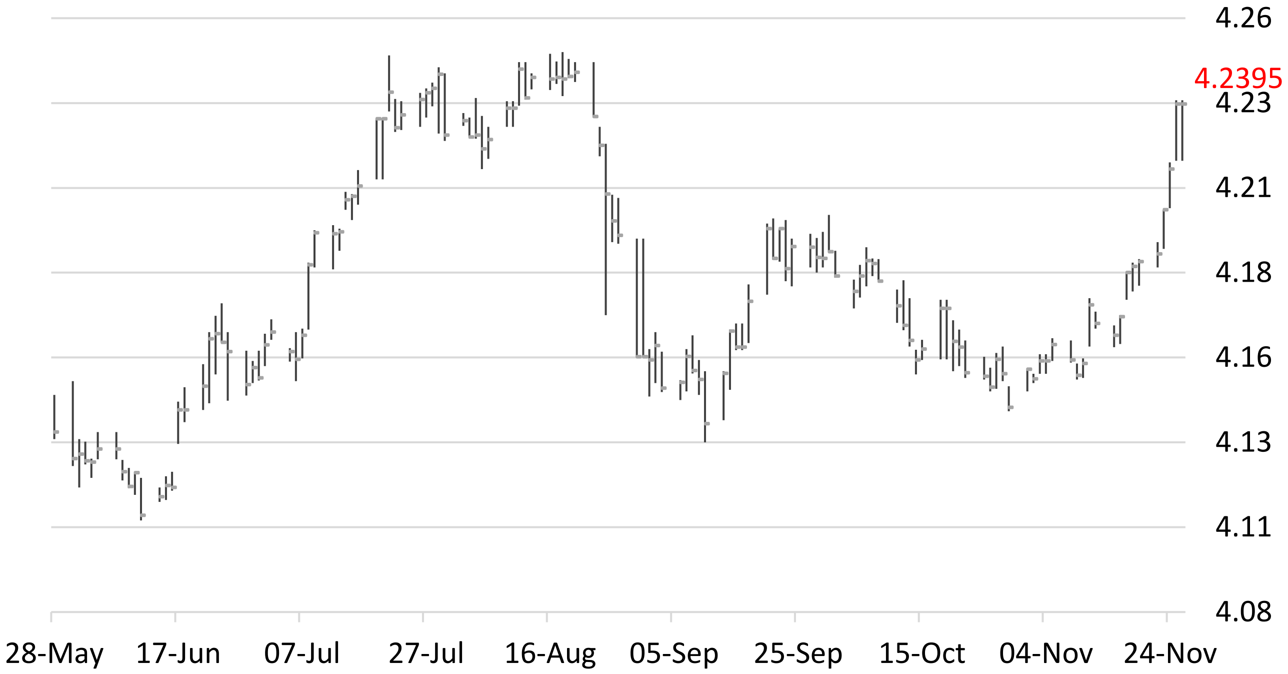
26 November 2021

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% lower at 4.2270 and was seen trading higher at 4.2395 as of writing on the back of a still firm USD overnight despite closure of US markets for Thanksgiving. The pair is technically bullish after breaking the 4.2200 key resistance, and will likely close higher today judging from current momentum although we believe overbought conditions will likely cap advances in the pair towards later trading hours.

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 supported by Fed rate hike expectations and likely outperformance of recovery in the US.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2220	4.2300	4.2395	4.2400	4.2500

MYR Crosses

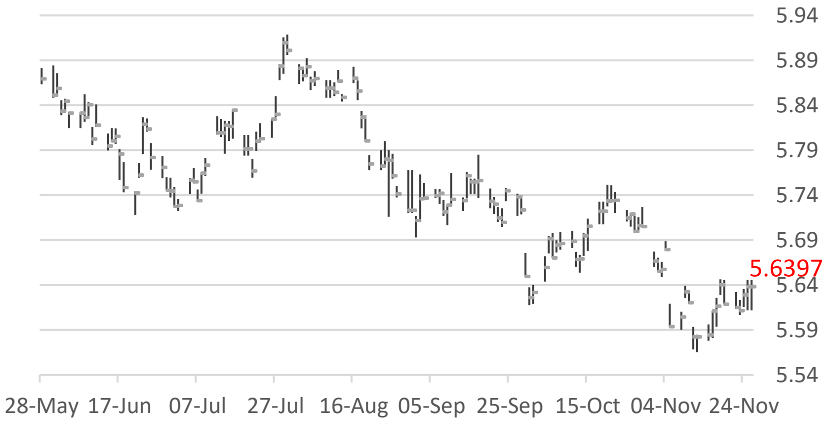
EUR/MYR

EUR/MYR Neutral to Slightly Bearish

EUR/MYR opened 0.12% lower at 4.7413 but advanced to 4.7562 as of writing. We are slightly bearish on the pair today underpinned by overall bearishness in EUR/USD but continued weakness in the MYR will likely limit its downside. USD strength and renewed uncertainties surrounding the pandemic in Europe are expected to be negative for EUR/USD near term.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7000	4.7160	4.7562	4.7639	4.7825

GBP/MYR



GBP/MYR Neutral to Slightly Bearish

GBP/MYR opened 0.13% lower at 5.6308 and was seen trading around 5.6397 at time of writing. We are slightly bearish on the pair today as the sterling is expected to stay soft on the back of sustained USD strength and renewed concerns over new virus wave in Europe. Immediate support is at 5.6135 while resistance lies at 5.6572.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5970	5.6135	5.6397	5.6572	5.6658

AUD/MYR

AUD/MYR Bearish

AUD/MYR opened 0.22% lower at 3.0342 and has since been trading in a zig-zag manner. AUD/USD came under selling pressure this morning amid risk aversion even when Australia retail sales beat expectations with a 4.9% m/m increase in October. Daily outlook for AUD/MYR is bearish amid a weaker AUD outlook, which is also dented by paring of risk sentiments in the market.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0000	3.0200	3.0301	3.0450	3.0627

Source: Bloomberg, HLBB Global Markets Research

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