

22 May 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 4.3470 today despite renewed dollar strength. Outlook for MYR remains neutral and slightly bearish as market may sell the ringgit in favour of the safer dollar ahead of a long weekend with US-China’s growing tension posing a major downside risk to the local unit.

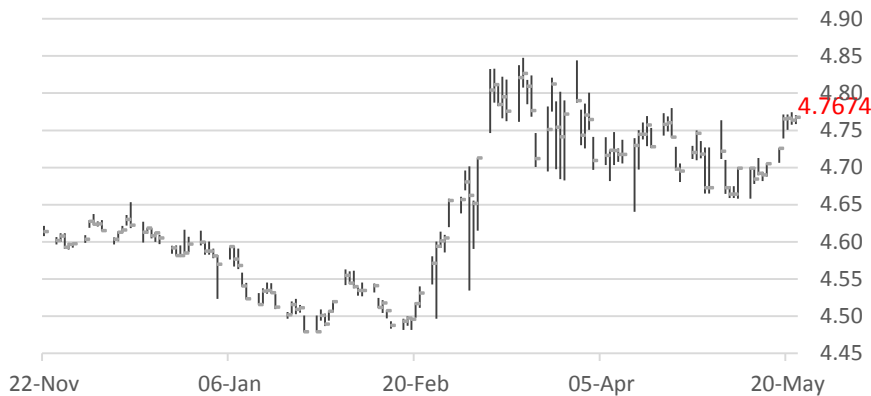
1-Month Outlook – MYR Bearish

Medium term USDMYR outlook remained bullish as we still expect USD to strengthen on the general uncertainty surrounding the reopening of economies across the globe when risk of new infections are still high, coupled with the ever growing hostility between the US and China which may pose risk to emerging market currencies.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3410	4.3450	4.3597	4.3710	4.3750

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EURMYR opened little changed at 4.7587 despite the euro's loss in momentum overnight as USD regained footing. Daily outlook is still neutral as we foresee MYR market to be quiet today ahead of the long weekend not to mention that EURUSD still hasn't been able to break 1.10. EURUSD would most probably stay within 1.08-1.1 big figures in the short term.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7570	4.7605	4.7674	4.7840	4.7870

GBP/MYR



GBP/MYR Neutral

GBPMYR opened little changed at 5.3118 but went up above 5.3200 shortly. GBP was slightly weaker overnight but we see some near-term potential for GBP to catch up after prior underperformance. The pair is likely hovering comfortably above 5.3200 today ahead of the long weekend. Still, we remain comparatively pessimistic regarding GBP as Covid-19 remained out of control in the UK.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.2760	5.2800	5.3237	5.3285	5.3315

AUD/MYR



AUD/MYR Slightly bearish

AUDMYR opened little changed at 2.8541. Daily outlook is slightly bearish as AUD corrects further with US-China tension weighing and seems unfazed by China's new stimulus announcement. A still-depressed commodity market alongside growing US-China hostility continue to pose as a significant downside risk to AUD.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8240	2.8270	2.8493	2.8525	2.8560

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my**DISCLAIMER**

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