

30 November 2021

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to Slightly Bullish

USD/MYR opened 0.1% lower at 4.2355 this morning and has since traded slightly higher to 4.2370 at time of writing. Overall improvement in risk sentiments is expected to be positive for the MYR, hence a bearish bias in USD/MYR. Overbought conditions in the pair also signals odds of a potential move lower before any uptick again. Maintain our weekly outlook for USD/MYR at 4.20-4.25.

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. That said, the emergence of the Omicron variant could potentially derail the recovery and policy normalization path.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2200	4.2300	4.2370	4.2437	4.2500

MYR Crosses

EUR/MYR



EUR/MYR Neutral

EUR/MYR opened 0.1% higher at 4.7860 this morning and was seen hovering around this level. We expect the pair to trade on a neutral note today in the face of firmer outlook in both the EUR/USD and USD/MYR as risk sentiments improve. Renewed uncertainties surrounding the pandemic in Europe and now the Omicron variant, are expected to be negative for EUR/USD near term.

	S2	S1	Indicative	R1	R2
EUR/MYR	4.7412	4.7635	4.7858	4.8000	4.8131

GBP/MYR



GBP/MYR Neutral to Bearish

GBP/MYR opened 0.2% lower at 5.6433 following some weakness in the sterling as the greenback regained some lost grounds overnight. We are neutral to bearish on the pair today expecting a firmer MYR as risk sentiments make a return. This should keep the pair within recent ranges, with immediate support at 5.6300 and resistance at 5.6658.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6100	5.6300	5.6439	5.6658	5.6881

AUD/MYR



AUD/MYR Neutral to Slightly Bullish

AUD/MYR opened little changed at 3.0299 this morning. We are neutral to slightly bullish on the pair today as the positive China PMI data is expected to bode well with AUD/USD. PMI manufacturing bounced back to expansionary territory at 50.1 in November while the non-manufacturing index sustained a 52.3 print. Focus will shift to Australia 3Q GDP reading tomorrow for fresh direction.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0036	3.0205	3.0262	3.0402	3.0513

Source: Bloomberg, HLBB Global Markets Research

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