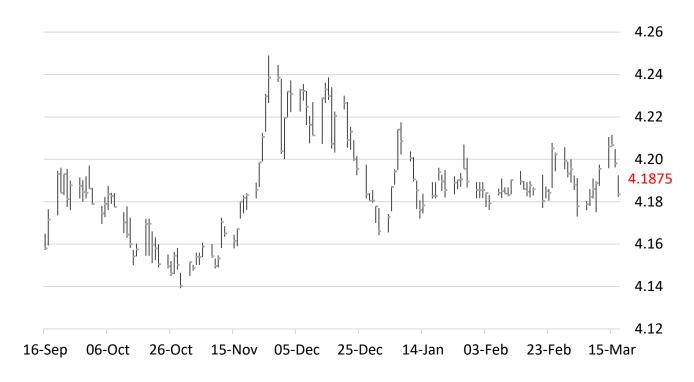


17 March 2022

Global Markets Research

Mid-day Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts - MYR Bullish

USD/MYR opened 0.13% lower at 4.1925, extending decline to 4.1835 as of writing. This came as the MYR tracks the broad-based strengthening of most currencies amid a renewed USD weakness spurred by risk-on sentiment. The next level support resides at 4.1830 before facing 4.1750, in line with our weekly range of 4.1700-4.2200.

1-Month Outlook - MYR Neutral

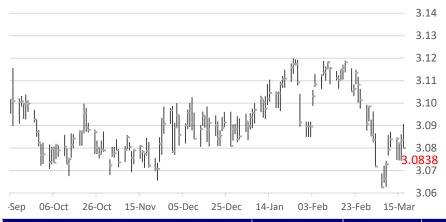
We expect the MYR to be relatively resilient in the medium term, taking into account further economic recovery as the government reopens the Malaysian border on 1 April. Recent rally in global commodity prices should provide an added impetus. This also takes into account our view that the broader USD is also expected to stay firm supported by haven demand, Fed rate hike expectations and likely outperformance of recovery in the US vis-à-vis other majors. That said, the Russia-Ukraine crisis could potentially derail the recovery and policy normalization path.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1750	4.1830	4.1875	4.1925	4.2000



MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.23% higher at 3.0907 but retreated to 3.0800 levels thanks to stronger MYR. Singapore's February NODX growth came in weaker than expected this morning at 9.5% y/y. We expect the cross to continue trading near recent levels, within 3.0800-3.0900 as the concurrent strength of both currency components amid the weak USD environment is likely to limit movements.

То	S2	S1	Indicative	R1	R2
SGD/MYR	3.0677	3.0740	3.0838	3.0900	3.0950

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.63% higher at 5.5162 as the sterling moved higher alongside the other major currencies overnight. GBP/MYR has given up some gains and now trades slightly above 5.5000. The market now shifts the focus to the BOE MPC meeting this evening when the central bank is expected to lift the bank rate. This should keep the GBP/MYR within a tight range of 5.4950-5.5200 before the decision.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4650	5.4930	5.5085	5.5248	5.5500

AUD/MYR



AUD/MYR Bullish

AUD/MYR opened 0.81% higher at 3.0597 after the AUD surged amid USD weakness, spurred by renewed risk appetites. We are bullish on AUD/MYR as concerns over the localized lockdown in China were offset temporily by China's promise for more stimulus while the upbeat Australian job data this morning also offered an added boost to the Aussie dollar, pushing AUD/MYR back above 3.0600.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0258	3.0405	3.0617	3.0630	3.0880

Source: Bloomberg, HLBB Global Markets Research



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