

25 November 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 0.1% higher at 4.2155 and was pushed further to 4.2205 as of writing after the USD staged a broad-based rally overnight. After hitting 4.2200, the pair faces an immediate resistance of 4.2250, taking into account the overstretched and overbought conditions. Some corrective pullback is expected back to 4.21-4.22 range.

1-Month Outlook – MYR Bullish

We expect the MYR to be relatively resilient in the medium term, taking into account further economic recovery after the government relaxed more Covid-19 related restrictions. This also takes into account our view that the broader USD is also expected to strengthen modestly as the Federal Reserve's policy normalization pace is conducted less aggressively compared to other global central banks.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1850	4.2000	4.2200	4.2250	4.2350

MYR Crosses

EUR/MYR



EUR/MYR Neutral to Slightly Bullish

EUR/MYR opened little changed at 4.7179 but advanced to above 4.7300 as of writing. This came as EUR/USD corrected back above 1.1200 from the modest selloff in the previous session. Nonetheless, the pair may see a more muted movements thereafter as US traders take a break for the Thanksgiving holiday. The neutral to slightly bullish outlook for EUR/MYR was premised on the EUR rebound and weaker MYR.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7000	4.7172	4.7313	4.7386	4.7576

GBP/MYR



GBP/MYR Neutral to Slightly Bullish

GBP/MYR opened 0.3% lower at 5.6126. The pair advanced to circa 5.6300 on weaker MYR and amid a small recovery in GBP/USD. The sterling remained capped near 1.3340 and is unlikely to breach 1.3400. We are neutral to slightly bullish on GBP/MYR (thanks to weaker MYR) with immediate resistance at 5.6454.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5800	5.6122	5.6313	5.6454	5.6580

AUD/MYR



AUD/MYR Neutral to Slightly Bullish

AUD/MYR opened 0.2% lower at 3.0322. AUD/USD picked up just a little after the previous session's selloff that was partly attributed to the collapse in NZD/USD. AUD/USD held steadily at 0.7200 but remains vulnerable to risk aversion and USD strength. AUD/MYR is neutral to slightly bullish on the back of weaker MYR. Australia's retail sales data on Friday is expected to be a driver.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0000	3.0200	3.0416	3.0450	3.0627

Source: Bloomberg, HLBB Global Markets Research

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