

17 March 2020

## Global Markets Research

### Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – MYR Bearish

USD/MYR continued to climb this morning after skyrocketing yesterday in response to the Fed's off-schedule 100 basis point rate cut. Pair briefly hit intraday high of 4.3160 before easing to 4.3085 as of writing and remains very much overbought. Daily outlook remains bullish as markets are likely to stay risk-off for the time being, selling EMs in favour of the safer greenback.

#### 1-Month Outlook – MYR Bearish

Pair's medium term outlook remains bullish on the back of weaker oil prices amid lack of OPEC+ development and dampening demand outlook, not to mention that rising global recession risk is expected to weigh down EM currencies in general.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2650	4.2815	4.3085	4.3200	4.3300

## MYR Crosses

### EUR/MYR

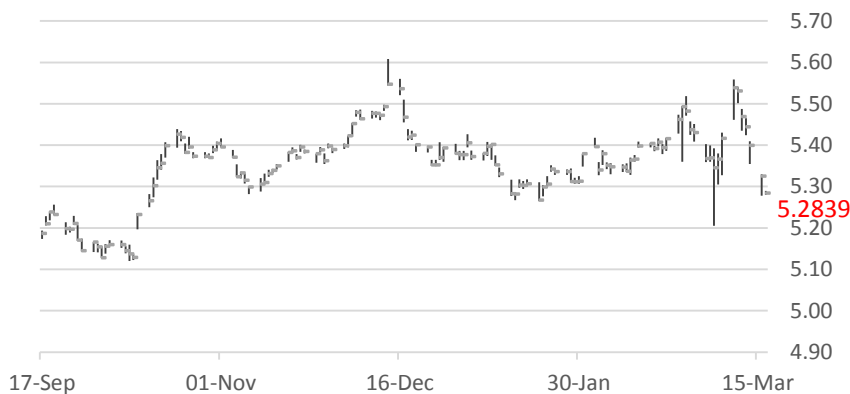


### EUR/MYR Neutral

We are neutral on EUR/MYR on the back of MYR weakness and simultaneously expect the EUR to reverse recent gains against the USD amid stretched positioning in long EUR/USD. Pair opened slightly lower this morning and had been trading sideways since with movement confined within 4.8000-4.8300.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7462	4.7821	4.8189	4.8379	4.8500

### GBP/MYR



### GBP/MYR Bearish

GBP/MYR opened lower this morning and is looking bearish after the GBP extended its fifth consecutive losing session on Monday on the back of domestic panic. Downside is limited as the slightly oversold GBP could stage some recovery if news headline improves. We maintain current view that BOE's recent rate cut was a one-off move to support sentiment and to complement the government's enormous stimulus package, meaning that it could hold rate in its next scheduled meeting two weeks from now.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.2325	5.2650	5.2839	5.3030	5.3400

### AUD/MYR



### AUD/MYR Slightly Bearish

AUD/MYR opened lower this morning but downside is limited amid concurrent AUD and MYR weakness and AUD/USD is trading at stretched low levels. Markets barely pay heed to RBA meeting minutes that shows the central bank's readiness to cut rate and launch QE. Focus turns to Thursday when the RBA is expected to commence the bond buying program.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6185	2.6270	2.6436	2.6500	2.6700

Source: Bloomberg, HLBB Global Markets Research

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