

11 November 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bullish

USD/MYR opened 0.21% higher at 4.3915 and strengthened to 4.3977 at the point of writing. Daily outlook is slightly bullish as the Trump's win and its potentially inflationary policies continued to reverberate through financial markets, paring rate cut bets and keeping USD supported on the US front. Meanwhile, concerns over potential trade tension from the US and effectiveness of China's stimulus measures on global growth will continue to keep a lid on risk appetite, likely weighing on emerging currencies like MYR today. It will be an empty economic calendar today, but this week, we will see the release of US' CPI print and Malaysia's 3Q GDP later in the week.

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	4.3825	4.3891	4.3977	4.4027	4.4095

USD/SGD

USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened 0.04% higher at 1.3260 and trended up to 1.3263 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength, facing R1 and R2 at 1.3305 and 1.3345 today. Data wise it will be an empty economic calendar on the Singapore front this week.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3185	1.3225	1.3263	1.3305	1.3345

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.29% lower at 3.3074 but quickly pared some of these losses to trade at 3.3161 at the point of writing. Daily outlook is neutral, with the losses from the lower opening likely to narrow through out the day given the risk-off environment, eyeing trading range between 3.3039-3.3243 today.

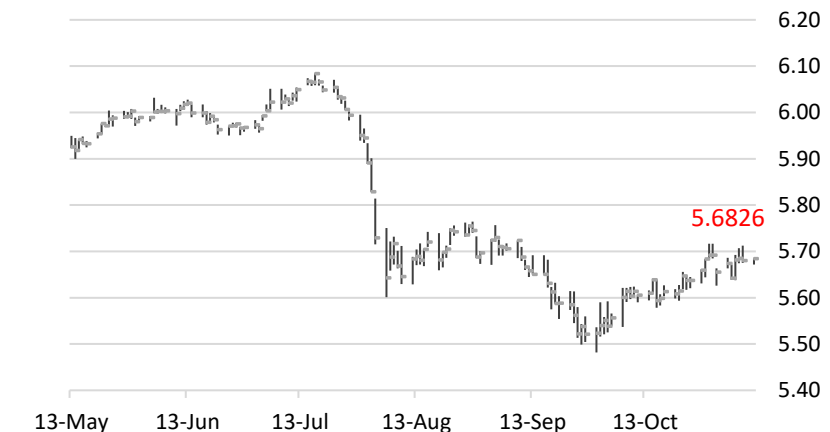


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2937	3.3039	3.3161	3.3243	3.3345

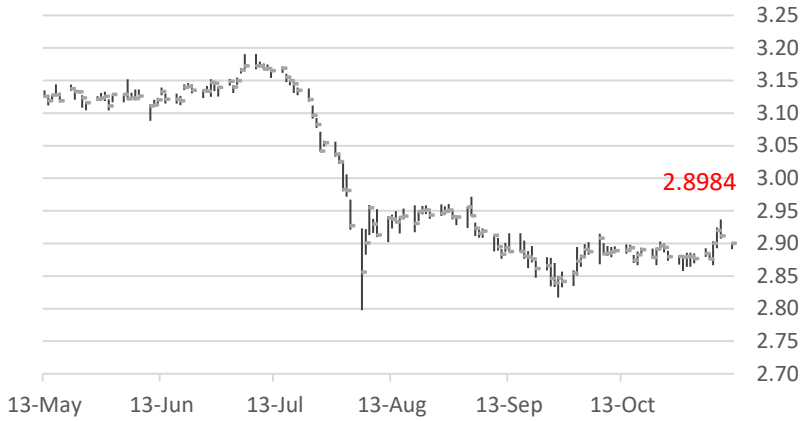
GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.15% lower at 5.6716, but quickly pared its losses and more to trade at 5.6826 at the point of writing. With this, we have a neutral-to-slightly bullish outlook for this pair, but gains likely capped at 5.6930 (R1) and 5.7063 (R2) given uncertainties ahead of UK's labour print scheduled on Tuesday as well as a weaker GBP/USD at the point of writing.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6534	5.6666	5.6826	5.6930	5.7063

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.69% lower at 2.8911 before paring some of these losses to trade at 2.8984 at the point of writing. Daily outlook is neutral-to-slightly bearish given the lower opening but we expect losses to narrow through out the day given that AUD/USD held steady above 0.6575 handle this morning and as AUD strengthened against its G10 peers and regional currencies. Aussie labour data will be the key risk this week.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8761	2.8872	2.8984	2.9093	2.9203

Source: Bloomberg, HLBB Global Markets Research

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