

8 January 2021

Global Markets Research

Mid-day Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral to Bearish**

USD/MYR opened little changed at 4.0400, picking up further to 4.0425 as of writing amid bullish USD sentiment. This is likely to push the pair up further ahead of the weekend; tonight’s NFP payroll is key USD driver as US job growth appeared to have weakened.

**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	4.0000	4.0425	4.0500	4.0700

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral

EUR/MYR opened virtually unchanged at 4.9538, hovering within a tight range. This comes as the USD strength put a stop to the bullish EUR momentum. In the short term, upside is still capped at previous high of 4.9735 amid a lack of driver.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9181	4.9305	4.9561	4.9655	4.9735

### GBP/MYR



### GBP/MYR Neutral

GBP/MYR opened 0.1% higher at 5.4733; moving on a neutral note as USD strengthened across the board. In the short-to-medium, focus is still on the UK's pandemic situation where the third lockdown is expected to drag on any GBP gains.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4563	5.4743	5.4813	5.4905	5.5000

### AUD/MYR



### AUD/MYR Neutral

AUD/MYR opened 0.3% higher at 3.1365 as MYR weaken further. A correction could ensue at overbought level, returning back to 3.08-3.10 range in the shorter term as mentioned previously.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0869	3.1055	3.1362	3.1396	3.1500

Source: Bloomberg, HLBB Global Markets Research

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