

17 May 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 little changed at 4.1270 but strengthened to above 4.1350 as of writing to catch up with recent USD movements. We turn slightly bullish on USD/MYR as USD staged a modest rebound against most currencies this morning but the momentum may be capped by the anticipation for the Fed's meeting minutes; 4.14 remains a strong resistance to overcome.

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	4.1150	4.1200	4.1360	4.1400	4.1550

MYR Crosses

EUR/MYR

EUR/MYR Neutral to Bullish

EUR/MYR opened little changed at 5.0113 and advanced further to 5.0174 as EUR/USD looks well supported. Technicals indicates that EUR/MYR may strengthen further as it eyes 5.0210 today. We caution that at overbought levels, it is susceptible to some downmoves should this week's data (PMI, GDP and trade) disappoint.



	S2	S1	Indicative	R1	R2
EUR/MYR	4.9841	5.0000	5.0184	5.0210	5.0300

GBP/MYR

GBP/MYR Neutral to Bullish

GBP/MYR opened 0.3% lower at 5.8164 but rebounded back above 5.82. The bullish GBP sentiment may persist to today's session as pointed by strong positive momentum. This week's employment data are expected to be upbeat and the economic reopening narrative is likely to continue supporting GBP, but market may have priced in the development, so upside is limited.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.7861	5.7994	5.8237	5.8300	5.8510

AUD/MYR

AUD/MYR Neutral to Bearish

AUD/MYR opened 0.4% lower at 3.2081 and was seen at circa 3.21 for now. We are slightly bearish on AUD as it is vulnerable to the volatile iron ore prices this week after China said it would control surging prices. The RBA minutes and the employment report are also in focus as well.



	S2	S1	Indicative	R1	R2
AUD/MYR	3.1820	3.1950	3.2104	3.2320	3.2400

Source: Bloomberg, HLBB Global Markets Research

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