

13 January 2023

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Slightly bearish**

USD/MYR opened 0.01% higher at 4.3595 but has quickly slipped to 4.3333 at the point of writing. Knee-jerk reaction from US December CPI which saw the Dollar Index tumbling 0.9% d/d overnight to 102.25, the lowest since June 2022 also does not bode well for greenback. Coupled with a stronger MYR vis-a-vis most G10 and its regional peers, we are thus slightly bearish on this pair.

**1-Month Outlook – USD/MYR Neutral to Slightly Bearish**

USD/ MYR outlook is skewed to the bearish side amid expectations of further retreat in the USD. The smaller but expected 50bps Fed rate hike in December, and reaffirmation from Fed Chair Powell that the Fed will slow the pace of rate hike marks the beginning of Fed policy pivot, and shall continue to dampen USD outlook going forward, hence benefitting the G10s and other EM currencies. Abatement in local political noises and favorable economic fundamentals domestically should also keep the MYR supported. A break below 4.40 has already paved the way for the pair to head towards 4.35. Budget tabling on 24 February will be the next key domestic event risk to watch.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3125	4.3310	4.3333	4.3530	4.3715

## USD/SGD

### USD/SGD Neutral-to-Slightly bearish



USD/SGD opened flat at 1.3252 and has since fallen to 1.3222 at the point of writing. There is no catalyst on the SG front today, and as such, how the pair performs hinge on the performance of the USD. Daily outlook is, thus, neutral-to-slightly bearish, especially since SGD has strengthened against G10 currencies overnight.

To	S2	S1	Indicative	R1	R2
USD/SGD	1.3142	1.3180	1.3222	1.3259	1.3298

## MYR Crosses

### SGD/MYR

### SGD/MYR Neutral

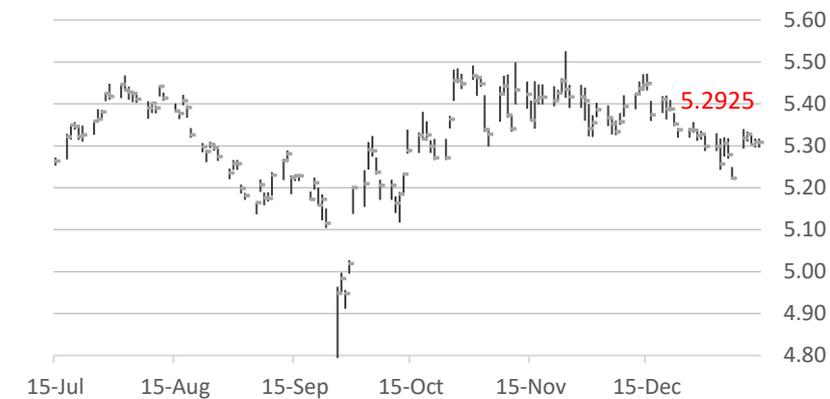


SGD/MYR opened 0.51% higher at 3.2959 but quickly retreated to 3.2811 at the point of writing. This is just a shade higher than previous close. In the absence of economic data on both sides of the border, we are thus neutral on this pair.

To	S2	S1	Indicative	R1	R2
SGD/MYR	3.2655	3.2773	3.2811	3.2882	3.2921

### GBP/MYR

### GBP/MYR Neutral-to-Slightly Bearish



GBP/MYR opened 0.33% higher at 5.3256 but has quickly retreated to 5.2925 at the point of writing. It has traded range bound since then. Daily outlook is neutral-to-slightly bearish as GBP has weakened against most regional currencies and could potentially be hit by more announcements on the ongoing industrial action. On the economic front, UK is expected to report a contraction in IPI data tonight.

To	S2	S1	Indicative	R1	R2
GBP/MYR	5.2242	5.2582	5.2925	5.3058	5.3171

### AUD/MYR



### AUD/MYR Neutral-to-Slightly Bullish

AUD opened 0.79% higher at 3.0371 but has since retreated to 3.0181 at the point of writing. Still, this is above previous close and as such, we are neutral-to-slightly bullish on this pair. As mentioned earlier, AUD will be supported by optimism over China's reopening of its economy, but gains will be capped by the fact that AUD/USD pair is struggling to extend its upside journey above the critical resistance of 0.6980.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9749	2.9969	3.0181	3.0285	3.0377

Source: Bloomberg, HLBB Global Markets Research

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