policy stance and mainly over poorer growth outlook compared to a stronger US economy.
- **Key resistances:** 4.5150 (R1), 4.5275 (R2) 4.5350 (R3)
- **Key supports:** 4.5000 (S1), 4.4965 (S2), 4.4950 (S3)
- **Expected range for the day:** 4.5020- 4.5200

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