

4 December 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.01% higher at 4.4700 but retreated to 4.4695 at the point of writing. Daily outlook is neutral as trading in Asian currencies vis-à-vis USD were largely cautious this morning in view of the turmoil in the global political arena. Fundamental wise, USD will benefit from its safe haven status and upbeat job openings data overnight, but these gains will likely be capped as the pair nudge towards its overbought territory. The ADP employment change numbers are due on Wednesday, and are expected to swing lower to 150K from the previous 233K. Wednesday will also bring the US ISM services and the Fed Beige Book during American trading session.

1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral as traders continue to trade cautiously in the USD on uncertainties over the pace of rate cuts especially in view of Trump’s potentially inflationary policies going forward and softer, but still resilient labour data released recently. That said, we believe increasing odds of a slower pace of Fed rate cuts especially going into 2025, will limit downside in the USD going forward. On the domestic front, the delay in the implementation of RON95 subsidy retargeting to mid-2025 will further push back upside risks to inflation, reaffirming our view for an extended pause in the OPR probably through next year. The prospects of narrowing in rate differentials, favourable economic outlook and domestic reforms, ongoing initiatives to encourage flows, will continue to support the MYR, despite likelihood of near-term volatility in the midst of political and policy noises in the US.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4462	4.4579	4.4695	4.4831	4.4966

USD/SGD



USD/SGD Neutral

USD/SGD opened 0.01% lower at 1.3448 but quickly rebounded to 1.3453 at the point of writing. Daily outlook is neutral today amid caution in the financial markets, while noting that the ongoing weakness in CNH could weigh on Asian currencies like SGD. We are also eyeing trading range between 1.3428-1.3476.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3406	1.3428	1.3453	1.3476	1.3502

MYR Crosses

SGD/MYR

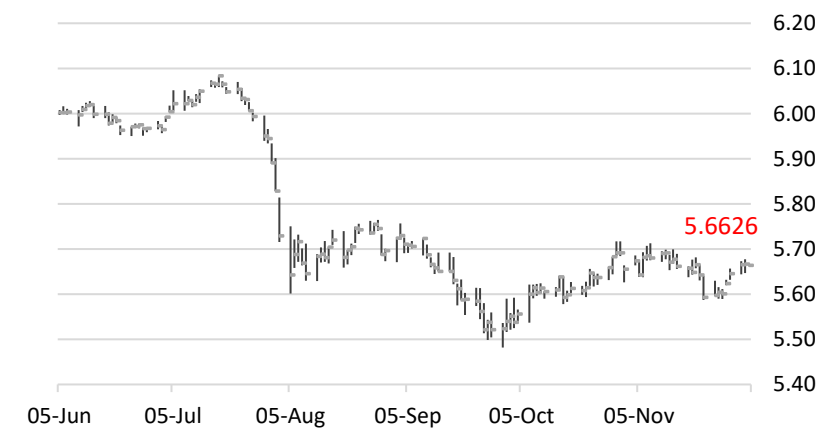


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.01% lower at 3.3237 and slid to 3.3225 at the point of writing. Daily outlook is neutral-to-slightly bearish given SGD weakness this morning with support levels seen at 3.3152 (S1) and 3.3063 (S2) today. Data wise, we saw Singapore's composite PMI inched down to 53.9 for November from 55.5 previously, not boding well for SGD as well.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3063	3.3152	3.3225	3.3328	3.3415

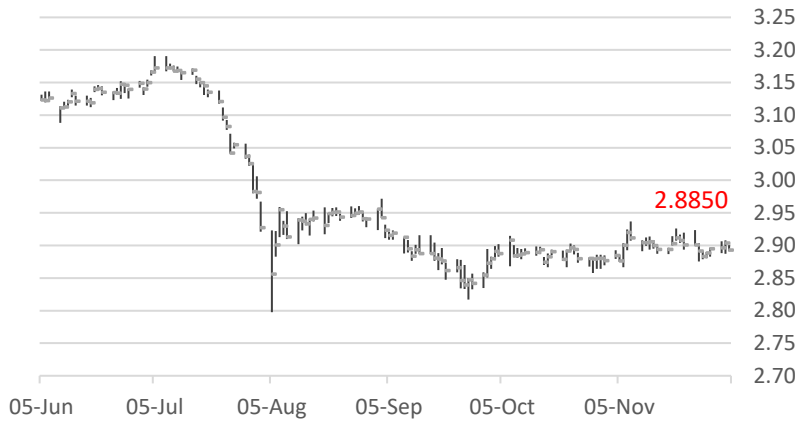
GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.02% lower at 5.6651 and slid to 5.6626 at the point of writing. Daily outlook is neutral-to-slightly bearish on GBP weakness against regionals and as GBP/USD traded south of the 1.2700 handle in evening morning trade. As it is, economic calendar remains devoid of meaningful economic data but the Services PMI is due for revision later today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6327	5.6495	5.6626	5.6802	5.6941

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.15% lower at 2.8990 and fell to 2.8850 at the point of writing. Daily outlook is neutral-to-slightly bearish after Australia's 3Q GDP print disappointed this morning, sending AUD/USD tumbling to 0.6456 at the point of writing. A weak CNH and softer Caixin Services PMI are also not supportive of AUD.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8569	2.8781	2.8850	2.9119	2.9205

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad

Fixed Income & 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:

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