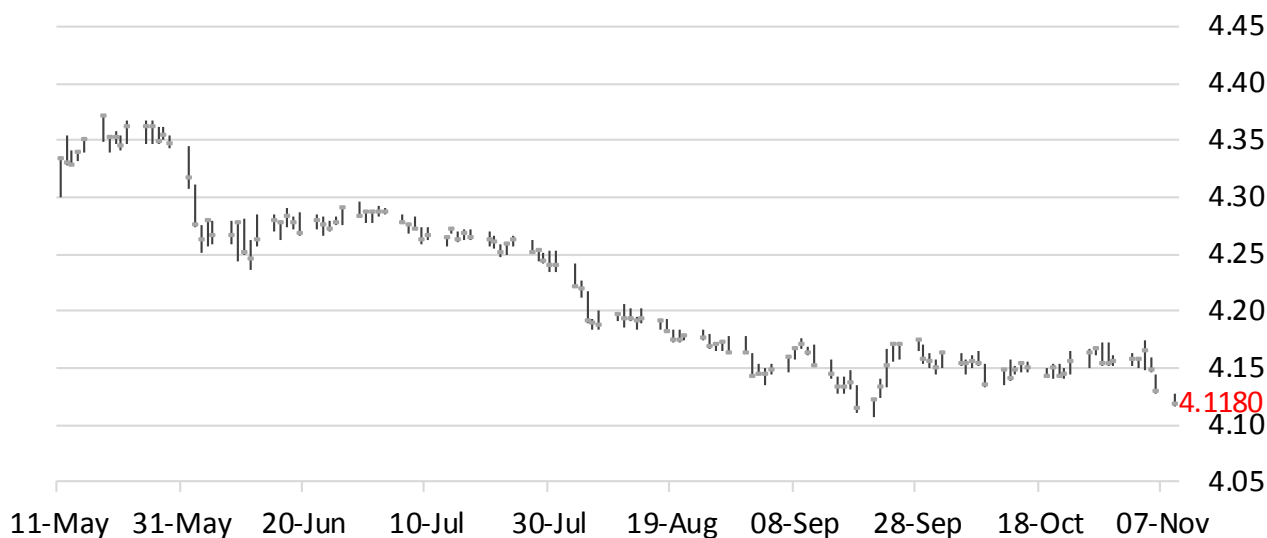


9 November 2020

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Bullish

USD/MYR opened 0.2% lower at 4.1225 on Monday. Daily outlook is bearish as we expect more down moves for the broad USD after Biden won the US presidency over the weekend and uncertainty surrounding the elections somewhat dissipating President Trump has not delivered a concession speech and has vowed to contest the outcomes at courts, but pundits suggest this is unlikely to alter the result.

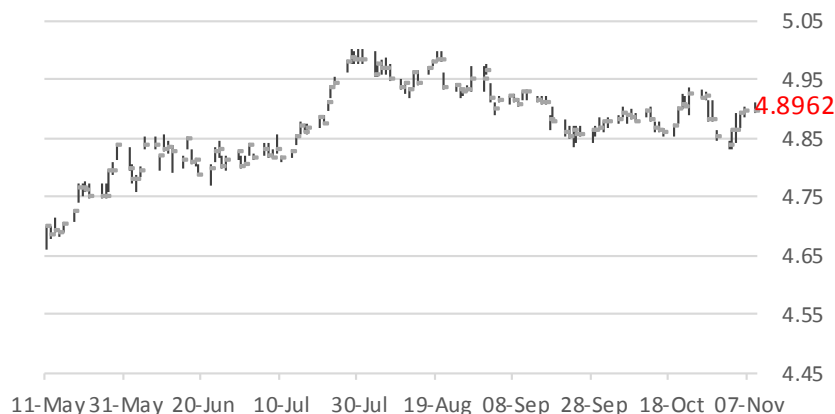
1-Month Outlook – MYR Bullish

We turn bearish on USD/MYR on a one-month basis after Joe Biden's presidential victory paves way for a weaker dollar; a Biden Administration is expected to return the US executive branch to normalcy and eliminate any abrupt decisions on both the domestic and international fronts that so often characterized the Trump Presidency for the past four years. The Fed's sustainably accommodative policy coupled with weak recovery outlook alongside high unemployment rate are also expected to weigh on the greenback as we head into the end of 2020.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1000	4.1100	4.1180	4.1285	4.1500

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.3% higher at 4.9108, catching up with stronger EUR that benefitted from weaker USD. Daily outlook is neutral as stronger MYR offset the bid tone in EUR as US election result crystallises. However event risks and poor fundamentals may weigh on the EUR near-term. For the week ahead, second reading of 3Q GDP, industrial production and ZEW survey are key data on the deck.

a	S2	S1	Indicative	R1	R2
EUR/MYR	4.8600	4.8834	4.8962	4.9030	4.9155

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.3% higher at 5.4424 but has retreated to below 5.43 as of writing amid stronger MYR. BOE's dovish stance citing "unusually uncertain" outlook coupled with the pandemic risks and Brexit transition will likely continue weigh on the GBP going forward. Hence, our neutral outlook on GBP/USD. Watch resistance of 1.32 and support of 1.2850. 3Q GDP, industrial production and job data are up next.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4044	5.4167	5.4299	5.4495	5.4632

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.3% higher at 3.0088, hovering at circa 3.00 as of writing as both MYR and AUD strengthened concurrently. In the more medium term, AUD is expected to weaken further as the RBA bought longer-dated government bonds to keep yields low.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9599	2.9908	2.9990	3.0135	3.0270

Source: Bloomberg, HLBB Global Markets Research

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