

4 January 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to Bullish

USD/MYR opened unchanged at 4.0200, breaking below 4.00 at 3.9985 as of writing, its lowest level since June 2018. Daily outlook is neutral to bearish as broad-based USD weakness dominates the market. The momentum is expected to remain weak and there is still room for the pair to weaken further. However, the oversold position signals possibility of some correction before further move lower.

1-Month Outlook – MYR Bullish

We are bearish on USD/MYR on a one-month basis. Recent USD weakness has strengthened the downward trajectory in the pair. Expectations for further improvement in economic prospects in 2021 following progress in vaccination should bode well with investor risk appetite, hence our bearish view on the USD and bullish view on the MYR as a potential beneficiary of inflows into emerging markets, especially EMAsia, supported by an Asia-led recovery story.

	S2	S1	Indicative	R1	R2
USD/MYR	3.9800	3.9950	3.9980	4.0200	4.0500

MYR Crosses

EUR/MYR

EUR/MYR Neutral to Bearish

EUR/MYR opened 0.2% lower at 4.9249, moving substantially lower to around 4.8970 as MYR strengthened further. Daily outlook is neutral to bearish as the bullish momentum in MYR is expected outweigh EUR.



	S2	S1	Indicative	R1	R2
EUR/MYR	4.8622	4.8800	4.8973	4.9249	4.9944

GBP/MYR

GBP/MYR Neutral to Bearish

GBP/MYR opened little changed at 5.5002, moving lower to circa 5.4730 as MYR strengthened. Daily outlook is neutral to bearish despite bullish GBP/USD as MYR strength looks likely to exceed that of GBP.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.4344	5.4489	5.4734	5.5000	5.5200

AUD/MYR

AUD/MYR Neutral to Bearish

AUD/MYR opened little changed at 3.1003, dragged down by MYR strength to 3.0851 as of writing. Daily outlook is neutral to bearish, similarly driven by bullish MYR.



	S2	S1	Indicative	R1	R2
AUD/MYR	3.0491	3.0764	3.0851	3.1061	3.1100

Source: Bloomberg, HLBB Global Markets Research

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