

28 May 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 4.1410. We maintain our neutral to bullish outlook for the pair as heightened concerns over surging Covid-19 cases in Malaysia and some pre-weekend risk aversion may weigh on the MYR, but the pair is most likely to stay supported at just above 4.14.

1-Month Outlook – MYR Neutral to Bearish

We continue to expect the dollar to remain resilient toward 2Q, in line with the increased net long position in recent weeks. USD/MYR will likely be trading at circa 4.15, within our end-2Q21 forecast, before trending down in 2H this year.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1200	4.1300	4.1425	4.1550	4.1700

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened unchanged at 5.0483 after a relatively muted movements in the previous session. We stay slightly constructive on the currency on market positivity and EUR's resilience, but still expect range-bound movements today. Focus shifts to the Eurozone's headline economic confidence index which is likely to join the current stack of positive data.

	S2	S1	Indicative	R1	R2
EUR/MYR	5.0275	5.0400	5.0466	5.0560	5.0800

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.6% higher at 5.8804 as the unexpected hawkish comment by a BOE officials sent the sterling higher. We look for further bids in the pair in the week ahead but expect the pair to stay grounded within a tight range in the Asian session following the higher opening. The reopening narrative expected to continue supporting GBP.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.8015	5.8400	5.8762	5.8850	5.9000

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened little changed at 3.2056. We maintain a neutral outlook for AUD/MYR as the pair is likely to range-trade ahead of next week's RBA decision and a slew of economic data. Market looks towards RBA for any signals/decision to taper its bond buying program amid continuous domestic economic growth.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1820	3.1950	3.2080	3.2200	3.2350

Source: Bloomberg, HLBB Global Markets Research

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