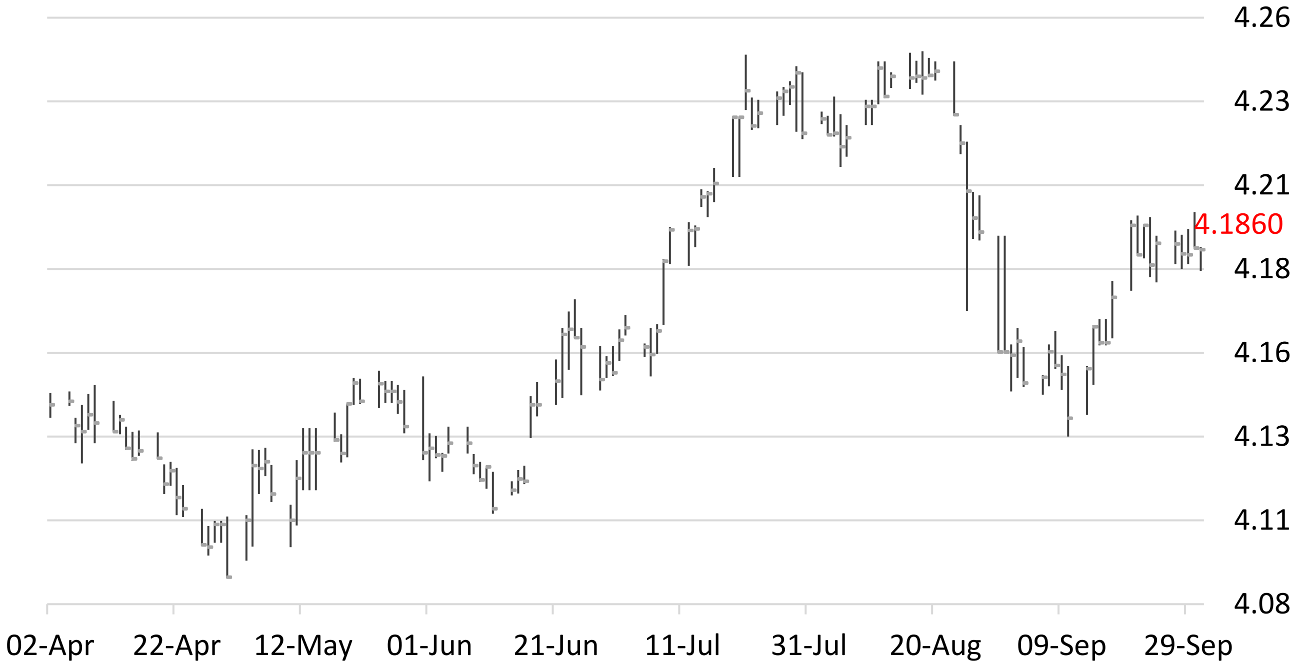
1 October 2021

# Global Markets Research

## Mid-day Currency Outlook

### USD/MYR




*Source: Bloomberg, HLBB Global Markets Research*

**Intraday Thoughts – MYR Neutral**

USD/MYR opened 0.2% lower at 4.1800. MYR continued to hold up relatively well despite the broad-based USD strength this week. We turned neutral on USD/MYR today, expecting another muted trading session for the pair amid a lack of prominent drivers as investors digest mixed US headlines (government funding and poorer job data). A tight range around 4.1800 is expected, in line with our weekly range of 4.16-4.20 this week.

**1-Month Outlook – MYR Bearish**

We are bearish on MYR, expecting USD/MYR to correct from the current low back to circa 4.20-4.23 levels especially after the Fed hinted it may start to taper its asset purchase program this year, even as the headlines surrounding Malaysia's pandemic situation have turned more positive.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| USD/MYR | 4.1600 | 4.1710 | 4.1860 | 4.1900 | 4.2000 |

## MYR Crosses

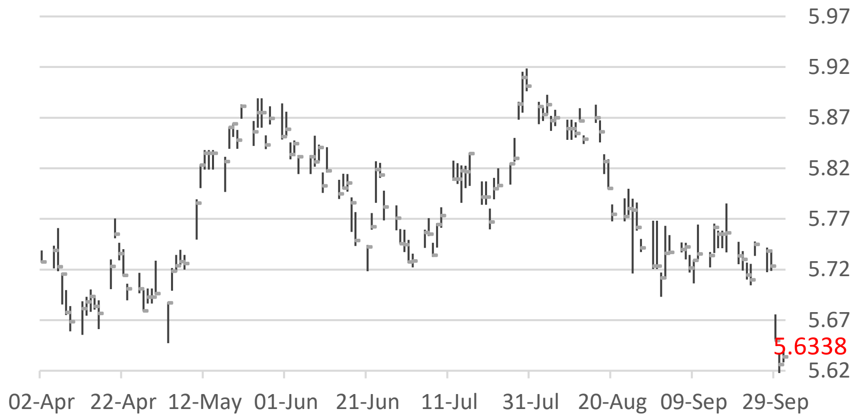
### EUR/MYR


**EUR/MYR Neutral**

EUR/MYR opened 0.2% lower at 4.8451. EUR/USD failed to ride on the USD reversal overight, inching lower to below 1.16, resulting in lower opening for EUR/MYR. We expect the broad USD retreat and the EUR/MYR's oversold condition to cap further losses, leaving EUR/MYR to potentially stabilise at circa 4.84 before correcting back to 4.85-4.86. EUR-related data include manufacturing PMI and HICP inflation.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| EUR/MYR | 4.8250 | 4.8360 | 4.8452 | 4.8550 | 4.8783 |

### GBP/MYR

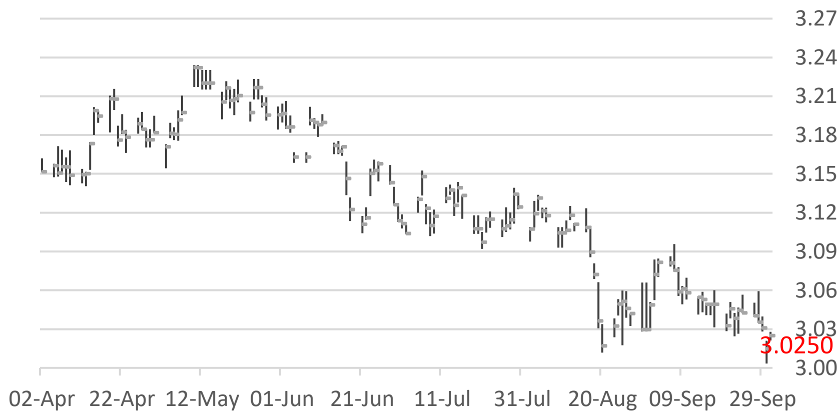



**GBP/MYR Neutral**

GBP/MYR opened 0.2% higher at 5.6385. The sterling rebounded alongside most majors as USD pulled back from recent rallies. The upward revision to the UK's 3Q GDP growth also offered positive support. GBP/MYR's morning move is consistent with our view of a minor correction (after the selloff in mid-week) and stabilisation with upsides capped at 5.6495 for now.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| GBP/MYR | 5.6000 | 5.6180 | 5.6338 | 5.6495 | 5.6665 |

### AUD/MYR




**AUD/MYR Neutral**

AUD/MYR opened 0.4% higher at 3.0261. The aussie dollar recovered substantially amid a dollar reversal, leaving AUD/MYR to edge up slightly higher despite a broad-based risk aversion. Upside is capped at 3.0314 by broadly risk-off mood and lower commodity prices, with focus shifting to the RBA's meeting next week.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| AUD/MYR | 3.0000 | 3.0117 | 3.0250 | 3.0314 | 3.0405 |

*Source: Bloomberg, HLBB Global Markets Research*

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