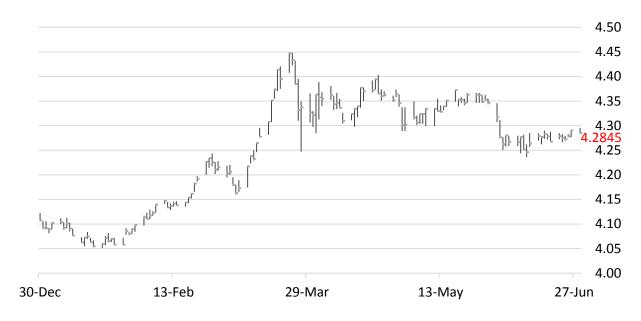


29 June 2020

# Global Markets Research

# Mid-day Currency Outlook

#### **USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

## Intraday Thoughts - MYR Bearish

USDMYR opened little changed this morning at 4.2935. We remain bullish on USDMYR today as risk sentiment likely retreats further this week as global markets turn cautious, assessing Covid-19 situation in major economies. This week's slew of economic data would also serve as market driver with the FOMC meeting minute in the pipeline. Downside risks to MYR are potential second waves in key economies, US-China tension, downbeat commodity market, and rating downgrade concerns.

## 1-Month Outlook - MYR Neutral

We are turning neutral on medium term USDMYR outlook, expecting intermittent USD strength as markets would likely stay cautious and risk averse amid lingering concern over a second wave of virus outbreak. That said, there is no change to our long held view of a slightly weaker USD throughout 2020. Potential re-escalation of US-China strained ties may give rise to stronger USD and thus pose a downside risk to the local unit.

	S2	<b>S1</b>	Indicative	R1	R2
USD/MYR	4.2748	4.2775	4.2845	4.2925	4.2956



#### **MYR Crosses**

## **EUR/MYR**



#### **EUR/MYR Neutral**

EURMYR opened little changed at 4.8150 and is trading with a lack of direction. Daily outlook is neutral as markets continued to weigh dollar resurgence and sentiment is cautious. Market drivers this week are a slew of economic data as well as potential new outbreak in Europe. This is line with recent expectation that EUR may have to be defensive if the USD rebounds.

	S2	<b>S1</b>	Indicative	R1	R2
EUR/MYR	4.7946	4.7970	4.8160	4.8196	4.8232

## **GBP/MYR**



#### **GBP/MYR Bearish**

GBPMYR opened 0.48% lower at 5.2954 and is trading with a bearish tone as global risk sentiment retreated. The grim situation in the UK remains a pessimistic factor weighing down GBP in the short term. In the medium term, Brexit uncertainty, failure to contain Covid-19 and fragile fundamentals will likely continue to pressure on the GBP.

	S2	<b>S1</b>	Indicative	R1	R2
GBP/MYR	5.2654	5.2690	5.2985	5.3260	5.3297

## AUD/MYR



# **AUD/MYR Slightly Bearish**

AUDMYR opened 0.34% lower at 2.9437 and daily outlook is slightly bearish as risk sentiment retreated. Momentum is still weakening for AUD as positive signs fade. Further consolidation is expected. Downbeat commodity market outlook remains a key driver.

	S2	<b>S1</b>	Indicative	R1	R2
AUD/MYR	2.9236	2.9260	2.9475	2.9521	2.9563

Source: Bloomberg, HLBB Global Markets Research



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