

23 July 2024

Global Markets Research

Daily Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral**

USD/MYR opened 0.05% lower at 4.6795 and slid further to 4.6788 at the point of writing. Daily outlook is neutral as investors remain cautious and uncertain on how Biden’s announcement could affect markets in the short run and as investors await the kickstart of this week’s meaningful economic data, starting with the existing home sales today and S&P PMIs tomorrow.

**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	4.6708	4.6756	4.6788	4.6851	4.6898

**USD/SGD**

**USD/SGD Neutral**

USD/SGD opened flat at 1.3460 and slid to 1.3450 at the point of writing. We prefer to stay neutral for this pair, but with downward bias given SGD strength this morning and eyeing trading range between 1.3341-1.3465 today.

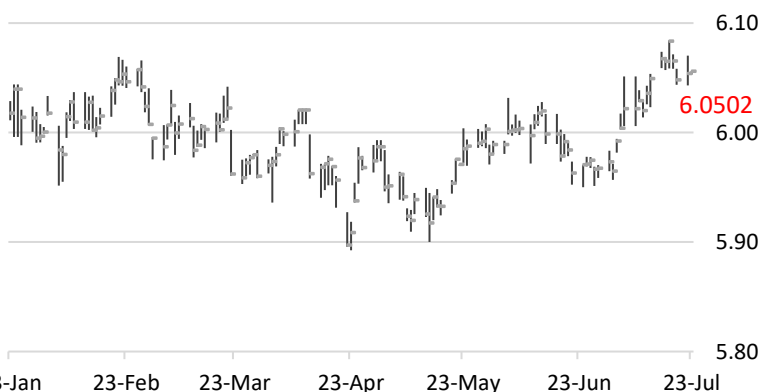
	S2	S1	Indicative	R1	R2
USD/SGD	1.3429	1.3441	1.3450	1.3465	1.3471

**MYR Crosses**
**SGD/MYR**

**SGD/MYR Neutral**

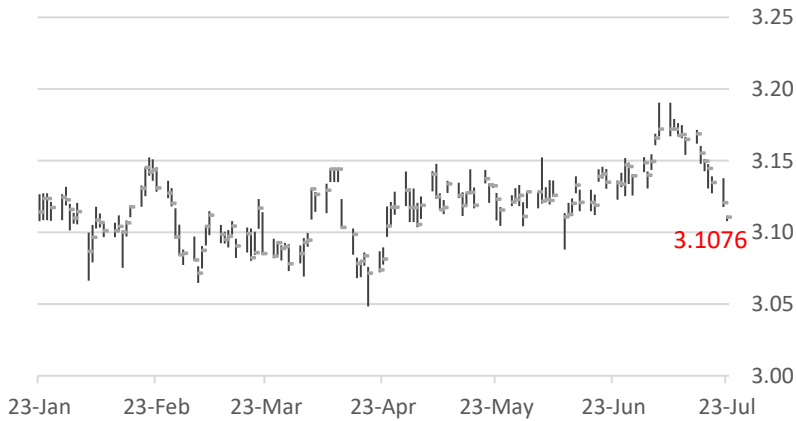
SGD/MYR opened 0.10% lower at 3.4785 but erased some of its losses to trade at 3.4788 at the point of writing. We prefer to stay neutral for this pair, eyeing trading range between 3.4766-3.4834 today as markets await June's inflation print, due to be released later today, where consensus is expecting CPI to ease to +2.7% y/y from 3.1% y/y previously, the last indicator before MAS's decision on Friday.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4738	3.4766	3.4788	3.4834	3.4869

**GBP/MYR**

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

GBP/MYR opened flat at 6.0541 and slid to 6.0502 at the point of writing. Daily outlook is neutral-to-slightly bearish on GBP weakness against regionals, and as GBP/USD largely traded sideways in the red just north of 1.2900 as markets take a breather from last week's rally. Wednesday's double-header of PMI data prints will be the first hurdle for this pair, with anticipation of upticks for both indices.

	S2	S1	Indicative	R1	R2
GBP/MYR	6.0452	6.0496	6.0502	6.0584	6.0628

**AUD/MYR**

**AUD/MYR Slightly Bearish**

AUD/MYR opened 0.40% lower at 3.1082, traded within the 3.1059-3.1116 band before settling at 3.1076 at the point of writing. Daily outlook is slightly bearish as AUD/USD continued to feel the rumble from the retreat in global industrial metal prices and growth concerns over China. Higher bond yields this morning, nevertheless, will help cap further losses for this pair today.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.1025	3.1047	3.1076	3.1108	3.1141

Source: Bloomberg, HLBB Global Markets Research

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