

28 April 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 4.0985. We continue to expect USD/MYR to stabilise at 4.0950-4.1150 ahead of the FOMC meeting but weekly outlook has turned slightly bearish after the pair breached 4.10 recently, with support now at 4.07 in the longer term.

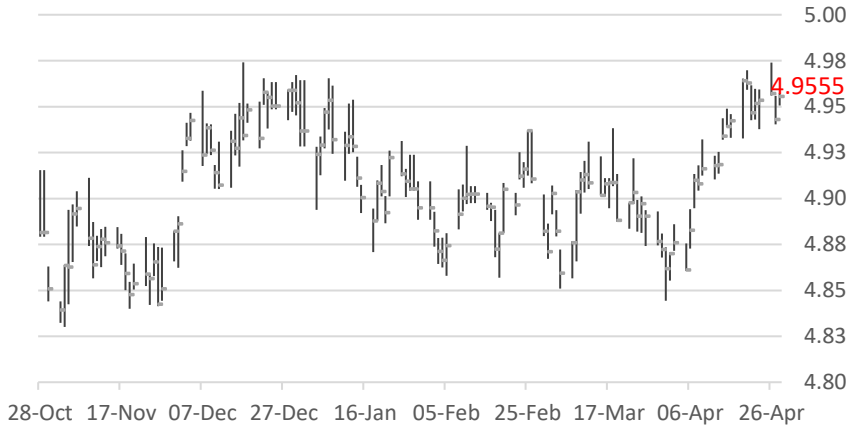
1-Month Outlook – MYR Bearish

No change to our present view of a stronger dollar which is likely to benefit from higher US yields as the economy recovered further in the US. We continue to expect the dollar to strengthen towards 2Q before trending down in 2H of the year and thus a higher USD/MYR in the medium term.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0700	4.1000	4.1025	4.1150	4.1300

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.2% higher at 4.9533. We continue to expect limited upside in EUR/USD and its vulnerability to any return in risk aversion, despite recently stronger data. Pre-FOMC jittery also likely to constrain EUR, thus rendering EUR/MYR in a more neutral mode.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.9200	4.9320	4.9555	4.9650	4.9800

GBP/MYR

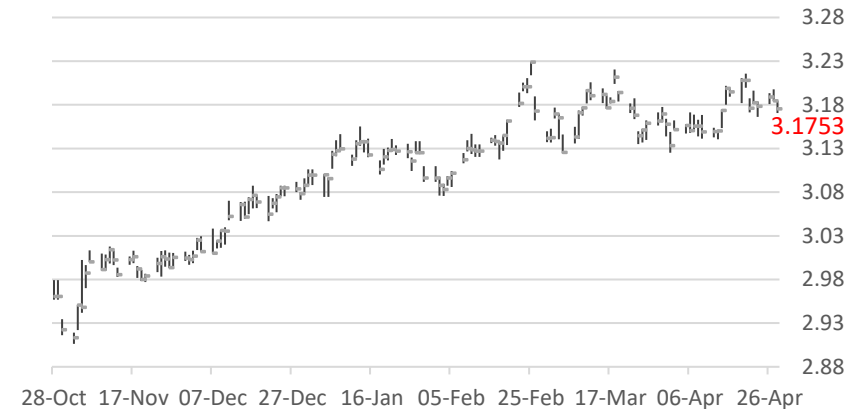


GBP/MYR Neutral

GBP/MYR opened 0.3% higher at 5.6995. We continue to expect range trading within 5.6750-5.7100 amid a lack of drivers. Technicals indicate GBP/USD may still have some room to strengthen if USD weaken further. Still, GBP may be a casualty after prior performance, if risk aversion returns again.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6500	5.6748	5.6941	5.7160	5.7400

AUD/MYR



AUD/MYR Neutral to Bearish

AUD/MYR opened little changed at 3.1824 but weakened to below 3.18 following weaker CPI data. Having said that, the pressure on AUD/USD is likely to be temporary as markets could stabilise above 0.77 in anticipation for FOMC. We also remain constructive on AUD over the revival in oil prices.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1650	3.1705	3.1753	3.1950	3.2100

Source: Bloomberg, HLBB Global Markets Research

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