

13 July 2021

Global Markets Research

Mid-day Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – MYR Neutral to Bearish**

USD/MYR opened only slightly lower at 4.1910. We remain neutral-to-bearish on MYR. Risk aversion will likely take center stage for the time being given fluidity of the situation domestically. The pair remains at overbought level, indicating an imminent pullback before further upmove. We foresee a weekly range of 4.15-4.20, with upside capped by the 4.20 key psychological resistance.

**1-Month Outlook – MYR Neutral to Bearish**

The MYR medium-term outlook will likely be influenced by USD movements as well as the pandemic development on the local front. In the immediate term, we expect some pressure on MYR amid growth concerns stemming from the nationwide lockdown to contain the elevated infection rates and new virus variants, as well as the Federal Reserve’s recent hawkish signals that have prompted the USD’s gradual shift towards strength.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1820	4.1910	4.1892	4.2000	4.2150

## MYR Crosses

### EUR/MYR

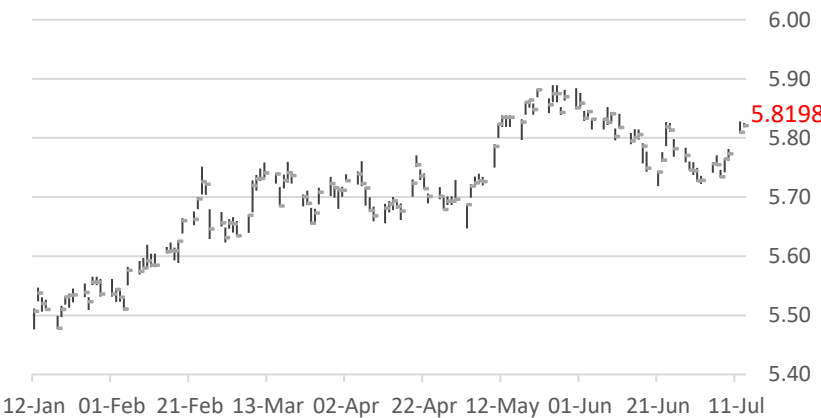


### EUR/MYR Neutral

EUR/MYR opened 0.1% higher at 4.9722. Weaknesses in both the EUR and MYR is expected to translate into some range movements in the pair today. While overall bearishness in the EUR remains, downside looks likely to be more limited today as markets digested news on a change in ECB forward policy guidance.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9514	4.9626	4.9708	4.9834	4.9925

### GBP/MYR



### GBP/MYR Neutral to Bullish

GBP/MYR opened 0.2% higher at 5.8205. We remain neutral to bullish on the pair today. Expectation for a neutral sterling today after recent gains will tilt GBP/MYR to the upside. Having said that, the sterling remains susceptible to downward pressure from rising daily Covid cases (still above 30k) in the UK, although the government is going ahead with its reopening plan on 19 July.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7854	5.7957	5.8198	5.8409	5.8607

### AUD/MYR



### AUD/MYR Neutral

AUD/MYR opened 0.1% higher at 3.1342. Improving risk sentiments is supporting the Aussie this morning but downside momentum is strong, hence we expect AUD/MYR to trade within current ranges. The deteriorating Covid situation in Sydney may also trigger some selling. The employment data is up next in the data docket.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1242	3.1311	3.1374	3.1446	3.1527

Source: Bloomberg, HLBB Global Markets Research

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