

21 June 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 unchanged at 4.1395 and finally broke 4.14. Renewed USD strength would likely continue to exert some pressure on the broader FX market, hence some bearishness in the MYR this week. We foresee a range of 4.12-4.16 for the pair in the week ahead. A slightly overbought DXY as well as the key resistance of 4.15 will likely cap excessive gains in USD/MYR.

**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	4.1055	4.1250	4.1440	4.1500	4.1700

## MYR Crosses

### EUR/MYR



### EUR/MYR Neutral to Bearish

EUR/MYR opened 0.4% lower at 4.9138. We remain neutral to bearish on the euro as the continuous USD strength pressures EUR/USD to below 1.19, eyeing 1.18. As for EUR/MYR, after breaking 4.93 last week, focus shifts to 4.90 support.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.8800	4.9000	4.9188	4.9300	4.9450

### GBP/MYR



### GBP/MYR Neutral to Bearish

GBP/MYR opened 0.3% lower at 5.7696 after USD bulls and the UK's retail sales forecast miss weighed on GBP last week. We are neutral to bearish on GBP but downside may be limited ahead of the BOE meeting on Thursday. We do not foresee the MPC to offer any meaningful tightening signals, as it considers the latest pandemic development in the UK.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6750	5.7000	5.7255	5.7600	5.7809

### AUD/MYR



### AUD/MYR Neutral to Bullish

GBP/MYR opened 0.5% lower at 5.7193 after the sharp down moves in AUD/USD last week. However we expect some recovery for AUD today after it rebounded from the RSI oversold level. This was despite the Australia's preliminary retail sales data missing analysts' forecast.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0800	3.0930	3.1167	3.1200	3.1450

Source: Bloomberg, HLBB Global Markets Research

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