

25 November 2020

## Global Markets Research

### Mid-day Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – MYR Neutral to Bullish

USD/MYR opened little changed at 4.0900. We remain neutral to bearish on the pair on the back of upbeat sentiment. Renewed USD weakness overnight is likely to benefit MYR as there is still room for the pair to move lower, with potentials to break the 4.08 key support today. Our weekly expected range is 4.05-4.10.

#### 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 | 4.0800 | 4.0850 | 4.0850     | 4.1000 | 4.1200 |

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral

EUR/MYR opened 0.1% higher at 4.8616 and remained constrained within a tight range despite stronger EUR overnight as MYR is well supported by better risk appetite. Event risks and poor fundamentals are expected to continue capping upside on EUR in the near-term. Markets may continue to hold back as the resurgence in Covid-19 in Europe disrupts economic recovery.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| EUR/MYR | 4.8210 | 4.8300 | 4.8627     | 4.8756 | 4.8834 |

### GBP/MYR



### GBP/MYR Neutral

GBP/MYR opened little changed at 5.4601. Daily outlook is neutral as the pair is likely to consolidate, awaiting Brexit update. We eye this week's Brexit development for further guidance.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| GBP/MYR | 5.4302 | 5.4426 | 5.4605     | 5.4720 | 5.4870 |

### AUD/MYR



### AUD/MYR Neutral

AUD/MYR opened 0.1% higher at 3.0101 after strengthened in the prior session. A resilient MYR is likely to cap the gain in the pair as both currencies ride on better risk sentiment.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| AUD/MYR | 2.9785 | 2.9950 | 3.0086     | 3.0180 | 3.0250 |

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](mailto:HLMarkets@hlbb.hongleong.com.my)

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