

6 May 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral

USD/MYR opened little changed at 4.1200 and is trading steadily at circa 4.1200 as of writing, in line with our expectation that the pair may stabilise ahead of the BNM’s MPC announcement. The trend may extend to today’s session as BNM’s announcement is scheduled at 3pm in the afternoon. We continue to eye a range of 4.10-4.14 for the week and expect BNM to maintain its neutral stance. Recent selective reimposition of stricter movement control is expected to have a minimal impact on overall growth as most economic sectors are still allowed to operate.

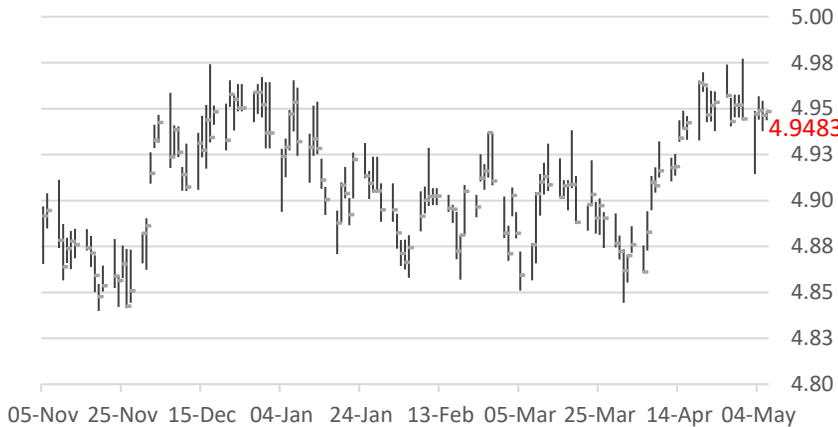
1-Month Outlook – MYR Bearish

No change to our present view of a stronger dollar which is likely to benefit from higher US yields as the economy recovered further in the US. We continue to expect the dollar to strengthen towards 2Q before trending down in 2H of the year and thus a higher USD/MYR in the medium term.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0700	4.1000	4.1220	4.1300	4.1400

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.1% higher at 4.9478 and is hovering within tight range as expected. It is likely to continue hovering at near 4.95 amid the lack of major drivers as well as mixed USD performances. Attention is on the Eurozone's retail sales figures today.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9150	4.9280	4.9483	4.9550	4.9650

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.1% higher at 5.7311. GBP will stay relatively stable as focus turns to central bank announcement. Markets anticipate the Bank of England to maintain its policy this time but rhetoric or forward guidance to taper bond holdings may move GBP.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6875	5.7088	5.7270	5.7285	5.7400

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.4% higher at 3.1940 after AUD /USD strengthened overnight. The upward movement was temporary as AUD/MYR weakened back to circa 3.18 amid mixed sentiment. We expect the pair to be dollar driven but cautious trading ahead of tomorrow NFP job report in the US may put a cap on the pair.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1550	3.1700	3.1825	3.1950	3.2000

Source: Bloomberg, HLBB Global Markets Research

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