

21 November 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.08% higher at 4.4750 but retreated to 4.4727 at the point of writing. We have a neutral outlook for the pair today. A risk-off environment will largely benefit USD rather than MYR, while higher Treasury yields overnight will also lend support to the Dollar. This will however be negated by its near overbought level. Next on deck is Malaysia’s CPI tomorrow, but today, we will be watching out for the US leading index, existing home sales and jobless claims figures, on top of the developments on the geopolitical tension front.

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	4.4616	4.4664	4.4727	4.4782	4.4865

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3430, traded within the 1.3418-1.3435 levels before settling at 1.3422 at the point of writing. We expect a subdued trading for the pair ahead of the release of final 3Q GDP print for Singapore tomorrow, hence a neutral outlook today, eyeing trading range between 1.3379-1.3465.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3328	1.3379	1.3422	1.3465	1.3500

MYR Crosses

SGD/MYR

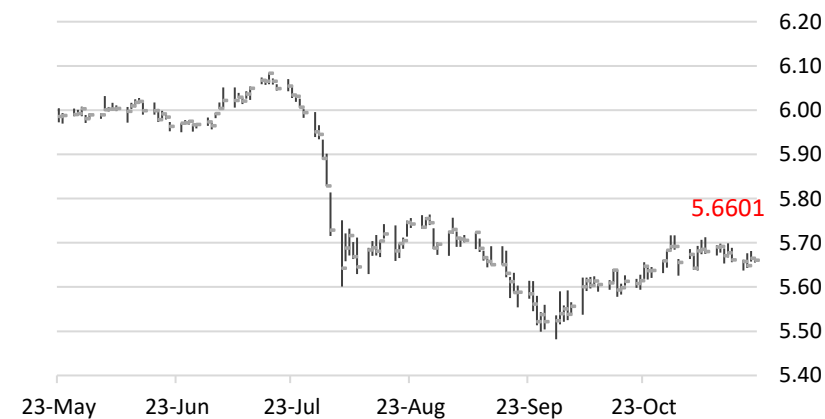


SGD/MYR Neutral

SGD/MYR opened 0.08% higher at 3.3330, rallied to as high as 3.3351 but lost its momentum and retreated to 3.3321 at the point of writing. Daily outlook, is thus, neutral, eyeing trading range between 3.3225 and 3.3420 today. Data wise, consensus is expecting Singapore's final GDP to be revised up to +4.7% y/y in 3Q, while Malaysia's inflation is expected to hold steady at 1.8% y/y for October. Both prints are scheduled for release on Friday.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3148	3.3225	3.3321	3.3420	3.3536

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.03% lower at 5.6634 and slid to 5.6601 at the point of writing. Daily outlook is neutral-to-slightly bearish as GBP/USD struggled to gain direction despite the higher-than-expected CPI prints overnight and after BOE's Dave Ramsden commented that he sees case for less gradual easing if the disinflation risks fade.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6440	5.6544	5.6601	5.6784	5.6920

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.10% higher at 2.9144 before retreating slightly to 2.9137 at the point of writing. Daily outlook is neutral-to-slightly bullish today given AUD strength, which saw AUD/USD folding firmly above its previous close at 0.6515 at the point of writing. Next key risk for Australia is the preliminary PMIs for November, due to be released early Friday morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8965	2.9039	2.9137	2.9244	2.9335

Source: Bloomberg, HLBB Global Markets Research

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