

⁵ March 2021 Global Markets Research Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Bearish

USD/MYR opened little changed at 4.0560 but has strengthened to breach 4.06, currently trading just a tad lower than 4.07. This is in line with our expectations that USD/MYR may move in tandem with the higher USD today amid risk aversion. We maintain that some upside may be capped by the recent surge in oil prices and expectation of a tighter market facing a pickup in demand.

1-Month Outlook – MYR Bullish

We remain constructive on MYR anchored by diminishing expectation on further OPR cut by BNM. Improving global crude oil prices should also augur well with MYR gains although we have been seeing less of such influence the past few weeks. USD resilience remains a key driving factor, and this is pushing back our expectations for MYR appreciation minimally.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0250	4.0400	4.0690	4.0700	4.0800



MYR Crosses

EUR/MYR

GBP/MYR



EUR/MYR Neutral

EUR/MYR opened 0.6% lower at 4.8558, catching up with the further down moves of EUR/USD. Pair is largely driven by the dollar sentiment for now as focus turns to next week's ECB meeting where markets are expecting Lagarde to address the issue of rising bond yields.

	S2	S1	Indicative	R1	R2	
EUR/MYR	4.8300	4.8580	4.8652	4.8843	4.9000	

5.80 5.60 5.70

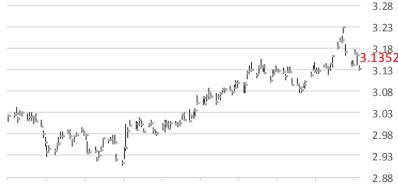
GBP/MYR Neutral to Bearish

GBP/MYR opened 0.3% lower at 5.6371, in line with the weaker GBP/USD. Despite that, the pair continues to trade within recent ranges as momentum faded. We continue to expect some resilience in GBP given its net long position against the USD.

04-Sep 24-Sep 14-Oct 03-Nov 23-Nov 13-Dec 02-Jan 22-Jan 11-Feb 03-Mar

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6000	5.6298	5.6516	5.6700	5.6873

AUD/MYR



AUD/MYR Neutral to Bearish

AUD/MYR opened 1.1% lower at 3.1308, catching up with AUD's down moves overnight. With AUD/USD hovering around 0.77, we expect risk aversion to keep AUD/MYR down despite the surge in oil prices.

04-Sep 24-Sep 14-Oct 03-Nov 23-Nov 13-Dec 02-Jan 22-Jan 11-Feb 03-Mar

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1000	3.1200	3.1352	3.1600	3.1816

Source: Bloomberg, HLBB Global Markets Research



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