

4 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 0.02% lower at 4.2210 but traded higher in the early Asian session to 4.2345 at the point of writing. Daily outlook for the pair from current levels is neutral-to-slightly bullish on continued profit taking in the Ringgit. Domestically, an empty data calendar for the day ahead, with all eyes on tonight’s US monthly labour market report for September, which will influence the pace and timing of further cuts by the Fed. Any rise for the day is expected to be capped at 4.2419 (R1) and 4.2479 (R2), as the market awaits the key US data tonight.

**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	4.2133	4.2246	4.2345	4.2419	4.2479

### USD/SGD



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

USD/SGD opened flat at 1.2974 and edged lower in the early Asian session to stand at 1.2968 at the point of writing. Daily outlook for the pair today is neutral-to-slightly bullish, with Singapore retail sales due to be reported on in the afternoon. Support for the pair is seen at 1.2950 (S1), while resistance is seen to come in above at 1.2986 (R1).

	S2	S1	Indicative	R1	R2
USD/SGD	1.2932	1.2950	1.2968	1.2986	1.3004

### MYR Crosses

#### SGD/MYR



#### SGD/MYR Neutral

SGD/MYR opened 0.04% higher at 3.2559 and rose further to 3.2655 at the point of writing. Daily outlook for the cross from the current levels is neutral, with August retail sales due out in Singapore later today. Strong resistance seen at 3.2716 (R1) while support emerges below at 3.2581 (S1).

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2493	3.2581	3.2655	3.2716	3.2763

#### GBP/MYR



#### GBP/MYR Neutral

GBP/MYR opened 0.04% higher at 5.5402 and surged higher to trade at 5.5614 at the point of writing. Daily outlook from the current level is neutral, with no Tier-1 data out of the UK today and an empty data calendar in Malaysia. Support for the cross is seen at 5.5555 (S1), while resistance above crosses at 5.5711 (R1) today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5472	5.5555	5.5614	5.5711	5.5796

**AUD/MYR**

**AUD/MYR Neutral**

AUD/MYR opened flat at 2.8907 and rose in early morning trading to stand at 2.8994 at the point of writing. Daily outlook for the cross from here is neutral for today, with Australian household spending in August surprising on the downside earlier this morning. Support is seen below at 2.8916 (S1) for the day, while the some resistance comes in above at 2.9058 (R1).

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8829	2.8916	2.8994	2.9058	2.9107

Source: Bloomberg, HLBB Global Markets Research

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