

25 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 little changed at 4.1590, retracing to just below 4.16 after hitting the overbought RSI level. We eye a more neutral trading for the pair today, possibly within a tight range of 4.1550- 4.1650 ahead of the weekend and a general lack of market drivers.

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	4.1250	4.1400	4.1570	4.1700	4.1850

MYR Crosses

EUR/MYR



EUR/MYR Neutral to Bullish

EUR/MYR opened 0.1% lower at 4.9617, stabilising at circa 4.96 in the absence of major drivers. We remain neutral to bullish on EUR/MYR, as the pause in USD strength coupled and the improvement in overall Eurozone's outlook may support the pair.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9380	4.9465	4.9646	4.9773	4.9812

GBP/MYR

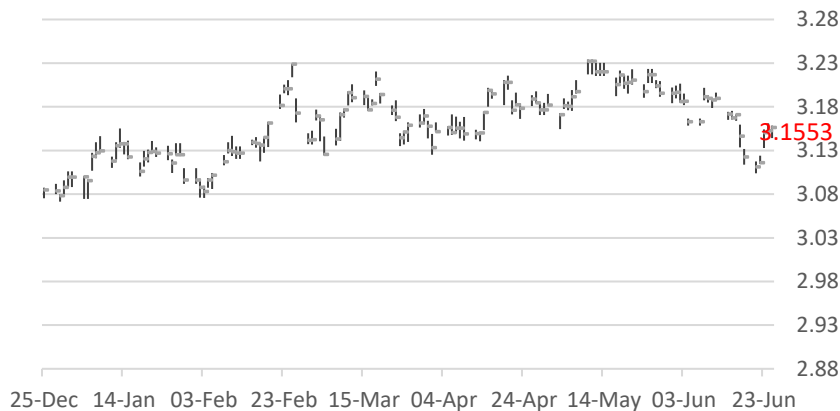


GBP/MYR Neutral to Bearish

GBP/MYR opened 0.4% lower at 5.7886 after the pound slumped overnight in response to the BOE's still accommodative stance. The fall in UK bond yields and the markets pushing back on rate hike expectations are likely to weigh on GBP/MYR for now, albeit less significantly, judging from the BOE's stronger growth assessment. We expect the pair to stay supported at above 5.7718.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7500	5.7718	5.7917	5.8040	5.8250

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened little changed at 3.1536. AUD/MYR is likely to see another session of muted movements after gains earlier of the week. It is expected to stay at circa 3.15 today on generally positive global market sentiment and higher crude oil prices.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1397	3.1500	3.1553	3.1670	3.1800

Source: Bloomberg, HLBB Global Markets Research

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