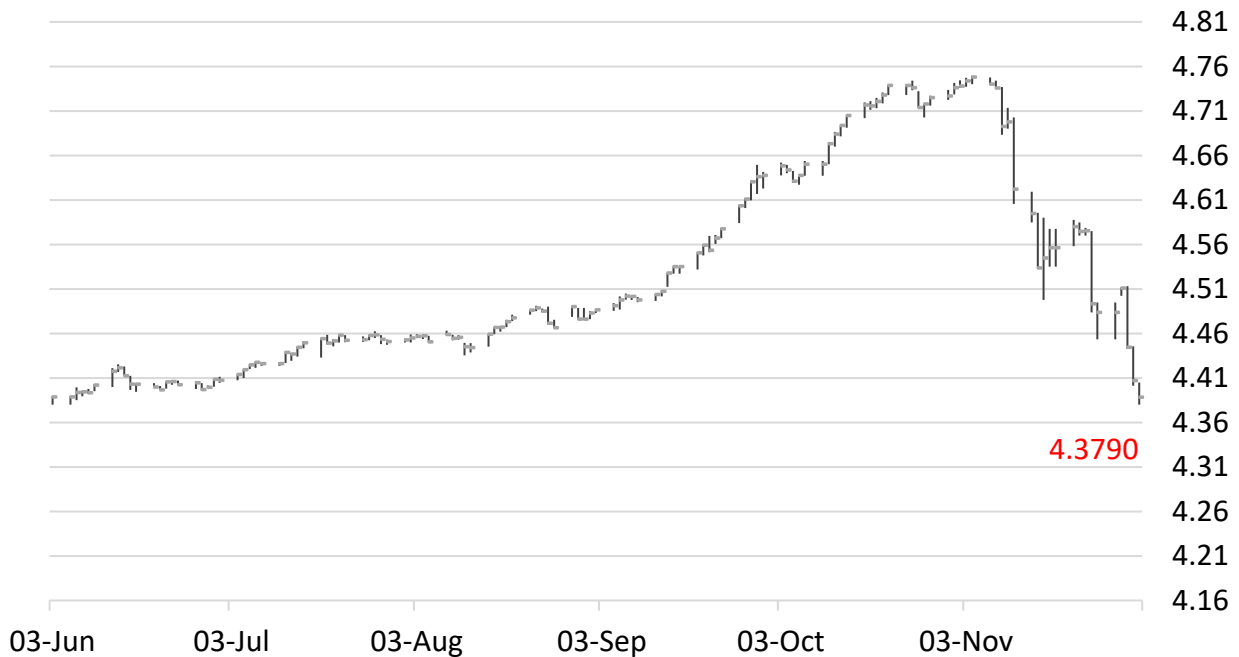


5 December 2022

## Global Markets Research

### Daily Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened flat (-0.01%) at 4.3880 and has dipped lower to 4.3790 at the point of writing. Daily outlook is neutral to slightly bearish on anticipation of continuous USD weakness and investors staying cautious ahead of the FOMC meeting on Dec 13-14. We are also looking at milder swing for USD this week in the absence of Fed speaks and lesser market-moving data other than ISM services, durable goods orders, PPI, and Uni Michigan consumer confidence. On the local front, the unveiling of the Cabinet will also pave way for the rolling out of Budget, supporting the Ringgit.

#### 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	4.3590	4.3640	4.3790	4.3807	4.3924

## MYR Crosses

### SGD/MYR

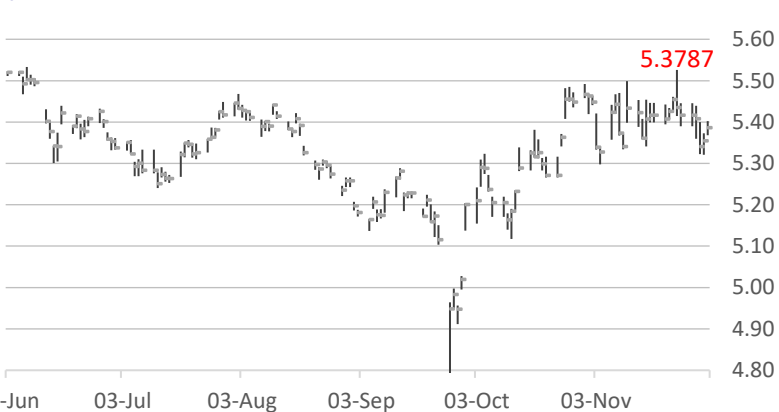


#### SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.04% lower at 3.2493 and has since eased further to 3.2417 at the point of writing. Daily outlook is neutral-to-slightly bearish on this pair given the lower opening while the upcoming Singapore retail sales data due this afternoon could potential be a drag to this pair if it surprises on the downside and points to increasing signs of a slower Singapore economy.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2332	3.2365	3.2417	3.2426	3.2457

### GBP/MYR



#### GBP/MYR Neutral-to Slightly Bearish

GBP/MYR opened 0.20% higher at 5.3966 but has since eased slightly to 5.3787 at the point of writing. This is just a shade lower than previous day's close. Daily outlook is neutral to slightly bearish amid MYR strength. The absence of UK economic calendar leaves the pair dependent on Ringgit and US Dollar dynamics. Any movement will be modest ahead of BOE meeting next week.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.2933	5.3353	5.3787	5.3857	5.3962

### AUD/MYR



#### AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.12% lower at 2.9900 and has since dipped slightly to 2.9883 at the point of writing. Daily outlook is neutral to slightly bearish. Capping the bearishness is the prospect of Chinese economy reopening which will support this pair and AUD has strengthened against major and regional currencies this morning. RBA policy meeting will be key risk, where a 25bps rate hike is expected. 3Q GDP and services index are also on the deck.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9283	2.9553	2.9883	2.9910	3.0033

Source: Bloomberg, HLBB Global Markets Research

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