

18 July 2024

**Global Markets Research**

**Daily Currency Outlook**

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral**

USD/MYR opened flattish at 4.6640 before trending up to 4.6670 at the point of writing. We prefer to stay neutral for this pair today, ahead of Malaysia’s export print, which is expected to slow to 3.3% y/y in June from 7.3% y/y previously. At the same time, sentiment towards the Dollar will be weighed down by Fed Governor Christopher Waller’s comment that the time for rate cut is nearing as well as concerns that Trump will push back against a strong greenback if he is re-elected in November. Key risk today will be the upcoming initial jobless claims and leading index on the US front.

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

The USD/MYR outlook is neutral-to-slightly bearish as the upside for the DXY appeared to have peaked with the recent rise in the Dollar, amidst cooling-but-still resilient signs of a labour market, forward looking data that suggests gradual weakening in economic conditions in 2Q. Nonetheless, Fed officials have repeated stressed the need for more good data on the inflation front, and as such, this should keep rate cut expectations and marked weakening in the Dollar, in check. Domestically, MYR will be supported by expectations for an extended pause in the OPR, as recovery in exports, sustained domestic demand and upside risk to inflation amid imminent subsidy cuts should shield BNM from any OPR cut.

	S2	S1	Indicative	R1	R2
USD/MYR	4.6556	4.6613	4.6670	4.6732	4.6820

### USD/SGD



### USD/SGD Neutral

USD/SGD opened flat at 1.3405, took a dive to 1.3392 before rebounding to 1.3409 at the point of writing. We have a neutral outlook for this pair, despite the pair closing the gap towards the slightly oversold territory and DXY recovering some of its losses at 103.78 at the point of writing.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3386	1.3397	1.3409	1.3417	1.3427

### MYR Crosses

#### SGD/MYR

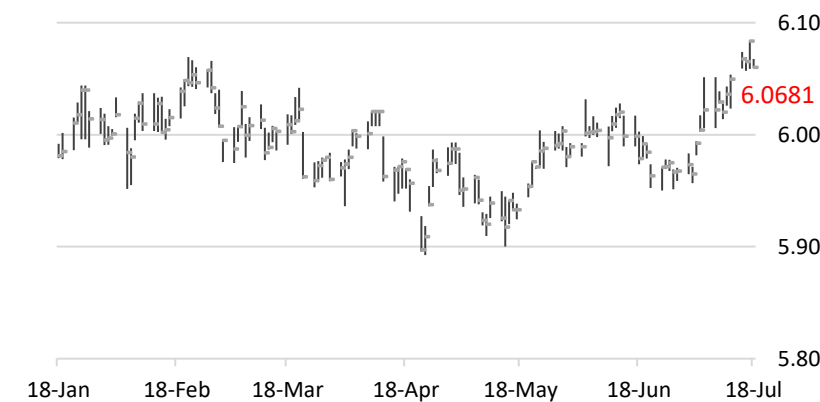


### SGD/MYR Neutral

SGD/MYR opened 0.03% lower at 3.4815 and slid to 3.4803 at the point of writing. Daily outlook is neutral with cautiousness ahead of Malaysia's trade numbers in mind and as both pairs weakening against their regional peers. We are eyeing trading range between 3.4762-3.4827 for this pair today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4730	3.4762	3.4803	3.4827	3.4860

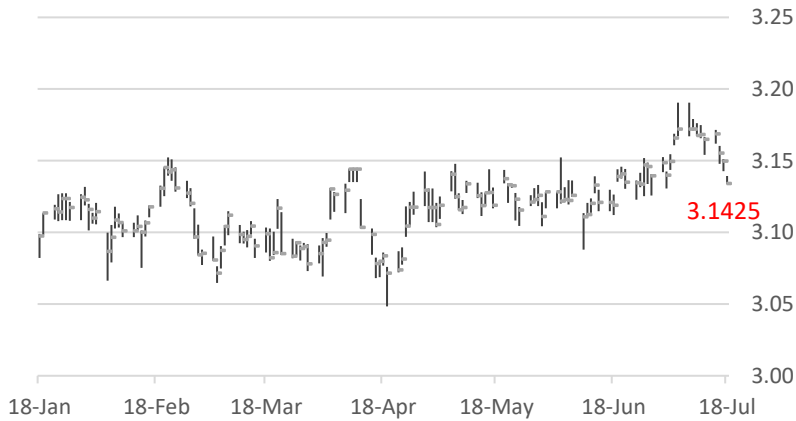
#### GBP/MYR



### GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.26% lower at 6.0677, traded within the 6.0596-6.0700 band before settling at 6.0681 at the point of writing. Daily outlook is neutral-to-slightly bearish given the lower opening and expecting profit taking as the pair veers towards slightly overbought territory. Capping losses is the higher than expected services inflation overnight, but today, we will be watching out for the labour indicators.

	S2	S1	Indicative	R1	R2
GBP/MYR	6.0462	6.0544	6.0681	6.0708	6.0790

**AUD/MYR**

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

AUD/MYR opened 0.33% lower at 3.1393 but took a spike to 3.1425 at the point of writing after Australia' employment change data for June unexpectedly improved and more than doubled street estimates. We have a neutral-to-slightly bearish outlook for this pair mainly on account of the lower opening, but expect losses to narrow throughout the day with the robust labor market bolstering expectations of the RBA's policy pause if not tightening initiative.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1260	3.1334	3.1425	3.1503	3.1624

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email:

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