

2 October 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral-to-Slightly Bullish**

USD/MYR opened flat at 4.1570 and rose to 4.1660 at the point of writing. Daily outlook for the pair from current levels is neutral-to-slightly bullish as it plays catch up with the safe-haven USD bid seen overnight after a sharp escalation in the Middle East conflict. Domestically, nothing of note today in terms of economic data, while tonight in the US sees the release of the ADP number for the month, ahead of the monthly jobs report on Friday. Initial resistance for the pair is seen coming in at 4.1790 (R1), but more significant resistance emerges at 4.1895 (R2)

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

The USD/MYR outlook is neutral-to-slightly bullish as the pair consolidates after the recent MYR rally, which has seen it move into oversold conditions. While expectations of broad USD weakness going forward should continue to play out in the medium term, with the currency weighed down by a cooling labour prints, further signs of disinflation and a gradual weakening in economic conditions, the USD could regain some ground in the short term. The Fed reduced interest rates by 50bps at the September FOMC meeting and indicated more cuts to come this year, with the dot plot pointing to a further reduction of another 50bps for the rest of the year. The market though is pricing in nearly another three 25bps cuts for the remaining 2 FOMC meetings for the year, and an adjustment to this pricing could lend some support to the USD in the near term. Domestically, the MYR will be supported by expectations for an extended pause in the OPR.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1464	4.1571	4.1660	4.1790	4.1893

## USD/SGD



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

USD/SGD opened flat at 1.2881 but inched lower to stand at 1.2872 at the point of writing. Daily outlook for the pair today is neutral-to-slightly bullish, with the increased geopolitical temperature likely to give the USD a bid. Tonight will see the release of the September Singapore PMI and Electronic Sector Index.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2840	1.2858	1.2872	1.2894	1.2912

## MYR Crosses

### SGD/MYR

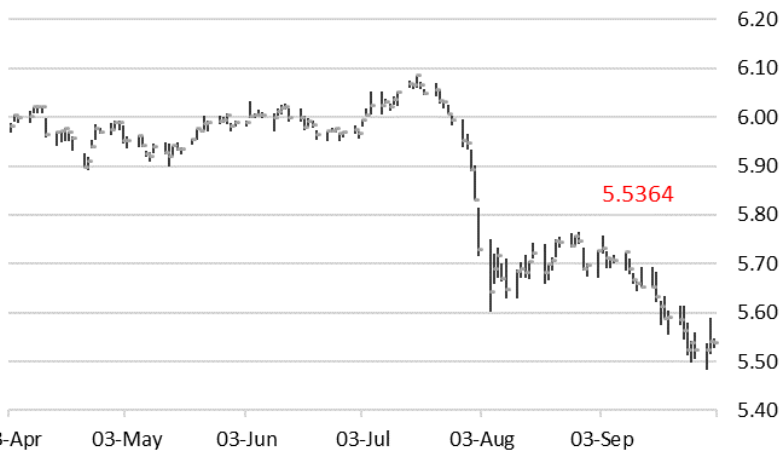


### SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.10% lower at 3.2269 but recovered all its losses and more to trade at 3.2364 at the point of writing. Daily outlook for the cross from the current levels is neutral-to-slightly bullish, with immediate resistance seen at 3.2452 (R1) while more significant resistance above comes in at 3.2525 (R2)

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2197	3.2287	3.2364	3.2452	3.2525

### GBP/MYR



### GBP/MYR Neutral

GBP/MYR opened 0.22% lower at 5.5272 but recovered some ground to trade at 5.5364 at the point of writing. Daily outlook from the current level is neutral, with an empty data calendar in both jurisdictions for the day. Support is seen emerging at 5.5276 (S1), while resistance topside for the cross comes in at 5.5477 (R1).

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5172	5.5276	5.5364	5.5477	5.5582

**AUD/MYR**

**AUD/MYR Neutral**

AUD/MYR opened 0.29% lower at 2.8640 but pared all of its losses and a bit more to stand at 2.8768 at the point of writing. Daily outlook for the cross from here is neutral for today, with nothing in way of economic releases for either country today. Support is seen below at 2.8687 (S1) today, while the some resistance comes in above at 2.8845 (R1).

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8584	2.8687	2.8768	2.8845	2.8903

Source: Bloomberg, HLBB Global Markets Research

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