

18 September 2020

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to slightly bearish

USD/MYR opened lower at 4.1300 and continued to extend its leg down. We remain neutral to slightly bearish on USD/MYR today on the back of overnight USD weakness but expect losses to narrow ahead of the weekend. The pair would remain primarily driven by the USD momentum, which appears tilting to the downside for now. Expect a range of 4.12-4.16 next week with 4.1200 being a major support.

1-Month Outlook – MYR Neutral

We see limited gains in MYR against the USD in the coming month. USD weakness may resume after some recent volatility. A sustained rebound in crude oil prices may also benefit the MYR. Still, anchored expectations in Malaysia’s overnight policy rate will likely limit against excessive gains. The economy also needs to improve further to support further MYR strength.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1110	4.1230	4.1275	4.1330	4.1400

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.41% higher at 4.9016 following a surge in the EUR overnight. We expect gains to narrow going into European session as EUR may see more muted advances. Still, 4.86 support may hold for now with resistance at 4.93 levels.

a	S2	S1	Indicative	R1	R2
EUR/MYR	4.8764	4.8880	4.8954	4.9000	4.9090

GBP/MYR



GBP/MYR Bearish

GBP/MYR opened slightly higher at 5.3685 as the sterling continued to gain grounds overnight. Brexit developments may remain key to watch, and can pull the brakes on recent GBP recovery, hence our bearish view on the pair.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.3318	5.3498	5.3530	5.3697	5.3800

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.20% higher at 3.0258 today but dipped below the 3.02 handle again at time of writing. Resilient Aussie in the 0.72-0.73 handle will likely keep the pair rangebound at 3.01-3.03.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0045	3.0138	3.0195	3.0289	3.0428

Source: Bloomberg, HLBB Global Markets Research

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