

10 December 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened flat at 4.4265 and firmed a little to 4.4275 at the point of writing. Daily outlook is neutral-to-slightly bearish amidst the evolving geopolitical tension in the Middle East, but losses will likely be limited given investors’ cautiousness ahead of the US CPI data tomorrow, the last piece of important data before FOMC’s rate decision next week. On the domestic front, October’s industrial production numbers are due later today, which will provide a clearer picture on how the economy was faring at the start of 4Q.

1-Month Outlook – USD/MYR Neutral-to-Slightly Bearish

The USD/MYR outlook is neutral-to-slightly bearish in our view, largely reflecting some consolidation after the recent rally in greenback after Trump’s win, and as traders continue to trade cautiously in the USD on uncertainties over the pace of rate cuts in view of Trump’s potentially business friendly and inflationary policies going forward. While still healthy, labour data has inevitably cooled. Coupled with mixed economic data, there is no change in our view on easing monetary policy going forward, albeit at a slower than initially expected pace, narrowing the interest rate differentials between the US and Malaysia. On the domestic front, favourable economic outlook and 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, supportive of the MYR and our neutral-to-slightly bearish outlook.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4101	4.4177	4.4275	4.4327	4.4401

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3404 and traded within a 1.3389-1.3414 range before settling at 1.3395 at the point of writing. Daily outlook is neutral-to-slightly bearish with support for the day seen emerging at 1.3372 (S1). There are no domestic economic releases in Singapore this week, and it will also be light on the US data front tonight.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3340	1.3372	1.3395	1.3438	1.3472

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.10% lower at 3.3017 before erasing most of its losses to trade at 3.3046 at the point of writing. Daily outlook is neutral, with resistance seen above at 3.3100 (R1) and some support visible below at 3.3004 (S1). No economic data due out of Singapore today, with the Malaysian IP numbers for October due at noon

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2955	3.3004	3.3046	3.3100	3.3149

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.18% lower at 5.6421 but pared some of its losses to trade at 5.6446 at the point of writing. Daily outlook for the cross is neutral today, with support seen emerging at 5.6322 (S1), while on the topside, resistance looks likely at 5.6630 (R1). Domestically in the UK, there are no economic data releases scheduled for the day ahead.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6124	5.6322	5.6446	5.6630	5.6740

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.05% lower at 2.8491 and continued to head south in early Asian trading to 2.8443 at the point of writing. Daily outlook is neutral-to-slightly bullish today, with resistance seen above at 2.8616 (R1) and 2.8726 (R2). The RBA is due to decide on interest rates later this morning, where we expect them to maintain the cash rate target at 4.35%.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8100	2.8303	2.8443	2.8616	2.8726

Source: Bloomberg, HLBB Global Markets Research

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