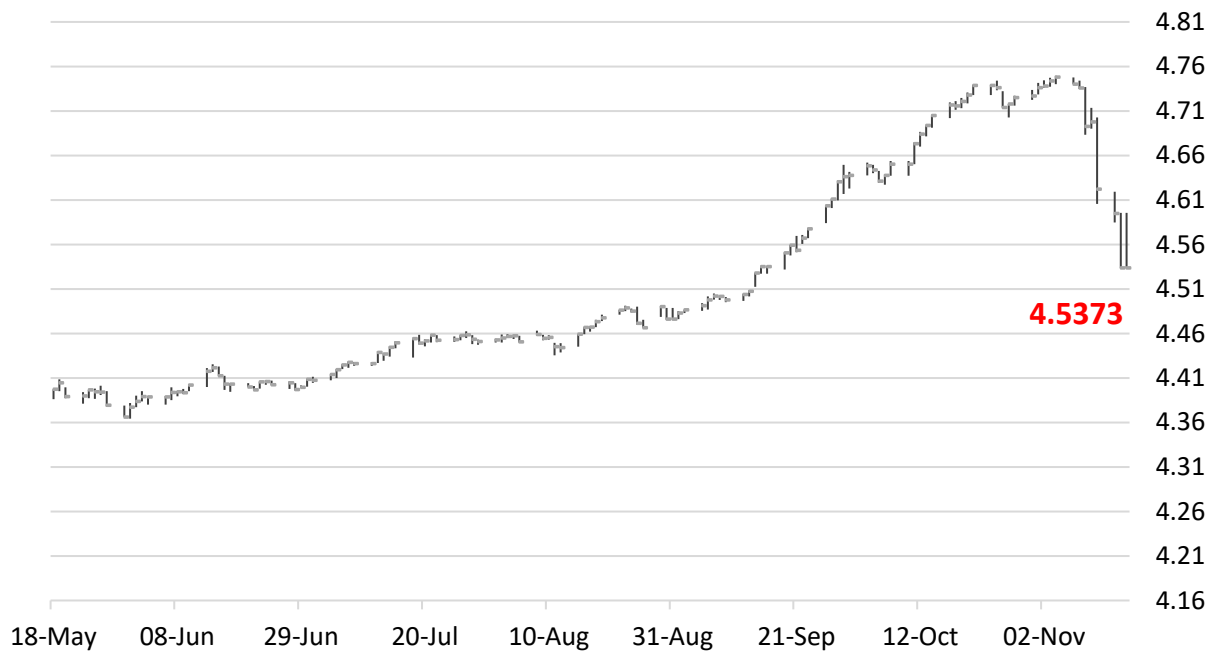


16 November 2022

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 1.25% higher at 4.5900 but has since retreated sharply back to previous day’s close at 4.5373. Daily outlook is neutral to slightly bullish. While the Dollar Index fell as much as 1.1% to a 3-month low overnight to 105.38 amidst the smaller than expected increase in PPI, it has since rebounded to 106-handle, suggesting a firm Dollar over the medium term. Key data to watch for will be the retail sales, NAHB housing market index as well as IPI, in addition to Fed speaks.

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

MYR is expected to see some renewed weakness once consolidation in the USD dissipates and the pre-GE15 rally subsides. The USD came under pressure in the past week as softer than expected October US CPI, followed by PPI, spurred expectations the Fed would be slowing its pace of rate increases. Market’s pricing for terminal rate has also pulled back substantially, to below the 5.0% levels. This shall limit upside in the greenback, but prospect of widening yield differential between the Fed fund rats and OPR is still expected to keep the pair in an overall bullish bias.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4600	4.5000	4.5373	4.5800	4.6200

MYR Crosses

SGD/MYR

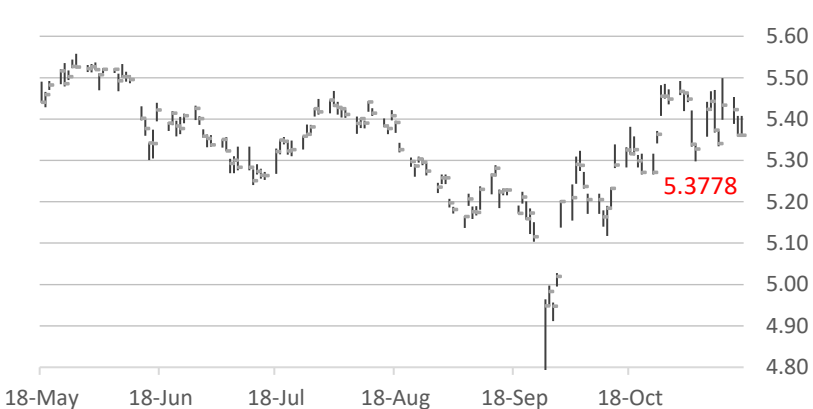


SGD/MYR Bearish

SGD/MYR opened 0.22% lower at 3.3145. It has traded range bound between 3.3056 to 3.3117 and settling at 3.3112 at the point of writing. Daily outlook is bearish given the sharply lower opening as well as weaker SGD vis-à-vis most G10 and regional currencies. Both Singapore and Malaysia are also scheduled to release its October's export data tomorrow and expectation are that the latter will outperform the former.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2612	3.2780	3.3112	3.3360	3.3500

GBP/MYR



GBP/MYR Bullish

UK/MYR opened sharply higher by 1.73% at 5.4534 but has since retreated to 5.3778. Daily outlook is bullish given the higher opening as well as a strong sterling overnight. The sterling reached its strongest level in 3 months, jumping as much as 0.9% d/d to 1.1865. Investors will be watching out for British Chancellor Jeremy Hunt's statement today during the rolling out of the fiscal Budget.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.2605	5.3096	5.3778	5.4899	5.5016

AUD/MYR



AUD/MYR Neutral to Slightly Bearish

AUD/MYR opened 1.36% higher at 3.1079, taking its cue from the improved and slightly better than expected Australian wage growth indicator released this morning. Nevertheless, this pair has since retreated to 3.0581 at the point of writing suggesting that the Aussie may not hold firm. As such, daily outlook is neutral to slightly bearish.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9666	2.9889	3.0581	3.1000	3.1075

Source: Bloomberg, HLBB Global Markets Research

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