

15 November 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts - Neutral

USD/MYR opened 0.01% lower at 4.4850 before trending down further to 4.4833 at the point of writing. We prefer to stay neutral for this pair today, pending the release of 3Q GDP for Malaysia, eyeing trading range between 4.4631-4.4989 today. It will also be a tug of war given its oversold position, while USD will continue to reverberate from the positive sentiment for the Dollar after Powell’s hawkish remark and higher than expected PPI print overnight.

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	4.4408	4.4631	4.4833	4.4989	4.5124

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3462 before trending down to 1.3451 at the point of writing. Daily outlook is neutral-to-slightly bearish on SGD strength this morning and as the pair trades near the overbought position and is well poised for correction. The pair will however be supported at 1.3422 (S1) and 1.3382 (S2) today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3382	1.3422	1.3451	1.3496	1.3528

MYR Crosses

SGD/MYR

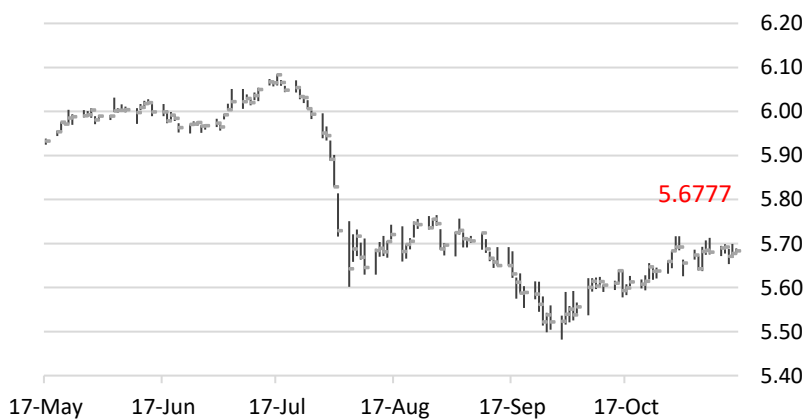


SGD/MYR Neutral

SGD/MYR opened 0.06% higher at 3.3319, strengthened to as high as 3.3380 before losing some of its momentum to trade at 3.3301 at the point of writing. As such and given that Malaysia's final 3Q GDP print is on deck at noon, we prefer to stay neutral and is eyeing trading range between 3.3146-3.3427 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2992	3.3146	3.3301	3.3427	3.3554

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.07% higher at 5.6810 before shedding some of these gains to trade at 5.6777 at the point of writing. We prefer to stay neutral for this pair pending the release of 3Q GDP prints for both Malaysia as well as the UK today, the latter expected to decelerate to 0.2% q/q from 0.5% q/q in 2Q while Malaysia 3Q GDP is expected to moderate to +5.3% from +5.9% y/y in 2Q.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6494	5.6632	5.6777	5.6949	5.8127

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


AUD/MYR opened 0.15% lower at 2.8951 and slid to 2.8937 at the point of writing. Daily outlook is neutral-to-slightly bearish because of this, eyeing S1 and S2 at 2.8878 and 2.8747 respectively. Other than Malaysia’s 3Q GDP, the next key risk for this pair will be the minutes to the latest RBA policy meeting. Data from China this morning was mixed, but remained sluggish, not boding well for AUD as well.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8747	2.8878	2.8937	2.9068	2.9140

Source: Bloomberg, HLBB Global Markets Research

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