

Global Markets Research
FX Strategy

Daily Currency Outlook – 11am edition

Indicative USDMYR 4.0792

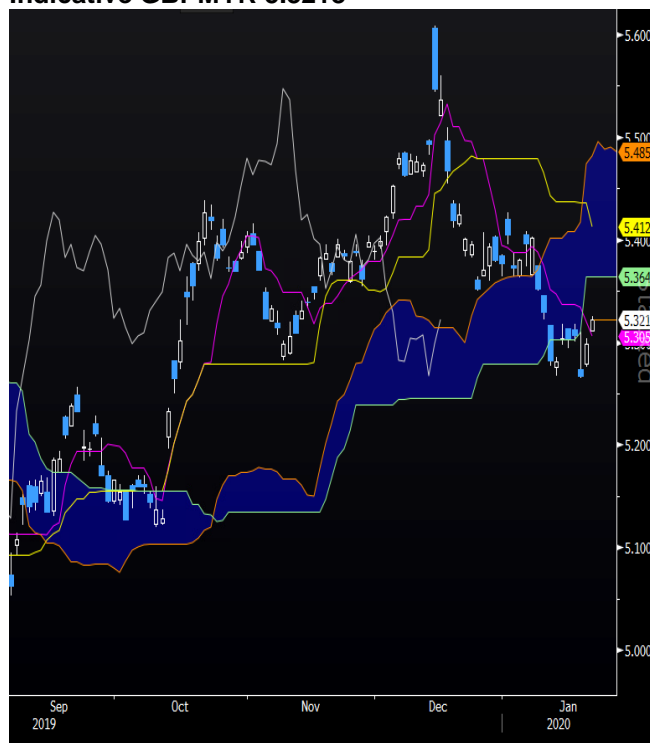


Source: Bloomberg

- USDMYR opened little changed at 4.0690 today. **Daily outlook bullish.**
- **Weekly outlook and monthly outlook bullish.**
- **USDMYR outlook remains bullish**, expecting the dollar to strengthen today amidst risk-off sentiments and that CPI and BNM policy decision today as well as upcoming Chinese New Year celebration will likely keep MYR markets in cautious mood, unless there are any surprises. We now expect USDMYR to be well supported above 4.0700 and look towards a test of 4.08-4.09 ranges. **MYR medium term outlook is still bearish**, expecting the USD to be well supported by solid data in 1Q20.
- **Key resistances:** 4.0800 (S1), 4.0900 (S2), 4.1000 (S3)
- **Key supports:** 4.0600 (R1), 4.0530 (R2), 4.0500 (R3)
- **Expected range for the day:** 4.0690 - 4.0850

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

Indicative GBPMYR 5.3218



Source: Bloomberg

- GBPMYR opened 0.24% higher at 5.3119 today. **Daily outlook bullish.**
- **Weekly and monthly outlook bearish.**
- **GBPMYR cross is bullish today on overnight GBP strength and weaker MYR component in a risk-averse market.** 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 stance that would either suggest a hold or a further cut and more details on Brexit transition.
- **Key resistances:** 5.3300 (R1), 5.3500 (R2), 5.3700 (R3)
- **Key supports:** 5.3000 (S1), 5.2760 (S2), 5.2500 (S3)
- **Expected range for the day:** 5.3100 – 5.3350

Indicative AUDUSD 0.6832



Source: Bloomberg

- AUDUSD opened unchanged at 0.6845 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- AUD breached below 0.6850, paving for further down move in a risk-off environment but we reckon the downside is limited for now, expecting **AUD to hover around 0.6820-0.6850 today** as markets turned cautious over the Coronavirus outbreak and ahead of Thursday's job data. **Medium term outlook is bearish** on increasing prospect of an RBA rate cut in early February.
- **Key resistances:** 0.6850 (R1), 0.6880 (R2), 0.6900 (R3)
- **Key supports:** 0.6820 (S1), 0.6800 (S2), 0.6780 (S3)
- **Expected range for the day:** 0.6820 – 0.6850

Indicative AUDMYR 2.7870



Source: Bloomberg

- AUDMYR opened little changed at 2.7880 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **AUDMYR cross is neutral today** as both AUD and MYR are trading weaker against the USD in a risk-off environment. **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:** 2.7850 (S1), 2.7800 (S2), 2.7760 (S3)
- **Expected range for the day:** 2.7850– 2.7950

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Indicative EURUSD 1.1081



Source: Bloomberg

- EURUSD opened unchanged at 1.1082 today. **Daily outlook neutral.**
- **Weekly outlook neutral and monthly outlook bearish.**
- **EURUSD likely range-trades** within 1.1080-1.1095 today amidst a lack of fresh impetus ahead of tomorrow's ECB meeting. **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- 1.1095

Indicative EURMYR 4.5205



Source: Bloomberg

- EURMYR opened little changed at 4.5134 today. **Daily outlook bullish.**
- **Weekly outlook bullish and monthly outlook bearish.**
- **EURMYR cross is bullish today** as the pair continued to climb 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:** 4.5300 (R1), 4.5414 (R2) 4.5500 (R3)
- **Key supports:** 4.5100 (S1), 4.5000 (S2), 4.4950 (S3)
- **Expected range for the day:** 4.5120- 4.5300

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