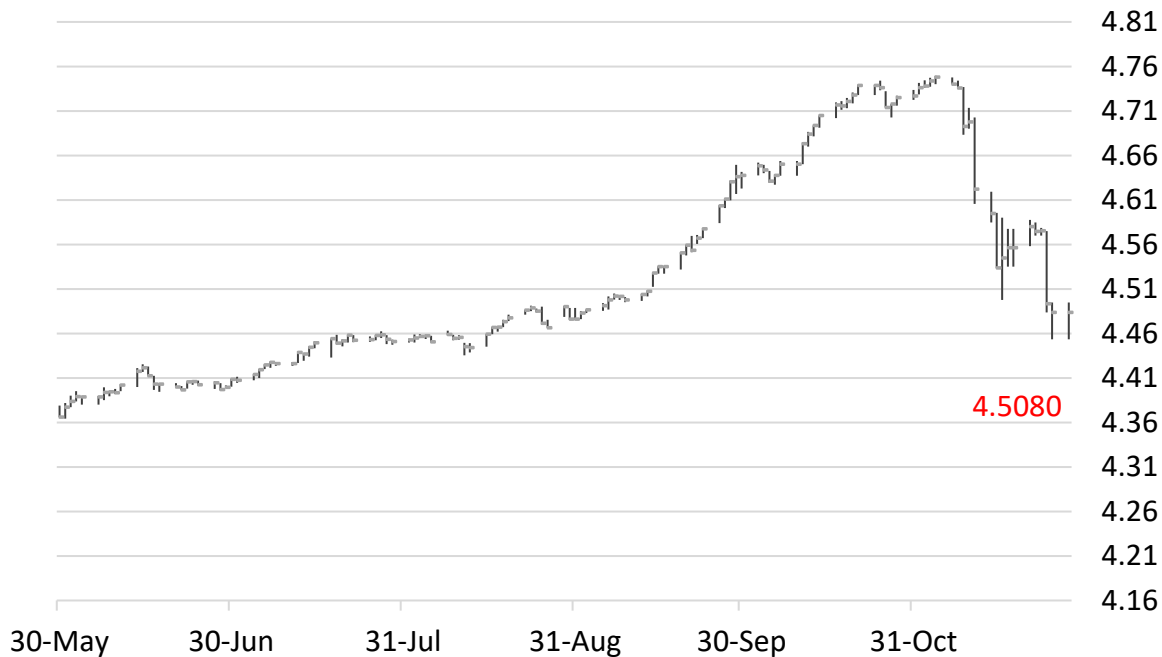


29 November 2022

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bullish

USD/MYR opened relatively flat (-0.1%) but rose to 4.5080 at the point of writing. Daily outlook is slightly bullish given the spike post-opening and as investors flocked to safety in view of China's social unrest. The Dollar Index also closed up overnight, rising 0.7% d/d but pullback in the greenback this morning is expected to soften the upward push in USD/ MYR today. Investors will, nevertheless, be watching out for the slew of economic data releases due including 3Q GDP and ADP's private business payroll figures on Wednesday, core PCE on Thursday as well as non-farms payroll and unemployment data on Friday.

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 after softer than expected October US CPI, followed by PPI, spurred expectations the Fed would be slowing its pace of rate increases although subsequent Fed speaks reaffirmed the case of further policy tightening ahead with terminal rate in the 5.00% handle. Prospect of widening yield differential between the Fed fund rates and OPR is still expected to keep the pair in an overall bullish bias. Fed speaks have remained hawkish and the upside surprises in US retail sales data signaled resiliency in the US economy still.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4692	4.4872	4.5080	4.5226	4.5270

MYR Crosses

SGD/MYR

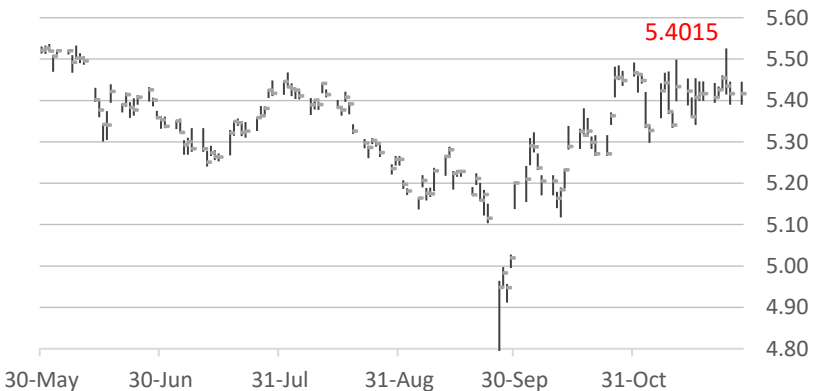


SGD/MYR Bullish

SGD/MYR opened 0.35% lower at 3.2484 and has since reversed and trended up to 3.2728 at the point of writing. Daily outlook is bullish amid MYR weakness. SGD has also strengthened against most regional currencies as compared to MYR this morning. There will be no economic data due to be released this week that is expected to sway the performance of this pair, which will be USD driven by and large.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2637	3.2670	3.2728	3.2749	3.2788

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.99% lower at 5.3626 and has since pared losses to 5.4015 at the point of writing. Daily outlook is neutral-to-slightly bearish on the back of the lower opening but downside could be limited given that sterling regained lost grounds against most G10 and regional currencies this morning, in addition to the pullback in the MYR this morning.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.3562	5.3646	5.4015	5.4400	5.4765

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 1.25% lower at 2.9824 but has since rebounded to 3.0065 at the point of writing. Daily outlook is neutral given the rebound in AUD post-opening. We noted the strength of AUD vis-à-vis regional currencies this morning as compared to a weaker MYR. Nevertheless, any gains could be capped as AUD, often used as a proxy for the yuan, could bear the brunt of the social unrest in China.

To	S2	S1	Indicative	R1	R2
AUD/MYR	2.9885	2.9977	3.0065	3.0381	3.0701

Source: Bloomberg, HLBB Global Markets Research

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