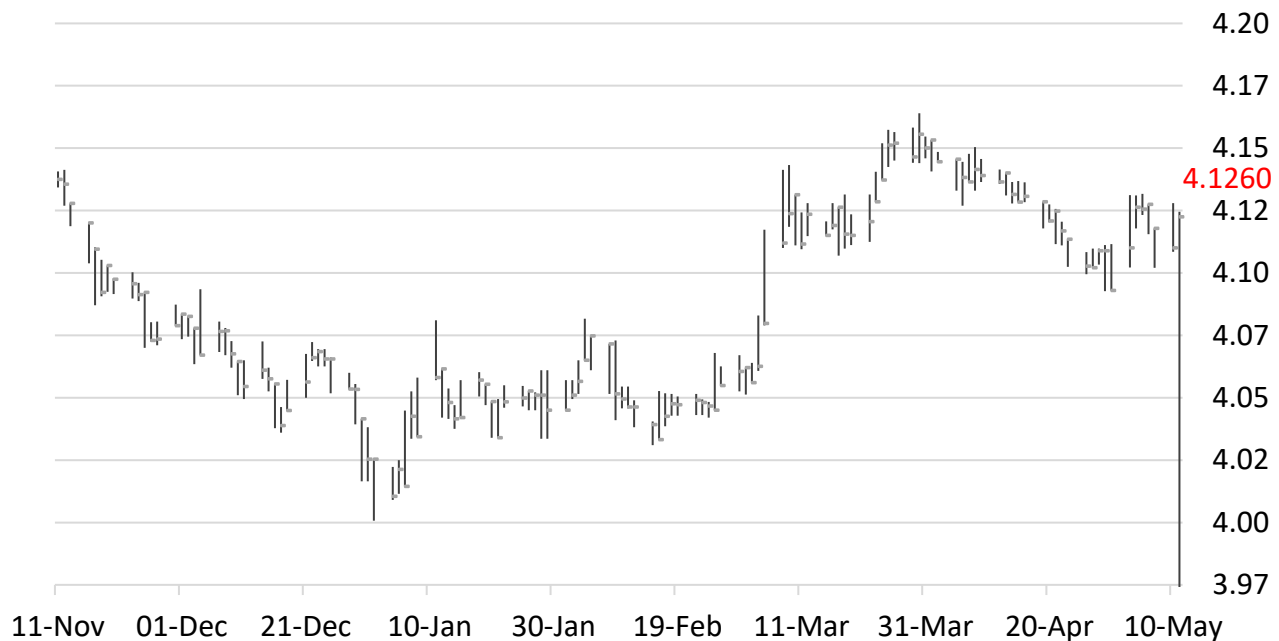


12 May 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral

USD/MYR opened slightly lower at 4.1140 after a higher close at 4.1175 yesterday. Mirroring previous days' trend, the pair headed higher from lower opening to 4.1260 at time of writing. We expect continued rangetrading in the pair today with a tinge of slight bullishness ahead of the two-day Raya festive holidays starting tomorrow.

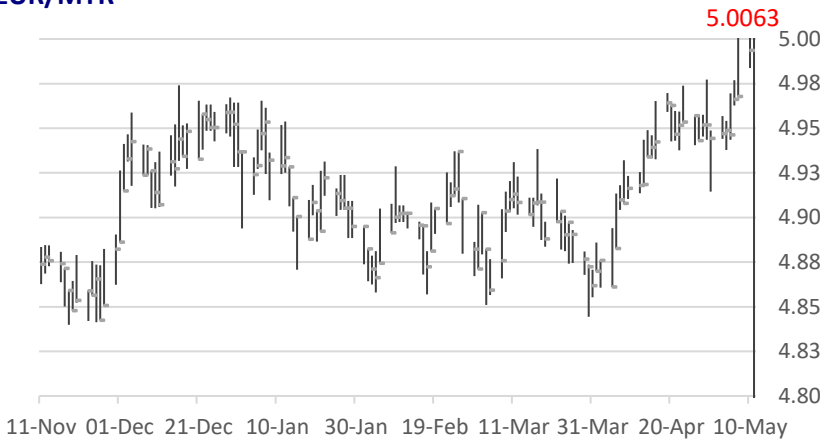
1-Month Outlook – MYR Bearish

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	4.1100	4.1146	4.1260	4.1270	4.1320

MYR Crosses

EUR/MYR

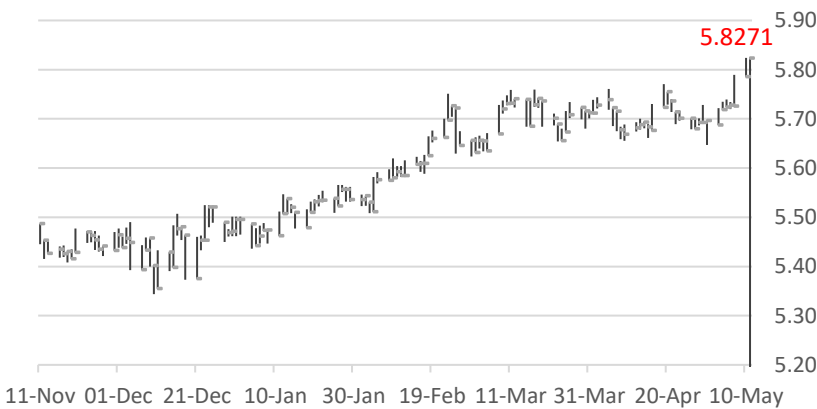


EUR/MYR Neutral to Bullish

EUR/MYR opened 0.18% lower at 5.0007. Daily outlook of the pair is neutral to bullish anticipating a firm EUR on the back of stabilization of the USD at the lows, in addition to some pressure on the MYR ahead of the long weekend. For the week ahead, watch out for the Eurozone's March industrial production result.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9841	4.9939	5.0063	5.0136	5.0290

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened marginally lower at 5.8204 as the sterling corrected from recent high. Slight overbought in the pair and a quieter MYR market ahead of the festive holiday will likely cap upside. Key mover could be UK 1Q GDP tonight where expectation is rife for renewed q/q contraction set back by the lockdown.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7861	5.7994	5.8271	5.8300	5.8510

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.15% lower at 3.2273 and continued heading south due to a weakening AUD/USD this morning as elevated inflationary jitters fan risk-off mode. Daily outlook remains neutral in anticipation of softness in both the AUD and MYR. Renewed strain in Australia-China relations may remain key risk factor.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.2081	3.2110	3.2284	3.2320	3.2400

Source: Bloomberg, HLBB Global Markets Research

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