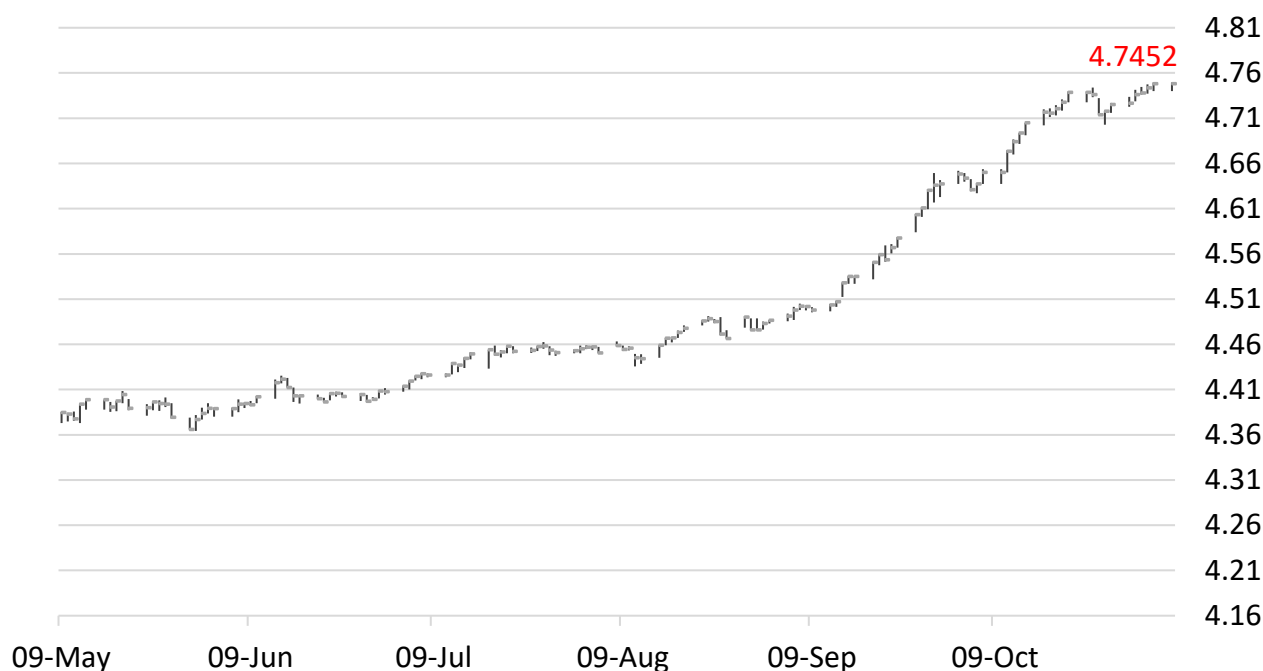


7 November 2022

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – USD/MYR Neutral to Slightly Bullish

USD/MYR opened flat at 4.7478 but dived to a low of 4.7417 earlier before regaining some grounds to 4.7452 at time of writing. Daily outlook is neutral to slightly bullish following a rebound in the USD this morning. Industrial production tomorrow followed by 3Q GDP print on Friday will be key event risks at the local front, in addition to anticipated build-up in GE15 related noises.

1-Month Outlook – USD/MYR Neutral-to-Bullish

MYR is tilted to the bearish side given prospects of sustained USD strength. Slower than expected moderation in US CPI, coupled with resiliency seen in recent data releases, are expected to support the Fed's case for continued aggressive policy normalization going forward. At its latest FOMC meeting, the Fed suggested slower pace of rate hike going forward after three consecutive 75bps hike, but Fed Chair Powell guided for higher than previously projected terminal rate. This dampened hope of a policy pivot and lifted expectations that the Fed funds rate could potentially be raised to as high as 6.00% over the next year. This shall keep the USD bullish, suppressing emerging currencies as the yield gap with the US widens.

	S2	S1	Indicative	R1	R2
USD/MYR	4.7170	4.7350	4.7452	4.7500	4.7600

MYR Crosses

SGD/MYR

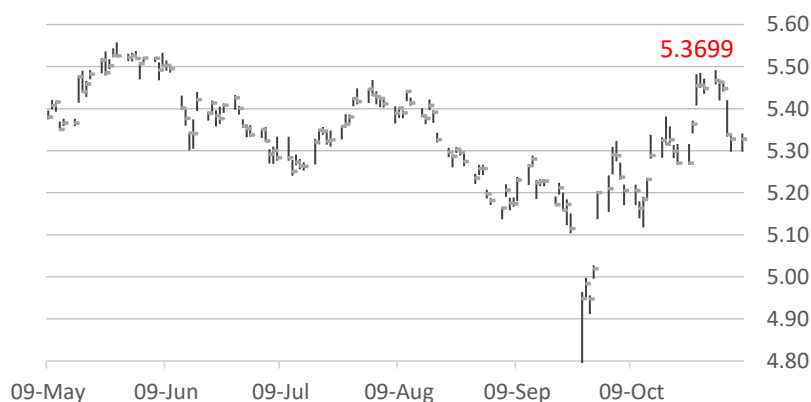


SGD/MYR Bullish

SGD/MYR opened 0.53% higher at 3.3713 and was seen softening to 3.3682 at time of writing. Daily outlook is bullish following the higher opening and prospect of a steady USD/SGD, around Friday's level of 1.4070. That said, advances in the pair may be narrowed as the SGD may weaken in line with other regional currencies as the USD rebounds this morning.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.3185	3.3367	3.3680	3.3700	3.4000

GBP/MYR

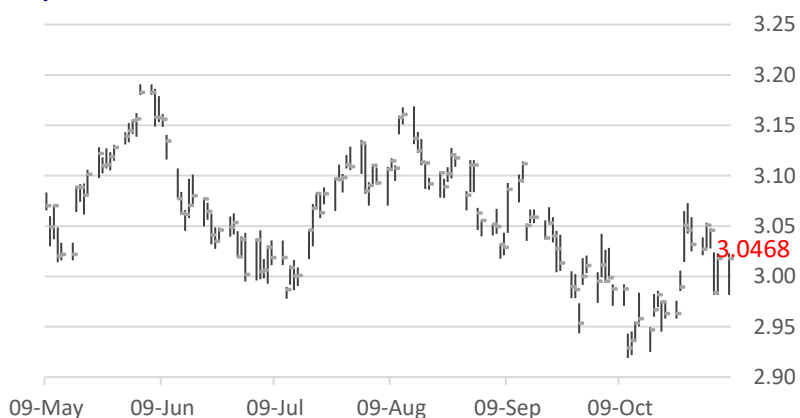


GBP/MYR Bullish

GBP/MYR opened 1.00% higher at 5.3805 but retreated to 5.3699 level at time of writing. While daily outlook is bullish, we expect the pair to see narrower gains going into late Asia/European session. The sterling is trading a tad weaker at the 1.1330 region as the USD regained traction. Speeches from BOE officials may add on to gyrations in the pair before 3Q GDP data (both the UK and Malaysia) on Friday.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.3160	5.3445	5.3699	5.4164	5.4484

AUD/MYR



AUD/MYR Bullish

AUD/MYR opened 1.32% sharply higher at 3.0574 and was seen paring some gains at time of writing as Aussie recouped some lost ground heading north from the 0.64 low seen earlier this morning. Daily outlook is bullish amid a softer MYR outlook while the Aussie appears supported above 0.64 for now. Westpac consumer confidence and NAB business confidence due tomorrow are expected to shade more lights on the Australian economy, hence the Aussie.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0024	3.0190	3.0468	3.0700	3.0880

Source: Bloomberg, HLBB Global Markets Research

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