

26 August 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to Bullish

USD/MYR opened little changed at 4.2025. A recent breach of 4.2200 stronghold had paved the way for further bearish moves and there is still room for further decline. Pair is stabilising at just below 4.2000 for now with bears targeting 4.1800 next.

1-Month Outlook – MYR Neutral

We maintain a one-month neutral outlook for MYR for now, ahead of the Jackson Hole Symposium this week while monitoring the local pandemic development. Malaysia continues to report higher vaccination rates which would allow it to move on to the next phase of its National Recovery Plan but the daily infections remain around the 20,000 mark. USD/MYR may regain some ground if Fed officials reaffirms the plan to taper the \$120b per month asset purchase program.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1800	4.1900	4.1970	4.2200	4.2400

MYR Crosses

EUR/MYR

EUR/MYR Neutral to Bearish

EUR/MYR opened 0.2% higher at 4.9479. EUR/USD inched back to 1.1765 as Germany's IFO business survey painted a mixed sentiment of which firms saw stronger current conditions but weaker outlook. We maintain neutral to bearish calls for EUR/MYR on the back of firmer MYR but any further downmoves may be limited.

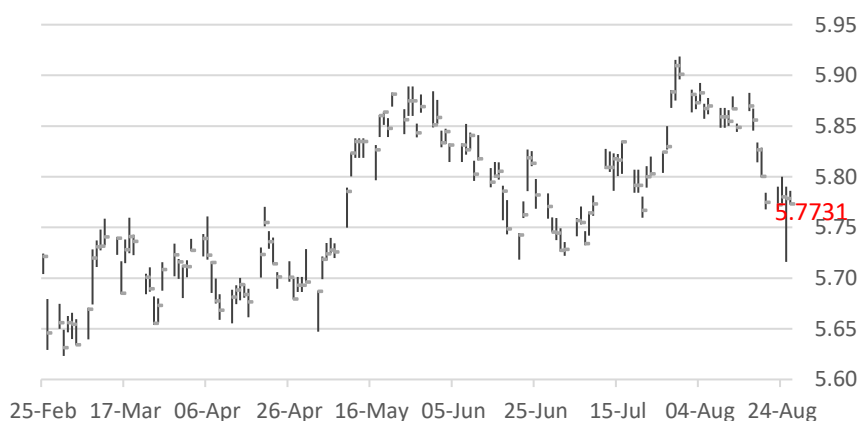


	S2	S1	Indicative	R1	R2
EUR/MYR	4.9250	4.9360	4.9377	4.9494	4.9660

GBP/MYR

GBP/MYR Neutral

GBP/MYR opened 0.1% higher at 5.7861. GBP/USD advanced to levels just above the critical 1.3750 resistance this morning. A break above this key level should technically open up for 1.3800 but the lack of GBP driver suggests the sterling may be constrained within a tight range. USD movement remains the major factor. GBP/MYR looks set for another range-trading session.

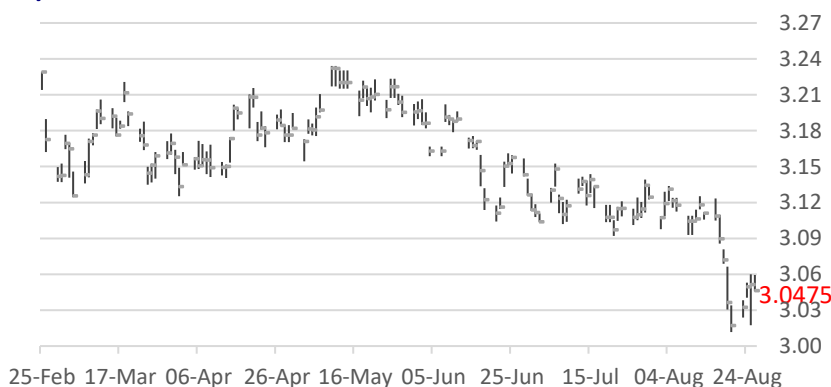


	S2	S1	Indicative	R1	R2
GBP/MYR	5.7420	5.7650	5.7731	5.8000	5.8186

AUD/MYR

AUD/MYR Neutral to Bearish

AUD/MYR opened 0.2% higher at 3.0585. AUD/USD corrected from recent gains to trade below 0.73 as of writing despite positive Australia's capex data. We are bearish on AUD/MYR today as the pair retreated from 3.0500 levels amid firmer MYR.



	S2	S1	Indicative	R1	R2
AUD/MYR	3.0250	3.0400	3.0475	3.0675	3.0755

Source: Bloomberg, HLBB Global Markets Research

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