

14 May 2020

Global Markets Research
Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Bearish

USDMYR opened little changed at 4.3315 today and is seen trading slightly up at 4.3355. Daily outlook for the pair is bullish as markets seem to ignore the better than expected Malaysia 1Q GDP yesterday and focus turns to the broader and more pessimistic economic outlook that has stoked risk aversion and raised the appeal of the greenback in the short term.

1-Month Outlook – MYR Bearish

Medium term outlook remained bullish as we may see the USD rebound a little further up to the level 100 for DXY as markets may favour optimism in the USD from a reopened US economy even as data are poor and US cases continue to climb.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3195	4.3230	4.3355	4.3400	4.3440

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EURMYR opened 0.19% lower at 4.6833 today. Daily outlook for the pair is neutral on the back of stronger USD that is powered by a renewed sense of risk aversion following Fed Chair Powell's remarks. We still see little risks of EUR/USD breaking the 1.08-1.10 range at the moment, and likely to remain within this range, indirectly limiting the movement in EUR/MYR cross given little impetus.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.6690	4.6720	4.6865	4.7040	4.7070

GBP/MYR



GBP/MYR Bearish

GBPMYR opened 0.3% lower at 5.2963 today. Daily outlook remains bearish as GBP continues its downward trend following poor GDP data. Despite the reopening of the economy, we remain pessimistic regarding the GBP over its mounting Covid-19 death tolls and continuously high daily new cases.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.2870	5.2900	5.2948	5.3190	5.3240

AUD/MYR



AUD/MYR Bearish

AUDMYR opened 0.42% lower at 2.7929 today. Daily outlook is bearish as Aussie job report disappointed. Unemployment Rate went up to 6.2% and the economy lost 594k jobs. AUD also continues to correct from its recent high. AUD/USD may correct further from its recent stretched level, partly from depressed commodity markets; this shall translate into a lower AUD/MYR in the short term.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7800	2.7830	2.7901	2.8090	2.8130

Source: Bloomberg, HLBB Global Markets Research

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