

13 January 2021

## Global Markets Research

### Mid-day Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – MYR Neutral

USD/MYR opened 0.4% lower at 4.0415, after closing marginally higher (+0.1%) in the previous session. Pair is trading at 4.0450 as of writing; some sell-down was expected after the recent down move in broad USD. We remain neutral on the pair on a daily basis as the recently strong USD momentum is likely to take a pause today while markets digest Fed officials' comments on QE tapering and continue to anticipate major US stimulus. Expect pair to range within 4.03-4.07 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	4.0200	4.0300	4.0450	4.0500	4.0700

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral

EUR/MYR opened 0.4% higher at 4.9524, but eased back to circa 4.94. The retreat in USD is expected to keep the pair supported as market reassesses risks. In the short to medium term, upside is still capped at 4.97 in our view.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9097	4.9181	4.9416	4.9517	4.9615

### GBP/MYR



### GBP/MYR Neutral to Bullish

GBP/MYR opened 0.7% higher at 5.5441, tracking the rally in the sterling overnight after BOE Governor Bailey pushed back on negative rates expectations. We remain neutral to bullish on GBP/MYR as risk-off moods from (UK pandemic) slowly turns in this week. Focus is now on the economic recovery and vaccine rollout. Friday's data dump to offer more insights into the UK's economy.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4914	5.5118	5.5342	5.5466	5.5600

### AUD/MYR



### AUD/MYR Neutral to Bullish

AUD/MYR opened 0.6% higher at 3.1542 after AUD/USD strengthened alongside rally in crude oil prices. We turn neutral to bullish on AUD/MYR, expecting the pair to ride on oil bulls in the short term. We also maintain view that a correction could ensue at overbought level, returning back to 3.08-3.10 range.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1000	3.1147	3.1453	3.1551	3.1650

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: [HLMarkets@hlbb.hongleong.com.my](mailto:HLMarkets@hlbb.hongleong.com.my)**DISCLAIMER**

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