

12 November 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bullish

USD/MYR opened 0.08% higher at 4.4140 and trended up to 4.4313 at the point of writing. Daily outlook is slightly bullish as USD continues to benefit from the election-driven rally and as Asian-export oriented currencies feel the rumble from US tariff concerns. However, USD/ MYR is veering towards overbought position, and as such, would likely limit upside to the pair. On top of that, US CPI is set for release mid-week which will keep investors on their toes. Expectations are that core-CPI will hold steady at 3.3% y/y for October.

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	4.4061	4.4187	4.4313	4.4377	4.4441

USD/SGD



USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.3339 and trended up to 1.3356 at the point of writing. Daily outlook is neutral-to-slightly bullish given that it will be USD-driven strength today, facing R1 and R2 at 1.3379 and 1.3409 respectively. It will be data light today on the US front with the NFIB Small Business Optimism and New York Fed inflation expectations on deck.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3319	1.3338	1.3356	1.3379	1.3409

MYR Crosses

SGD/MYR

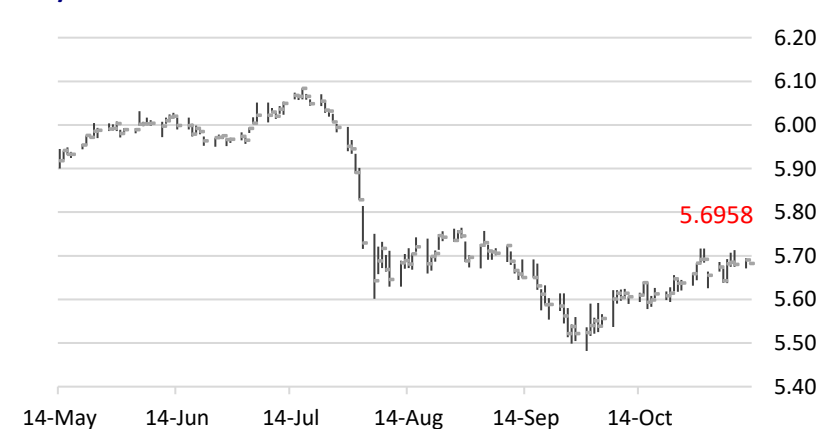


SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.07% lower at 3.3116 before rebounding to 3.3184 at the point of writing. Daily outlook is neutral-to-slightly bullish on SGD strength against regionals today, facing R1 and R2 at 3.3220 and 3.3268 respectively. Next key risk for this pair today will be Malaysia 3Q GDP print due end week.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3036	3.3105	3.3184	3.3220	3.3268

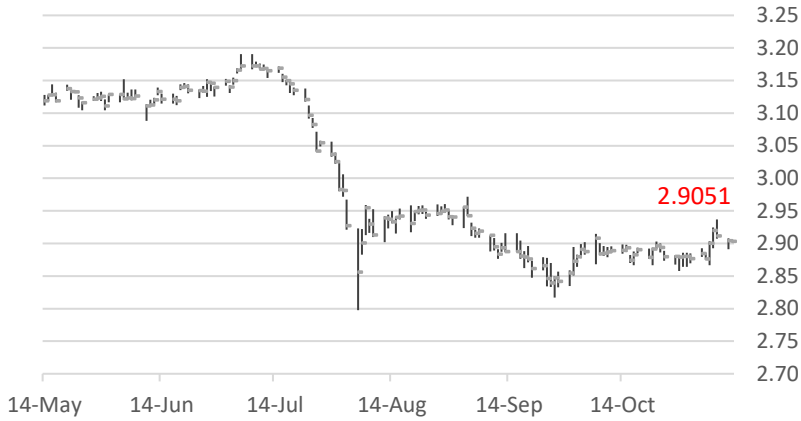
GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.12% lower at 5.6830 but quickly pared its losses and more to trade at 5.6958 at the point of writing. Daily outlook is neutral-to-slightly bullish today given GBP strength, but traders will likely brace for the latest round of UK wages and jobs data due later today. As it is, consensus is expecting softer numbers here, with unemployment rate expected to inch up slightly to 4.1% in September, while weekly earnings ex-bonus to ease to 4.7% y/y.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6711	5.6828	5.6958	5.7013	5.7080

AUD/MYR

AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.01% higher at 2.9040, spiked to as high as 2.9121 before losing its momentum again to trade at 2.9051 at the point of writing. Daily outlook is neutral-to-slightly bullish after a slew of positive prints from Down Under this morning. Notably, the NAB business confidence index rose to its highest since 2023, while the Westpac consumer confidence continued to climb, narrowing the gap to the 100 threshold which divides optimists and pessimists. Next up on deck is the Aussie’s wage and labour data, with some moderation anticipated.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8941	2.9009	2.9051	2.9133	2.9189

Source: Bloomberg, HLBB Global Markets Research

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