

27 June 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.11% higher at 4.7215 before erasing some of its gains to trade at 4.7180 at the point of writing. Daily outlook is neutral-to-slightly bullish as the weak JPY and higher UST yields continue to boost appetite for the Dollar, over its G10 peers as well as over regional currencies. Today, the pair will face headwinds from final US 1Q GDP, pending home sales as well as durable and capital goods orders data.

1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral 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, but also an uneven disinflation path which 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. The ongoing tension in the Middle-east could benefit both the USD and MYR, the latter benefitting from the higher oil prices, while the former benefitting from a safe-haven bid in the forex market.

	S2	S1	Indicative	R1	R2
USD/MYR	4.7105	4.7150	4.7180	4.7240	4.7285

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3580, strengthened to as high as 1.3595 before losing its lustre to trade at 1.3579 at the point of writing. We have a neutral outlook for this pair, eyeing trading range between 1.3567-1.3601 with the upbeat manufacturing output data expected to lend some support for SGD.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3550	1.3567	1.3579	1.3601	1.3618

MYR Crosses

SGD/MYR

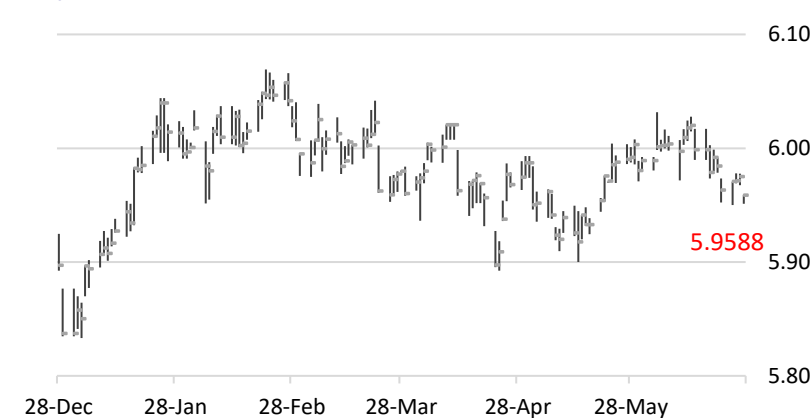


SGD/MYR Neutral

SGD/MYR opened 0.17% lower at 3.4706 but rebounded to 3.4751 at the point of writing. We have a neutral outlook for this pair, with expectations that SGD will narrow or recoup the losses from its lower opening given the upper momentum post opening. It will also be an empty economic calendar on both fronts and thus, no major catalyst for this pair today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4639	3.4686	3.4751	3.4781	3.4829

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.38% lower at 5.9522 before narrowing its losses to trade at 5.9588 at the point of writing. Daily outlook is neutral-to-slightly bullish as the GBP/USD remained pinned on the low side as the pair struggled to stay above 1.2600. Overnight, we saw the disappointing CBI retailing reported sales data which saw a larger than expected decline, and today, we will be watching out for BOE's latest Financial Stability Report.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.9407	5.9485	5.9588	5.9641	5.9719

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.41% lower at 3.1342 before paring some of its losses to trade at 3.1378 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of the lower opening but we expected losses to narrow as the faster than expected inflation print and consumer inflation expectations raises risks of RBA rate hike.

	S2	S1	Indicative	R1	R
AUD/MYR	3.1264	3.1316	3.1378	3.1420	3.1472

Source: Bloomberg, HLBB Global Markets Research

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