

11 January 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral to Bullish**

USD/MYR opened 0.1% higher at 4.0345, trading higher at 4.0420 as of writing after closing the week out with 0.2% w/w gain amid bullish USD sentiment. The pair is poised for some technical correction from recent losses, now that it has moved further away from oversold position and momentum indicator has turned slightly positive. This could be short-lived as USD weakness resumes. We are looking at a likely range of 3.98-4.04 this week.

**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	4.0000	4.0200	4.0420	4.0500	4.0700

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral to Bullish

EUR/MYR opened 0.4% lower at 4.9107. We are neutral to bullish on EUR/MYR, driven by our bullish call for EUR this week alongside the interim correction in MYR. Upside is still capped at previous high of 4.9735.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9000	4.9181	4.9278	4.9655	4.9735

### GBP/MYR



### GBP/MYR Neutral to Bullish

GBP/MYR opened 0.5% lower at 5.4472; We are neutral to bullish on GBP/MYR as risk-off moods from (UK pandemic) slowly turns in this week and alongside a likely weaker MYR amid correction. Friday's data dump to offer more insights into the UK's economy.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4400	5.4563	5.4685	5.4743	5.4905

### AUD/MYR



### AUD/MYR Neutral

AUD/MYR opened 0.6% lower at 3.1108, edging up to circa 3.12 as of writing. Our neutral-to-bullish call on AUD/USD could push the AUD/MYR cross higher but watch out for some stabilisation in AUD's momentum ahead. 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	3.1209	3.1396	3.1500

Source: Bloomberg, HLBB Global Markets Research

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