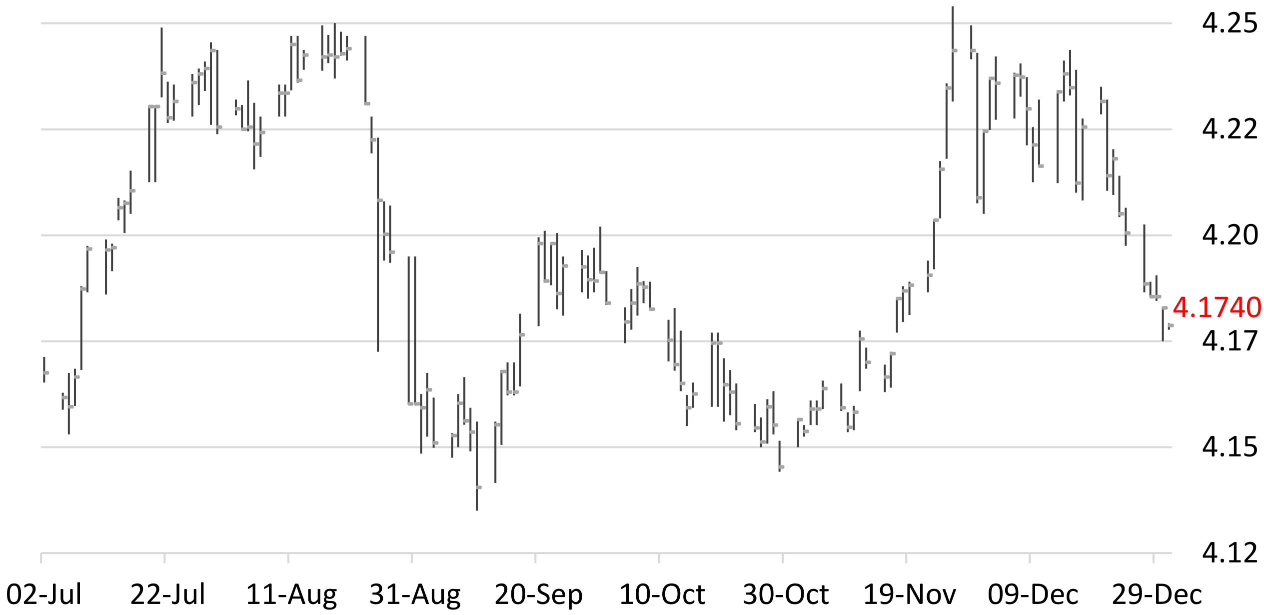
31 December 2021

## 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 4.1735. We are neutral to slightly bearish on the pair given the mixed USD sentiment overnight; window dressing activity on the last day of 2021 may still tilt the pair lower today, with immediate support at 4.1700.

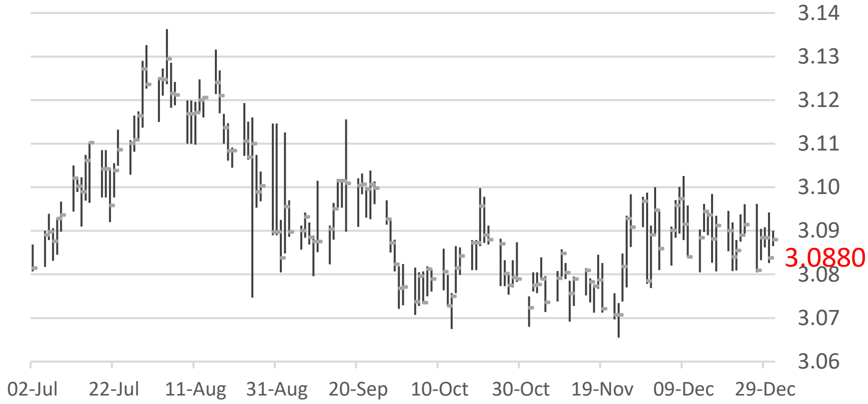
**1-Month Outlook – MYR Bullish**

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 | 4.1600 | 4.1700 | 4.1740 | 4.1880 | 4.2000 |

## MYR Crosses

### SGD/MYR

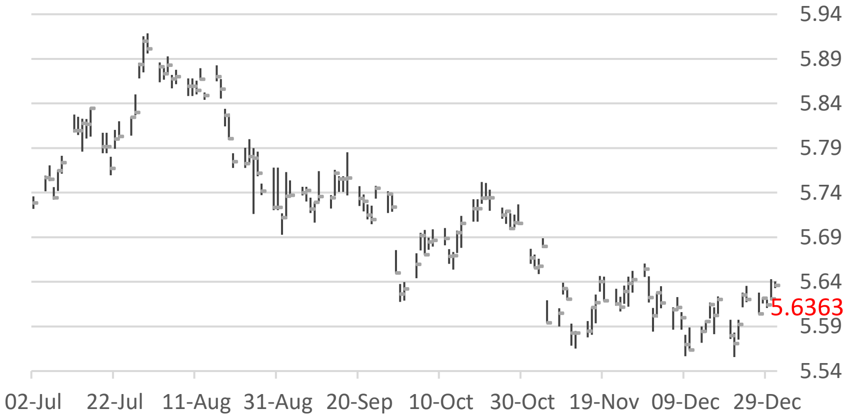



**SGD/MYR Neutral**

SGD/MYR opened 0.2% higher at 3.0892. We maintain a neutral outlook for the pair on the back of a subdued market and cautious sentiment ahead of the new year, expecting the pair to stay constrained within 3.0800-3.0950.

| To | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| SGD/MYR | 3.0750 | 3.0800 | 3.0880 | 3.0950 | 3.0985 |

### GBP/MYR

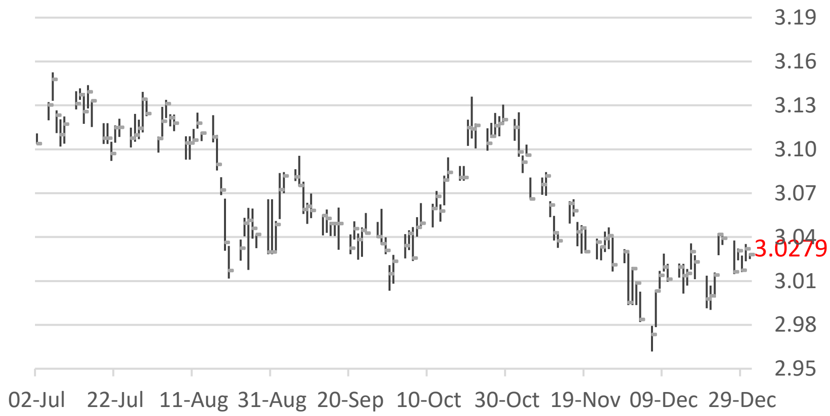



**GBP/MYR Neutral**

GBP/MYR opened 0.3% higher at 5.6389 and is seen little changed from this level as of writing. GBP/USD managed to defend six-week high level of 1.3500 amid thin trading. We are neutral on GBP/MYR, expecting upsides to remain capped below 5.6450 in the quiet market.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| GBP/MYR | 5.6082 | 5.6200 | 5.6363 | 5.6450 | 5.6600 |

### AUD/MYR




**AUD/MYR Neutral**

AUD/MYR opened 0.1% lower at 3.0288 . The AUD closed on a flat note against the USD overnight. We are neutral on AUD/MYR as cautious market sentiment and the lack of major driver ahead of the new year is expected to limit the pair to a tight range of 3.0240-3.0400 today.

| | S2 | S1 | Indicative | R1 | R2 |
|---|---|---|---|---|---|
| AUD/MYR | 3.0100 | 3.0240 | 3.0279 | 3.0350 | 3.0465 |

*Source: Bloomberg, HLBB Global Markets Research*

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