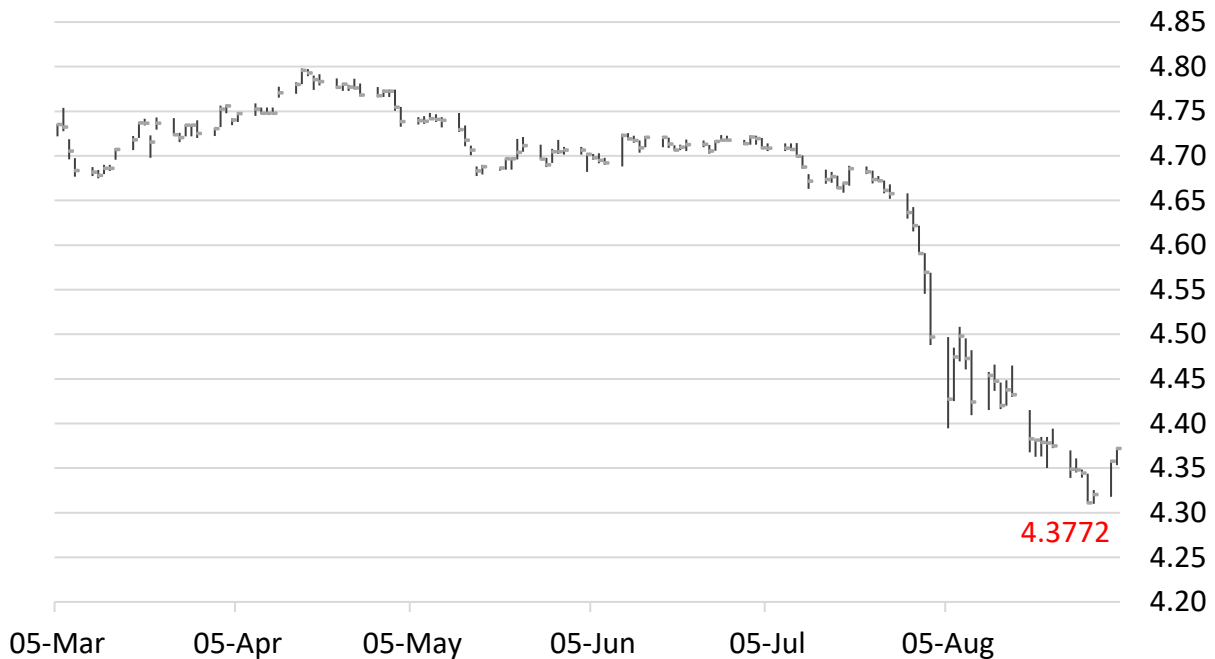


3 September 2024

## Global Markets Research

### Daily Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

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

USD/MYR opened 0.02% lower at 4.3568 before rebounding to 4.3772 at the point of writing. Daily outlook is neutral-to-slightly bullish on broad USD strength against regionals amid higher UST yields in the futures market. However, given the slate of 1<sup>st</sup> tier US data on deck this week, starting with the ISM-Manufacturing tonight followed by a slew of labour prints like JOLTS Job Openings, ADP Employment and the highly watched non-farm payroll on Friday, any gains will largely be capped at 4.3838 (R1) and 4.4023 (R2) respectively.

#### 1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral as the pair consolidates after the recent MYR rally, which will more than offset expectations of broad USD weakness going forward, the latter weighed down by a much softer labour data prints in July, further signs of disinflation, gradual weakening in economic conditions in 3Q and more importantly, strongest ever signals for a September rate cut. This kept market pencilling in at least 4 rate cuts by end-2024 at the point of writing, narrowing the interest rate differentials between the US and Malaysia. Domestically, MYR will be supported by expectations for an extended pause in the OPR, as recovery in exports, sustained domestic demand and upside risk to inflation amid imminent subsidy cuts and civil service pay hikes should shield BNM from any OPR cut.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3283	4.3468	4.3772	4.3838	4.4023

## USD/SGD

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

USD/SGD opened 0.01% higher at 1.3070 and trended up to 1.3076 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength today, facing R1 and R2 at 1.3096 and 1.3114 respectively. Likely keeping gains in check today is the strong Singapore's official PMI at 50.9 for August, its highest reading in 3 years.



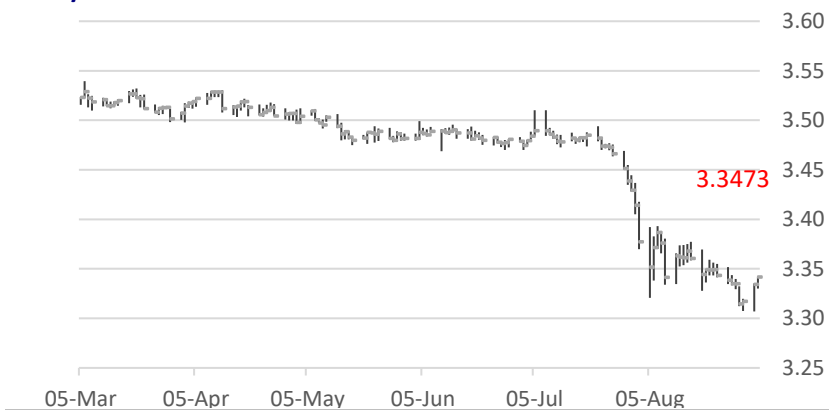
	S2	S1	Indicative	R1	R2
USD/SGD	1.3042	1.3060	1.3076	1.3096	1.3114

## MYR Crosses

### SGD/MYR

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

SGD/MYR opened 0.03% lower at 3.3335 but quickly rebounded to 3.3473 at the point of writing. Given the downward trajectory post opening and Singapore's manufacturing PMI more robust than domestic data overnight, we have a neutral-to-slightly bullish outlook for this pair today.

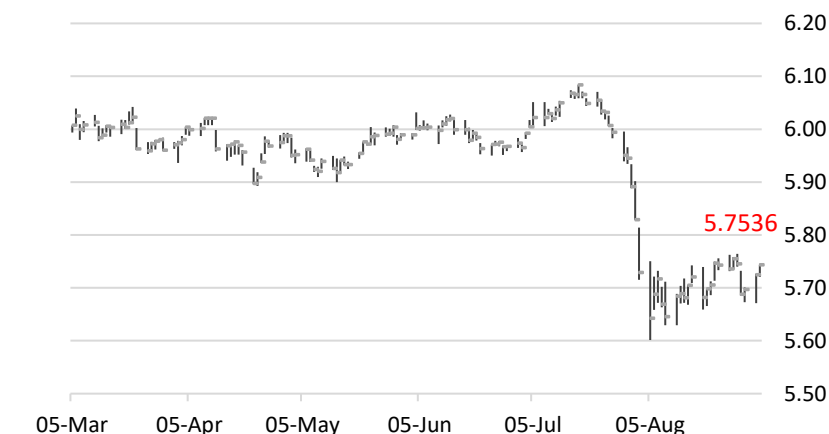


	S2	S1	Indicative	R1	R2
SGD/MYR	3.3232	3.3353	3.3473	3.3544	3.3614

### GBP/MYR

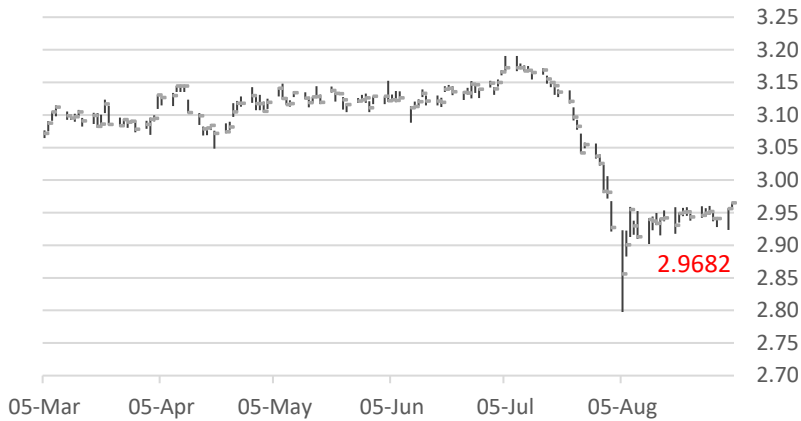
### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.02% lower at 5.7233 but quickly jumped to 5.7536 at the point of writing. Daily outlook is neutral-to-slightly bullish on GBP strength against regionals and amid its robust manufacturing PMI overnight, but gains likely capped at 5.7584 (R1) and 5.7812 (R2) as UK labour data, due to be released later this week, will likely pose a threat to the sterling.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6896	5.7128	5.7536	5.7584	5.7812

### AUD/MYR



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

AUD/MYR opened 0.02% higher at 2.9563 and strengthened to 2.9682 at the point of writing. Daily outlook is neutral-to-slightly bullish, but investors closely watching out for the 2Q GDP and RBA Governor Bullock's speech later this week. As it is, consensus is expecting GDP to pick up slightly to 0.2% q/q in 2Q from 1Q previously.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9400	2.9510	2.9682	2.9730	2.9480

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email:

**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad (“HLBB”) to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group (“HLB Group”). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.