

12 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 4.4332 but slid to 4.4292 at the point of writing. Daily outlook is neutral-to-slightly bearish amid USD weakness this morning, likely due to some profit taking or consolidation after USD’s rally overnight. As it is, DXY retreated to 106.51 at the point of writing, but we believe losses likely are capped as we expect some hawkish signals from the FOMC meeting next week given Trump’s potentially inflationary policies.

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	4.4142	4.4236	4.4292	4.4386	4.4442

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3447 and slid to 1.3425 at the point of writing. Daily outlook is neutral-to-slightly bearish, and with key risk being the US jobless claims and PPI prints tonight. As it is, consensus is expecting initial claims to ease to 220k from 224k previously, while both headline and producer prices are expected to tick up to 2.6% y/y and 3.2% y/y respectively.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3372	1.3410	1.3425	1.3475	1.3502

MYR Crosses

SGD/MYR

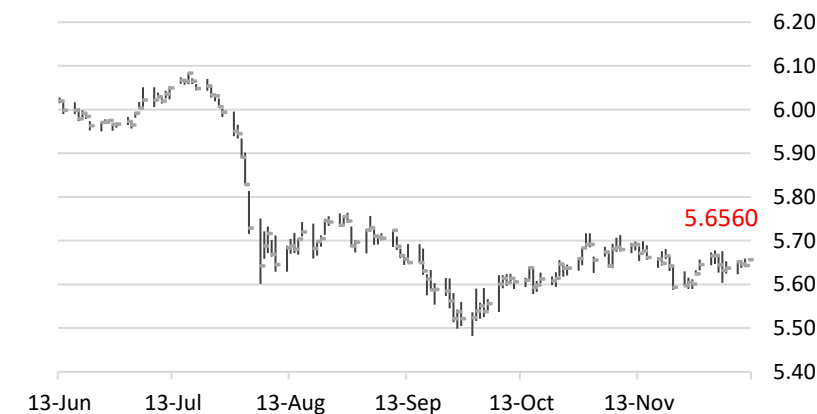


SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.13% higher at 3.3003 and traded sideways to 3.2997 at the point of writing. Daily outlook is neutral-to-slightly bullish on SGD strength against regionals today, facing R1 and R2 at 3.3067 and 3.3162 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2877	3.2919	3.2997	3.3067	3.3162

GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.28% higher at 5.6594, but shaved some of these gains to trade at 5.6560 at the point of writing. Daily outlook is neutral-to-slightly bullish as GBP/USD held firmly above the 1.2700 handle this morning and as GBP strengthened against all regionals. Next up is UK's monthly GDP for October, where expectations are that the economy will recover to +0.1% m/m from -0.1% m/m previously.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6289	5.6362	5.6560	5.6667	5.6856

AUD/MYR

AUD/MYR Bullish

AUD/MYR opened 0.57% higher at 2.8297 and strengthened to 2.8390 at the point of writing. Daily outlook is bullish on AUD strength against all regional and G10 currencies after Australia's labour data came in better than expected, underscoring resilience in the labour market and saw traders paring rate cut bets in the February's RBA meeting.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7970	2.8053	2.8390	2.8558	2.8861

Source: Bloomberg, HLBB Global Markets Research

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