

3 July 2020

**Global Markets Research**  
**Mid-day Currency Outlook**

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral to slightly bearish**

USDMYR opened little changed at 4.2850 after holding steady for the third consecutive session. Pair might be turning slightly bullish in response to positive US data overnight and risk sentiment could be retreating ahead of the weekend. In the week ahead, sentiment is likely to remain cautious with BNM's OPR decision, Covid-19 development in major countries and rising US-China tension being the prime market mover.

**1-Month Outlook – MYR Neutral**

We are turning neutral on medium term USDMYR outlook, expecting intermittent USD strength as markets would likely stay cautious and risk averse amid lingering concern over a second wave of virus outbreak. That said, there is no change to our long held view of a slightly weaker USD throughout 2020. Potential re-escalation of US-China strained ties may give rise to stronger USD and thus pose a downside risk to the local unit.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2650	4.2808	4.2870	4.2993	4.3117

## MYR Crosses

### EUR/MYR



### EUR/MYR neutral

EURMYR opened 0.45% lower at 4.8160 amid late dollar resurgence that put renewed pressure on the euro. Pair is expected to trade on neutral tone today with the lack of robust driver. Continuous uncertainties over Covid-19 post downside risk to the pair even though PMI data are improving.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7912	4.8066	4.8212	4.8432	4.8500

### GBP/MYR

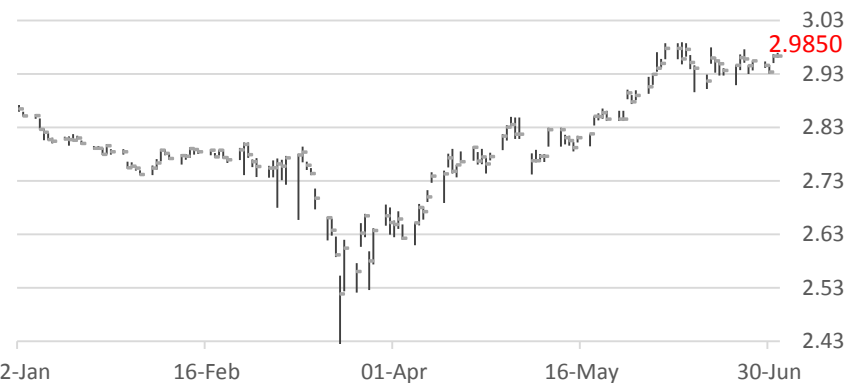


### GBP/MYR neutral

GBPMYR opened 0.44% lower at 5.3425, catching up with overnight weakness as dollar strengthened. Pair is moving on a flat trajectory and is likely to stay so for the rest of today's session. GBP is still bearish, held down by weaker fundamentals, pandemic concerns and the absence of any progress in Brexit talks.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.3088	5.3307	5.3449	5.3682	5.3900

### AUD/MYR



### AUD/MYR slightly bullish

AUDMYR opened 0.14% lower at 2.9656 but was boosted by the upward revision to retail sales data and upbeat China Caixin PMI. Daily outlook is slightly bullish but is unlikely to be sustainable as markets are still weighing US-China tension and a stretched AUD continues to pave ways for consolidation.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9316	2.9532	2.9850	2.9795	2.9850

Source: Bloomberg, HLBB Global Markets Research

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