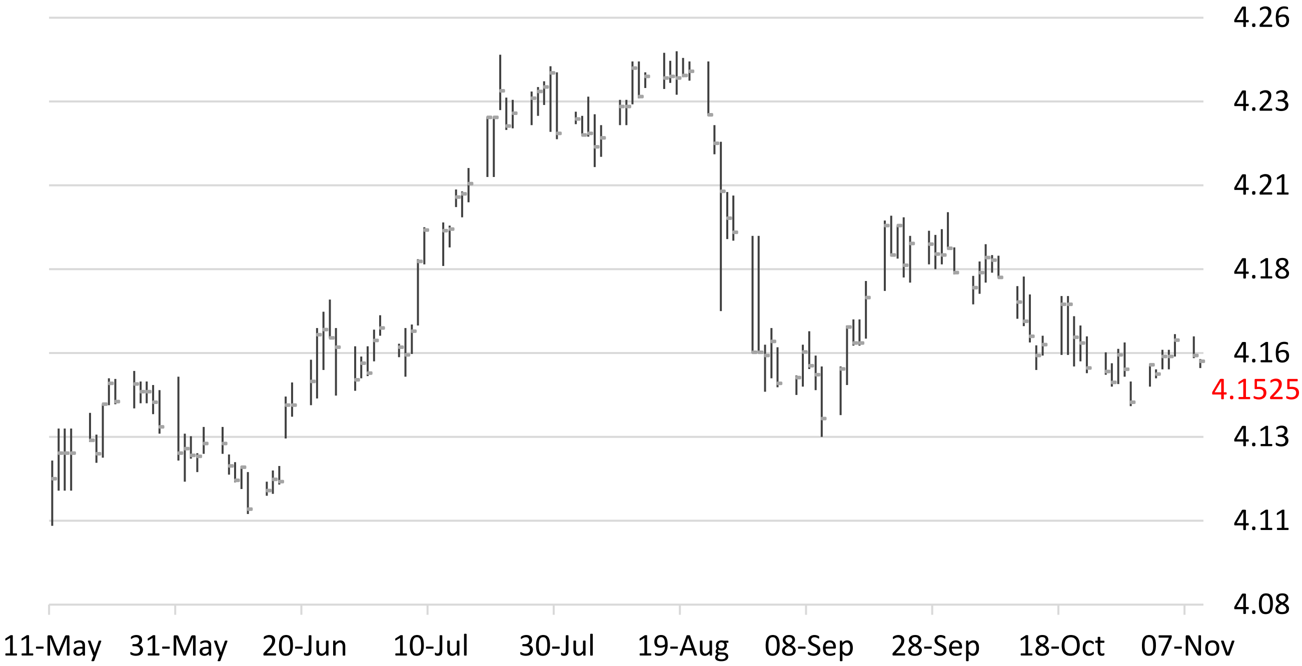
9 November 2021

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 4.1515. 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	4.1525	4.1700	4.1800

MYR Crosses

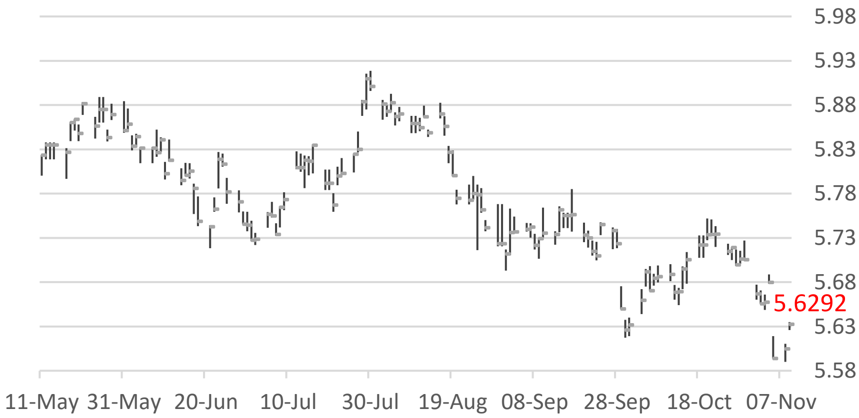
EUR/MYR

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7850	4.8000	4.8112	4.8167	4.8413

EUR/MYR Neutral

EUR/MYR opened 0.2% higher at 4.8140. EUR/USD remained steady amid USD weakness. We maintain the neutral outlook for EUR/MYR today with the immediate support remaining at 4.8000 amid the lack of major driver for now.

GBP/MYR



	S2	S1	Indicative	R1	R2
GBP/MYR	5.5886	5.6000	5.6292	5.6450	5.6555

GBP/MYR Neutral

GBP/MYR opened 0.5% higher at 5.6346. The pound sterling rebounded against the weak USD backdrop in the previous session but capped below 1.3600 on slow Brexit talks progress. The triggering of the Article 16 remained a major downside risk to GBP this week thus leading us to turn neutral on GBP/MYR. Markets also eye the advance estimate of the UK's 3Q GDP.

AUD/MYR

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0500	3.0700	3.0739	3.0871	3.1000

Source: Bloomberg, HLBB Global Markets Research

AUD/MYR Neutral

AUD/MYR opened 0.1% higher at 3.0802. AUD rode on USD weakness but was outpaced by NZD strength. Nonetheless, we remain neutral on AUD/MYR today as the pair stabilised after last week's down moves in anticipation for the Australia's job report.

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