

1 June 2021

Global Markets Research

Mid-day Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral**

USD/MYR opened unchanged at 4.1250, weakening further to just below 4.12 as of writing. The Prime Minister announced a RM40b stimulus package last night, which included only a small RM5b fiscal injection, just ahead of today’s two-week lockdown. We expect USD/MYR to trade on a neutral note today, but revised our weekly range to 4.10- 4.15 this week in view of recent down moves, with 4.1500 remaining a key resistance.

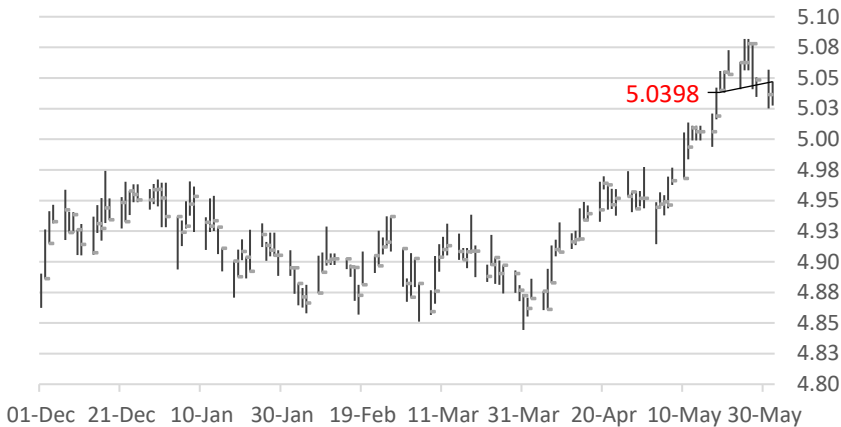
**1-Month Outlook – MYR Neutral to Bearish**

We continue to expect the dollar to remain resilient toward 2Q, in line with the increased net long position in recent weeks. USD/MYR will likely be trading at circa 4.15, within our end-2Q21 forecast, before trending down in 2H this year.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1000	4.1100	4.1190	4.1500	4.1700

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral to Bullish

EUR/MYR opened 0.4% higher at 5.0463. We retain slightly bullish view for EUR as vaccination rates continued to pick up. The upward momentum remains high, supported reopening optimism. Key driver for EUR this week remains the USD itself but we watch out for data such as CPI and retail sales and PMIs.

	S2	S1	Indicative	R1	R2
EUR/MYR	5.0100	5.0258	5.0398	5.0560	5.0800

### GBP/MYR



### GBP/MYR Neutral to Bullish

GBP/MYR opened 0.3% higher at 5.8690. We continue to see potentially modest gains in GBP/MYR although the higher Covid-19 cases recently may derail plan to fully reopen the economy. Momentum is still on the upside and this should offer adequate support, barring from any adverse pandemic related development.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.8015	5.8400	5.8652	5.8850	5.9000

### AUD/MYR



### AUD/MYR Neutral

AUD/MYR opened little changed at 3.1944. We maintain a neutral outlook for AUD/MYR ahead of today's RBA decision and a slew of economic data (GDP and retail sales this week). Market looks towards RBA for any signals/decision to taper its bond buying program amid continuous domestic economic growth.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1650	3.1850	3.1982	3.2200	3.2350

Source: Bloomberg, HLBB Global Markets Research

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