

10 May 2021

Global Markets Research

Mid-day Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral**

USD/MYR opened 0.2% lower at 4.1150. We are holding on to our view for a neutral MYR possibly within the 4.10-4.14 range in the week ahead. MYR will predominantly be USD driven and we do not expect tomorrow's release of Malaysia 1Q GDP that will likely show a small contraction of 1.9% y/y, to have any material impact on the MYR.

**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	4.1060	4.1150	4.1300

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral to Bullish

EUR/MYR opened 0.7% higher at 5.0052 after EUR/USD rallied last Friday following weak US job report. We remain slightly constructive but cautioned by the elevated level. For the week ahead, watch out for the Eurozone's March industrial production result.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9750	4.9800	4.9915	5.0000	5.0100

### GBP/MYR



### GBP/MYR Neutral to Bullish

GBP/MYR opened 0.9% higher at 5.7744, catching up with stronger GBP/USD which is seen trading above 1.40. We expect further move above 1.40, thus the simultaneous strength in GBP/MYR. The UK's first estimate of 1Q GDP is in the data docket this week and may move the pair.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7109	5.7400	5.7589	5.7746	5.7850

### AUD/MYR



### AUD/MYR Neutral to Bullish

AUD/MYR opened 1.1% higher at 3.2313, as AUD/USD was among last Friday's top gainers. We still see some gains for the week ahead, from dollar weaknesses, alongside positive retail sales and business confidence data, released this morning. Pair is also vulnerable to a return of risk aversion; renewed strain in Australia-China relations may have some impacts as well.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1950	3.2105	3.2224	3.2320	3.2400

Source: Bloomberg, HLBB Global Markets Research

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