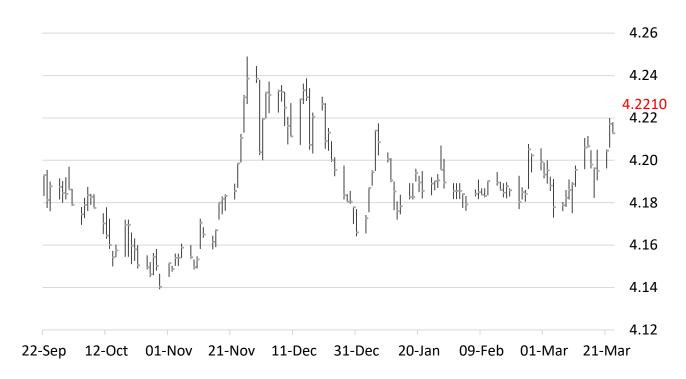


23 March 2022

# Global Markets Research

# Mid-day Currency Outlook

# **USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

# Intraday Thoughts - MYR Bearish

USD/MYR opened 0.02% higher at 4.2180 and has breached 4.2200 as of writing; the hawkish Fedspeak is expected to continue weighing on the local unit as Fed rate hike expectations grew further, relatively to the still-neutral BNM policy stance. After breaching 4.2200, the next level resistance shifted to 4.2250 before targeting 4.2300. Locally, the Malaysia CPI data is due on the coming Friday.

## 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 coupled with the soon to be implemented 25% increase in minimum wage to RM1,500 effective 1-May 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	<b>S1</b>	Indicative	R1	R2
USD/MYR	4.2050	4.2125	4.2210	4.2250	4.2300



# **MYR Crosses**

# 3.14 3.13 3.12 3.1130 3.11 3.10 3.09 3.09 3.08 3.07 3.06 Sep 12-Oct 01-Nov 21-Nov 11-Dec 31-Dec 20-Jan 09-Feb 01-Mar 21-Mar

# SGD/MYR Bullish

SGD/MYR opened 0.11% higher at 3.1081 and is seen picking up further to 3.1130 We are bullish on SGD/MYR, taking into account the relatively flat SGD/USD performance and the extended weakness in MYR as the local unit was pressured further by hawkish Fed remarks.

То	S2	<b>S1</b>	Indicative	R1	R2
SGD/MYR	3.1000	3.1030	3.1130	3.1150	3.1200

#### **GBP/MYR**



# **GBP/MYR Bullish**

GBP/MYR opened 0.67% higher at 5.5946 in response to the stronger sterling overnight. GBP/MYR is expected to tick higher in today's session, alongside the firmer GBP/USD in anticipation of the UK February CPI inflation data due 3.00pm. A Bloomberg survey showed a 5.4% consensus estimate, indicating that the higher inflation will reaffirm the BOE rate hike expectations.

	S2	<b>S1</b>	Indicative	R1	R2
GBP/MYR	5.5329	5.5688	5.6109	5.6215	5.6500

# **AUD/MYR**



# 22-Sep 12-Oct 01-Nov 21-Nov 11-Dec 31-Dec 20-Jan 09-Feb 01-Mar 21-Mar

## **AUD/MYR Bullish**

AUD/MYR opened 0.62% higher at 3.1472, catching up with the stronger AUD/USD overnight. Extended gains in commodity currencies and weaker MYR may spur further climb in AUD/MYR. Hawkish Fedspeak also put pressures on the RBA to hike rates, and may offer some added boost to the AUD in the short term.

	S2	<b>S1</b>	Indicative	R1	R2
AUD/MYR	3.1070	3.1300	3.1561	3.1660	3.1750

Source: Bloomberg, HLBB Global Markets Research



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