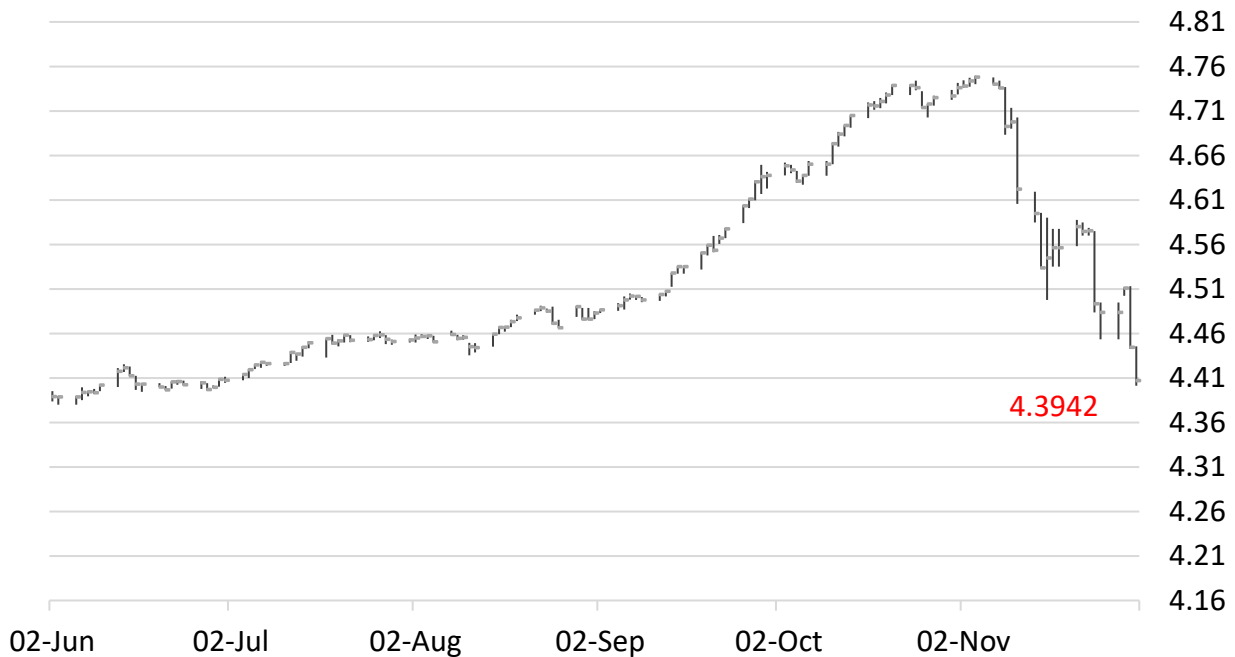


2 December 2022

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened marginally lower by 0.05% at 4.4050 and has since inched to 4.3942 at the point of writing. Daily outlook is neutral-to-slightly bearish given that greenback tumbled below the 105-handle overnight and weakened against all G10s save for the CAD after the softer PCE-prices data. MYR, in the meantime, strengthened against G10 and regional currencies this morning. We believe that investors will brace for any surprises from NFIP number due to be released tonight and this is the key risk for this pair.

1-Month Outlook – USD/MYR Neutral to Slightly Bearish

USD/ MYR has turned technically bearish following the recent sharp move lower, breaking various key support levels on the way. Reaffirmation from Fed Chair Powell that the Fed will slow the pace of rate hike as early as December marks the beginning of Fed policy pivot, and shall continue to dampen USD outlook going forward, hence benefitting the G10s and other EM currencies. Abatement in local political noises and favourable economic fundamentals domestically should also keep the MYR supported. However, given the oversold position in the pair after recent sharp moves, we expect more muted losses with 4.40 as a key support, hence our neutral outlook on a one-month horizon. A break below 4.40 will likely pave the way for the pair to head towards 4.35.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3775	4.3825	4.3942	4.3992	4.4107

MYR Crosses

SGD/MYR

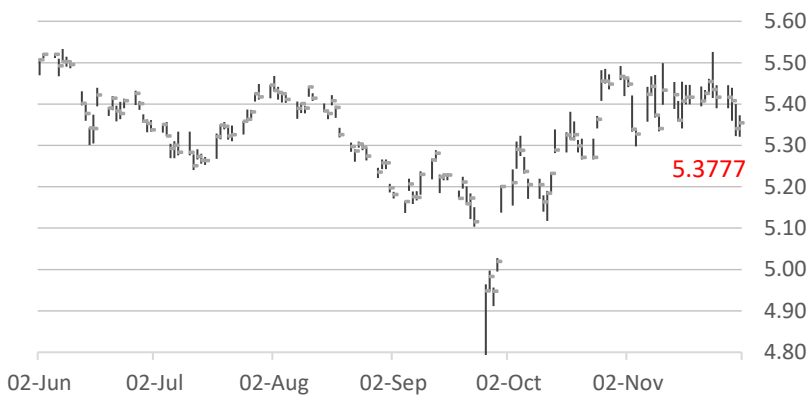


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.33% higher at 3.2551 but has since retreated to 3.2442 at the point of writing, close to last night's close. With the exception of the yuan, SGD, like most regional currencies, has strengthened against G10 currencies supported by Powell's comments on a slower rate hike path. Daily outlook is neutral-to-slightly bearish amid a stronger MYR relatively to a softer SGD. S&P is scheduled to release its Singapore PMI data tonight after trading hours.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2377	3.2405	3.2442	3.2466	3.2499

GBP/MYR



GBP/MYR Bullish

GBP/MYR opened 0.88% higher at 5.4017 but has retreated to 5.3777 at the point of writing. Daily outlook is bullish on the back of the higher opening while GBP has also strengthened against most G10 currencies this week. BOE is also set to meet on Dec 15th. With inflation still high at +9.6%, GBP will also benefit from expectations of a 25bps hike to 3.25%.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.2933	5.3353	5.3777	5.3857	5.3972

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened marginally higher by 0.06% at 3.0009 but dipped to 2.9896 at the point of writing. We are neutral-to-slightly bearish on this pair as AUD, mirroring the yuan has weakened against all regional and most G10 currencies. Prospect of Chinese economy reopening will continue to sway this pair, while key risk hinges on the PMI and inflationary expectations data as well as RBA meet next week.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9480	2.9569	2.9896	2.9975	3.0395

Source: Bloomberg, HLBB Global Markets Research

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