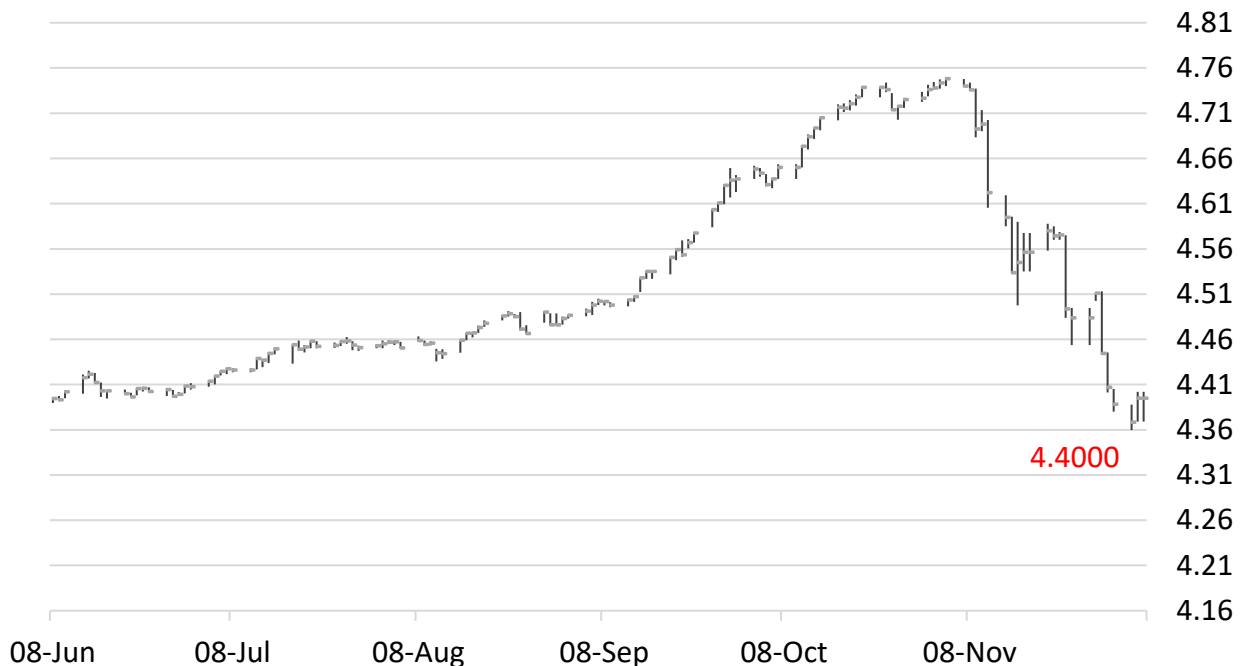


7 December 2022

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened flat (+0.01%) at 4.3955 and edged up slightly to 4.4400 at the point of writing. Daily outlook is neutral to slightly bullish given the upward trajectory post opening as well as renewed USD gain as warnings from bank CEOs drove investors to safe haven greenback. As a result, US Dollar gained vis-à-vis most G10 peers as well as regional currencies this morning.

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	4.3542	4.3752	4.4400	4.4172	4.4210

MYR Crosses

SGD/MYR

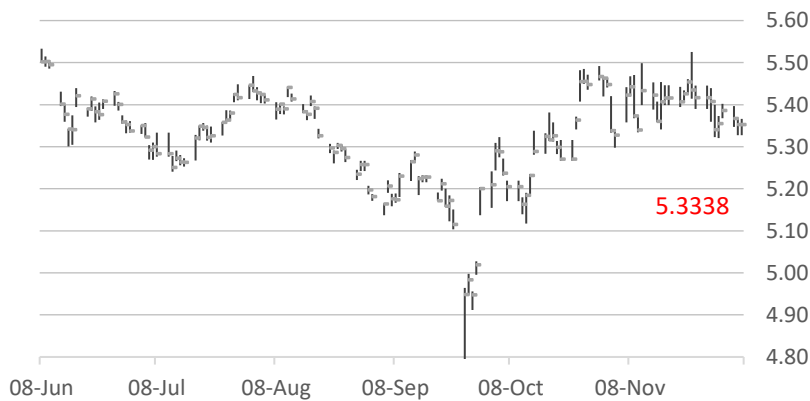


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.13% lower at 3.2345 and has been hovering around this level at the point of writing. Daily outlook is neutral-to-slightly bearish because of the lower opening. SGD, like AUD, will be one of the key currencies benefitting from China easing their COVID restrictions.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2317	3.2352	3.2358	3.3405	3.3428

GBP/MYR



GBP/MYR Slightly Bearish

GBP/MYR opened 0.36% lower at 5.3331, slid further to 5.3307 but has since recovered to 5.3338 at the point of writing. Daily outlook is slightly bearish given the lower opening and any movement from this pair will be dependent on Ringgit and US Dollar dynamic. Investors will stay cautious ahead of UK's inflation data and BOE's rate hike scheduled next week.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.2893	5.2980	5.3338	5.3785	5.4185

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.25% lower at 2.9439 but has since bounced higher to 2.9626 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of weaker-than-expected 3Q GDP which eased to 0.6% q/q (Consensus: +0.7% q/q and 2Q: +0.9% q/q). On the flip side is market's optimism following China's reopening while key risk to this pair is China's trade data for November which is anticipated to deteriorate.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9095	2.9404	2.9626	2.9795	2.9888

Source: Bloomberg, HLBB Global Markets Research

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