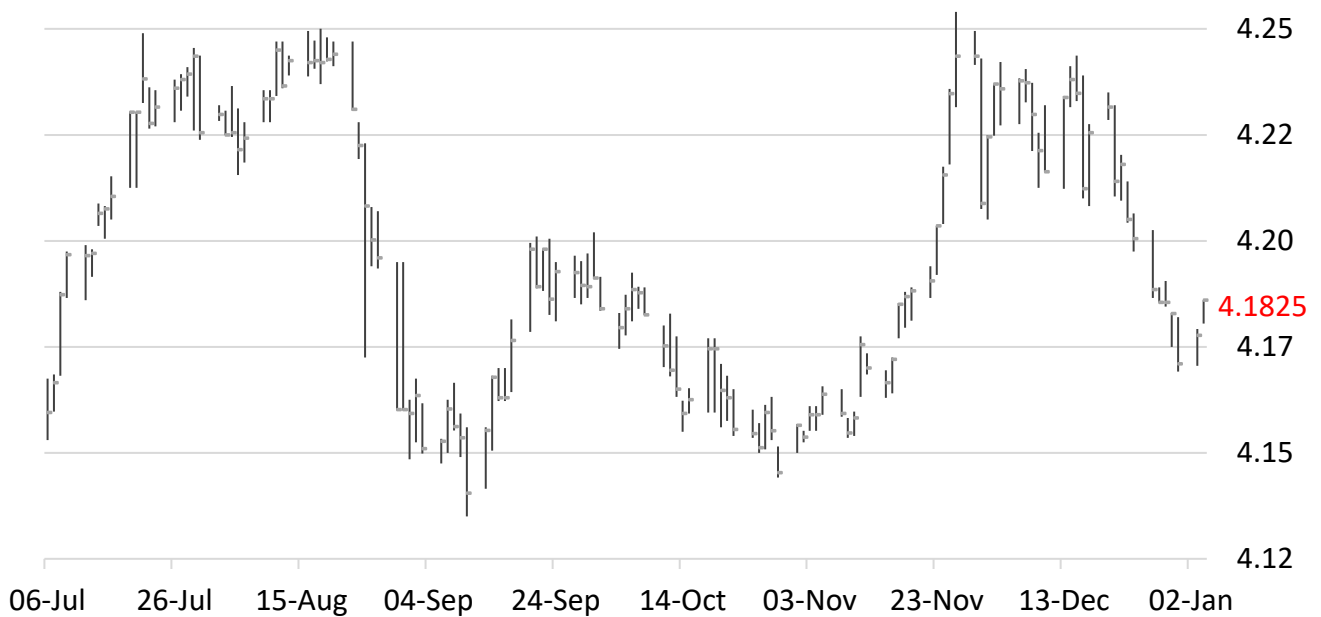


4 January 2022

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 4.1755 and strengthened above 4.1800 currently. Extended gain is expected following the broad-based strengthening of the US dollar overnight; Cautious market sentiment surrounding Omicron related news as well as the US job data on Friday is expected to keep the trading range within 4.18-4.19 today.

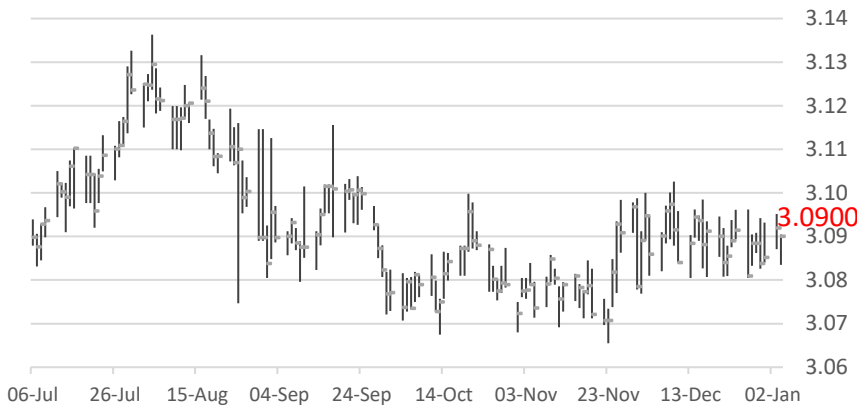
**1-Month Outlook – MYR Neutral**

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	4.1825	4.1880	4.2000

## MYR Crosses

### SGD/MYR



### SGD/MYR Neutral

SGD/MYR opened 0.3% lower at 3.0835 after SGD/USD weakened overnight. Nonetheless, SGD/MYR managed to regain ground, trading at circa 3.0900 as of writing. We maintain a neutral outlook for the pair on the back of a cautious sentiment; SGD/MYR is still forecasted to remain constrained within 3.0800-3.0950 in the short term.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.0750	3.0800	3.0900	3.0950	3.0985

### GBP/MYR



### GBP/MYR Neutral

GBP/MYR opened 0.3% lower at 5.6259. This came as GBP/USD slipped below 1.3500 after the USD resurgence overnight. We are neutral on GBP/MYR, expecting sideways trading amid USD strength. The UK's covid situation remains a downside risk as the country continued to report staggering number of new infections over the new year.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.6082	5.6200	5.6367	5.6500	5.6600

### AUD/MYR



### AUD/MYR Bearish

AUD/MYR opened 0.8% lower at 3.0025 after the aussie dollar became the major loser among the G10 currencies. We are bearish on AUD/MYR after the pair pulled back from the rebound earlier, with indicators showing weak momentum despite the better China's PMI reading. Australia's record high Covid cases over the weekend as well the global Omicron concern in general remains a major downside risk to AUD.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9900	3.0000	3.0097	3.0160	3.0275

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income & Economic Research, Global Markets  
Level 8, Hong Leong Tower  
6, Jalan Damansara  
Bukit Damansara  
50490 Kuala Lumpur  
Tel: 603-2081 1221  
Fax: 603-2081 8936  
Email: [HLMarkets@hlbb.hongleong.com.my](mailto:HLMarkets@hlbb.hongleong.com.my)

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