

13 January 2022

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – MYR Neutral to Slightly Bullish

USD/MYR opened 0.2% lower at 4.1770. The broad-based decline in USD is expected to continue supporting the MYR, thus weighing on the pair in the short term, with immediate support at 4.1750; a break below this line moves the next target to 4.1700, followed by 4.1600.

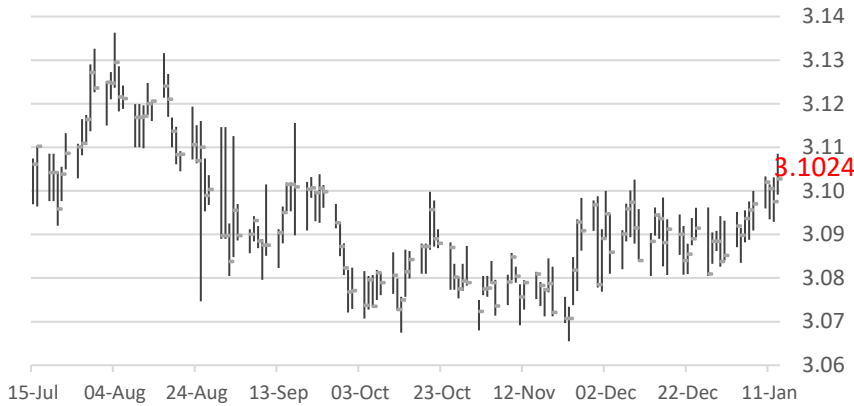
1-Month Outlook – MYR Neutral

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	4.1700	4.1750	4.1765	4.1850	4.1900

MYR Crosses

SGD/MYR



SGD/MYR Neutral to Slightly Bullish

SGD/MYR opened 0.3% higher at 3.1079. SGD/MYR edged higher this morning, as SGD is relatively stronger than MYR against a weak USD backdrop. We are neutral to slightly bullish on SGD/MYR, as upsides likely remain capped at 3.1030; a breach above this level, however will take the pair to reattempt 3.1080. On the other had, a failure to cross over may result in a retreat to below 3.1000

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.0900	3.0926	3.1024	3.1030	3.1080

GBP/MYR



GBP/MYR Neutral to Slightly Bullish

GBP/MYR opened 0.6% higher at 5.7362, catching up with the stronger GBP overnight. GBP/USD bulls is defending the newly breached 1.3700 as of writing, moving GBP/MYR up by a couple of notches to 5.7200 levels. We are neutral to slightly bullish on the pair, as the overbought condition suggests limited upsides, indicating that an imminent corrective pullback is due.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.6806	5.7000	5.7262	5.7365	5.7480

AUD/MYR



AUD/MYR Bullish

AUD/MYR opened 1.0% higher at 3.0477, commensurating with the AUD's surge in the overnight session. We are bullish on AUD/MYR; there may still be room for further up moves as AUD bulls attempt to break 0.7300 today as risk-on mood dominate the market.

To	S2	S1	Indicative	R1	R2
AUD/MYR	3.0250	3.0369	3.0408	3.0465	3.0600

Source: Bloomberg, HLBB Global Markets Research

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