25 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 4.1420, proven to be resilient as the weaker USD overnight has failed to weigh on the pair with 4.14 remaining a solid support, not to mention some pre-public holiday risk aversion. We maintain our neutral to bullish weekly outlook for the pair as heightened concerns over surging Covid-19 cases in Malaysia could weigh on the MYR, We continue to eye a range of 4.13-4.17 this week.

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

We continue to expect the dollar to remain resilient toward 2Q, in line with the increased net long position in recent weeks. USD/MYR will likely be trading at circa 4.15, within our end-2Q21 forecast, before trending down in 2H this year.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| USD/MYR | 4.1200 | 4.1300 | 4.1425 | 4.1550 | 4.1700 |

# MYR Crosses

## EUR/MYR


**EUR/MYR Neutral to Bullish**

EUR/MYR opened little changed at 5.0638. At overbought levels, positive momentum stays high for the pair as the strong economic optimism likely spurs further upsides for EUR. The Eurozone's headline economic confidence index is likely to join the current stack of positive data this week, contributing to the bullish sentiment.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| EUR/MYR | 5.0275 | 5.0400 | 5.0663 | 5.0700 | 5.0800 |

## GBP/MYR


**GBP/MYR Neutral to Bullish**

GBP/MYR opened 0.1% higher at 5.8639. After yesterday's modest trim, GBP/MYR continues to preserve the bullish momentum on the back of strong reopening narrative. We look for further bids in the pair alongside stronger EUR.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| GBP/MYR | 5.8015 | 5.8400 | 5.8701 | 5.8850 | 5.9000 |

## AUD/MYR


**AUD/MYR Neutral**

AUD/MYR opened 0.4% higher at 3.2102. We maintain a neutral outlook for AUD/MYR as markets are still vulnerable to the return of risk aversion.. Australia's data are limited this week, thus investors' focus is on the volatility of commodity prices, especially after China vowed to impose some sort of control on prices.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| AUD/MYR | 3.1820 | 3.1950 | 3.2143 | 3.2200 | 3.2350 |

*Source: Bloomberg, HLBB Global Markets Research*

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