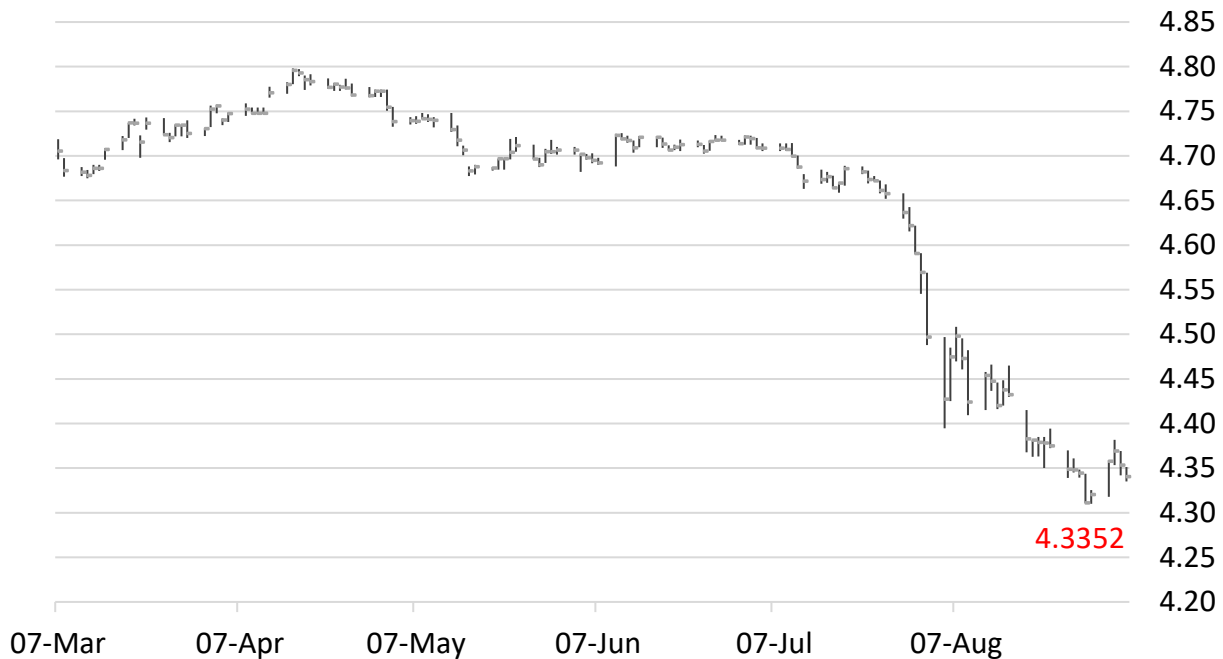


5 September 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.05% lower at 4.3512 and slid to 4.3352 at the point of writing. Daily outlook is neutral-to-slightly bearish in anticipation of USD weakness today, after traders pencilled in steeper rate cut bets by the Fed following the weak job prints overnight. JOLTS Job Openings missed estimates, adding only 7.7m jobs in July, its lowest in 3.5 years and raised concerns over the health of the labour market and upcoming NFP print this Friday. On the domestic front, Bank Negara Malaysia will most likely maintain its OPR and neutral stance at the monetary policy statement today.

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	4.3097	4.3259	4.3352	4.3583	4.3745

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened 0.01% higher at 1.3039 and slid to 1.3027 at the point of writing. Daily outlook is neutral-to-slightly bearish but losses are likely to be capped as the pair trades near its oversold position. Key risk for this pair today is Singapore's retail sales, where expectations is that it will rebound to 1.5% y/y in July from -0.6% y/y previously.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2976	1.3003	1.3027	1.3049	1.3060

MYR Crosses

SGD/MYR

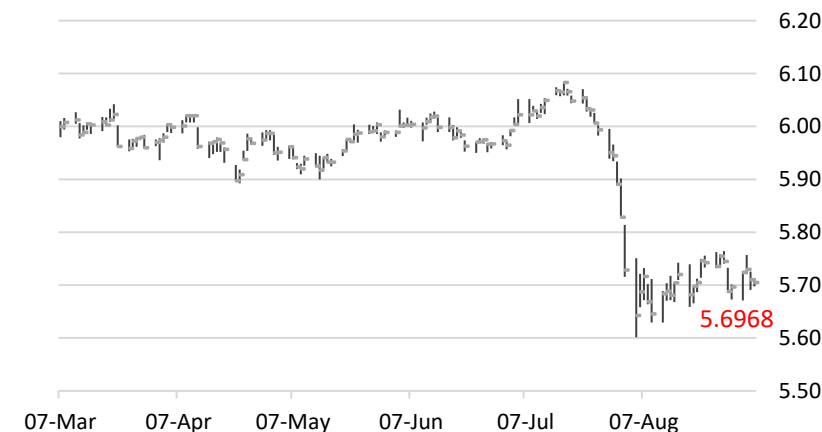


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.22% higher at 3.3398 but made a U-turn to 3.3253 at the point of writing. Daily outlook is neutral-to-slightly bearish given relative MYR strength, eyeing support levels at 3.3170 (S1) and 3.3025 (S2) respectively.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3025	3.3170	3.3253	3.3460	3.3605

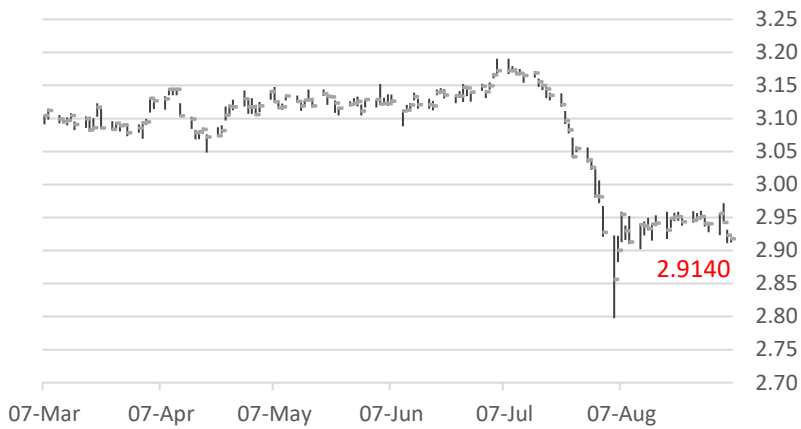
GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.04% higher at 5.7127 but quickly lost its lustre and more to trade at 5.7104 at the point of writing. Daily outlook is neutral-to-slightly bearish on MYR strength this morning as well as GBP weakness against regionals. UK data releases are strictly low-tier through Friday, leaving any movements for the GBP predominantly USD and risk driven.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6745	5.6898	5.6968	5.7204	5.7357

AUD/MYR
AUD/MYR Neutral-to-Slightly Bearish


AUD/MYR opened 0.14% lower at 2.9188 and slid to 2.9140 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD/USD remain soft around 0.6720-30 level in early Asian session. Traders will nonetheless wait for more cues from RBA Governor Michele Bullock's speech today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.9037	2.9100	2.9140	2.9226	2.9289

Source: Bloomberg, HLBB Global Markets Research

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