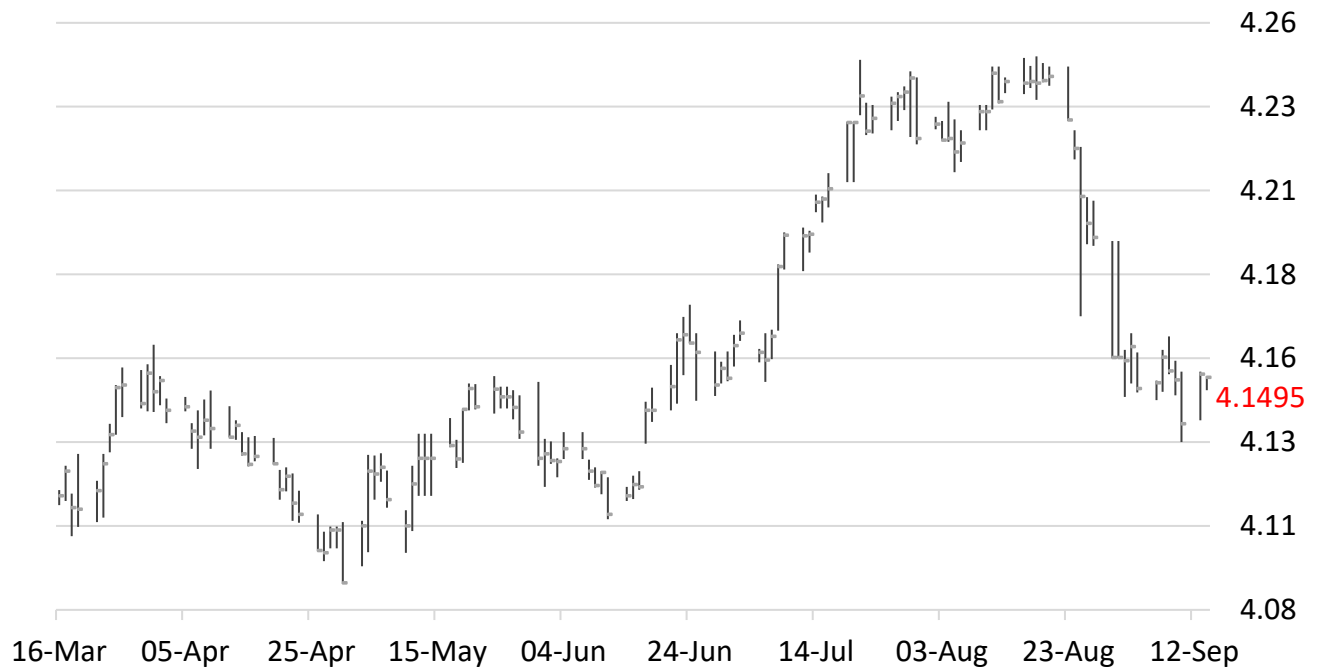


14 September 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral

USD/MYR opened little changed at 4.1475. We are neutral on the pair today expecting the investors to exercise cautiousness ahead of the US inflation data. On a weekly basis, we are neutral to slightly bearish on the pair as the MYR’s resilience has been underpinned by continuous portfolio demand flows, maintaining a range of 4.13-4.17. Phased reopening of the domestic sectors coupled with a neutral BNM signalling further policy easing is not on the cards, and shall be supportive of the MYR going forward.

1-Month Outlook – MYR Bearish

We are neutral to bearish on MYR expecting USD/MYR to correct from the current low back to circa 4.20-4.23 levels especially after the Fed hinted it may start to taper its asset purchase program this year, prompting a knee-jerk selloff in the USD. On the local front, Malaysia continues to report higher vaccination rates which would allow it to move on to the next phase of its National Recovery Plan but the daily infections remain high at around the 20,000 mark.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1180	4.1365	4.1495	4.1580	4.1700

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.2% higher at 4.9013. EUR/USD steadies at above 1.18 as cautious USD sentiment dominates market ahead of the August US CPI data. A upside surprise in the consensus estimate of 5.3% y/y may spur more talks on Fed tapering, backing USD bulls. We remain neutral on EUR/MYR as EUR momentum fades and MYR stabilised amid cautious trading. After US CPI, focus moves to the Eurozone's HICP inflation

	S2	S1	Indicative	R1	R2
EUR/MYR	4.8725	4.8850	4.9014	4.9200	4.9326

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.2% higher at 5.7430. The sterling remained resilient even as risk sentiment weakened at the start of the week. We remain neutral on GBP/MYR today as technical indicators are relatively subdued while markets are set for a busy week full of key UK data such as the job report (due today) as well as CPI and retail sales, before turning attention to the BOE next week.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7000	5.7353	5.7441	5.7582	5.7878

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened little changed at 3.0568. AUD/USD seasaws below 0.74 even as the commodity market rallies as investors eye US CPI and China's monthly indicators. The concerns over global growth slowdown continue to cap AUD gain. Australia's August job report will reflect the impact of multiple regional lockdowns on the labour market.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0117	3.0290	3.0566	3.0624	3.0821

Source: Bloomberg, HLBB Global Markets Research

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