

8 November 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 4.1600. We continue to expect a neutral outlook for the pair in the week ahead in the run-up to the release of Malaysia 3Q GDP numbers on Friday. We are pencilling a small GDP contraction triggered by the lockdown measures and expect USD/MYR to trade within 4.14-4.18 this week.

1-Month Outlook – MYR Neutral

We expect the MYR to be relatively resilient in the medium term, taking into account further economic recovery after the government relaxed more Covid-19 related restrictions. This is also supported by our view that the broader USD is also expected to strengthen modestly as the Federal Reserve's policy normalization pace is conducted less aggressively compared to other global central banks.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1200	4.1350	4.1555	4.1700	4.1800

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.2% higher at 4.8119. EUR/USD held steadily this morning at circa 1.1560 following last Friday's neutral session. We are neutral on EUR/MYR today with the immediate support remaining at 4.8000 amid the lack of major driver at the start of the week.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7850	4.8000	4.8053	4.8167	4.8413

GBP/MYR



GBP/MYR Neutral to Slightly Bearish

GBP/MYR opened 0.3% higher at 5.6104. The pound sterling stabilised after the BOE-related selloff last week. We are neutral to slightly bearish on the GBP/MYR as technical indicators continue to indicate bearish bias while the Brexit-related news post downside risk. Key data this week is the advance estimate of the UK's 3Q GDP.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5886	5.6000	5.6026	5.6200	5.6450

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.3% higher at 3.0756. AUD remains biased towards the downsides in terms of technical analyses and RBA's recent affirmation that it is not in a rush to raise rate. Nonetheless, We are neutral on AUD/MYR today as the pair stabilised after last week's down moves in anticipation for the Australia's job report.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0500	3.0700	3.0719	3.0871	3.1000

Source: Bloomberg, HLBB Global Markets Research

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