

30 September 2024

Global Markets Research

Daily Currency Outlook

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral-to-Slightly Bullish**

USD/MYR opened 0.08% lower at 4.1222 and plunged towards 4.0940 in early morning trading before recovering a touch to trade at 4.1047 at the point of writing. Daily outlook from here is neutral-to-slightly bullish with the pair now firmly entrenched in oversold territory. In terms of economic data, it's quiet domestically, while tonight in the US only regional Fed activity reports for September out of Chicago and Dallas are due. There will be comments from Fed Chair Powell and Fed Governor Bowman to keep an eye out for. Immediate support for the pair today is seen below at 4.0929 (S1), while initial resistance is seen at 4.1204 (R1) above.

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

The USD/MYR outlook is neutral-to-slightly bullish as the pair consolidates after the recent MYR rally, which has seen it move into oversold conditions. While expectations of broad USD weakness going forward should continue to play out in the medium term, with the currency weighed down by a cooling labour prints, further signs of disinflation and a gradual weakening in economic conditions, the USD could regain some ground in the short term. The Fed reduced interest rates by 50bps at the September FOMC meeting and indicated more cuts to come this year, with the dot plot pointing to a further reduction of another 50bps for the rest of the year. The market though is pricing in nearly another three 25bps cuts for the remaining 2 FOMC meetings for the year, and an adjustment to this pricing could lend some support to the USD in the near term. Domestically, the MYR will be supported by expectations for an extended pause in the OPR.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0800	4.0929	4.1047	4.1204	4.1351

## USD/SGD

### USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened 0.05% higher at 1.2816 but inched back lower to stand at yesterday's close of 1.2810 at the point of writing. Daily outlook for the pair today is neutral-to-slightly bullish, with no Tier-1 data scheduled out of Singapore today. Trading in the pair for the day should be contained in a range of 1.2783 (S1) and 1.2837 (R1).



	S2	S1	Indicative	R1	R2
USD/SGD	1.2756	1.2783	1.2810	1.2837	1.2864

## MYR Crosses

### SGD/MYR

### SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.16% higher at 3.2219 but plunged lower in early trading, losing its gains and more to stand at 3.2050 at the point of writing. Daily outlook from the current levels is neutral-to-slightly bullish for the day, with the cross now deep in oversold territory. Support below comes in at 3.1953 (S1) today, while resistance is expected above at 3.2187 (R1).

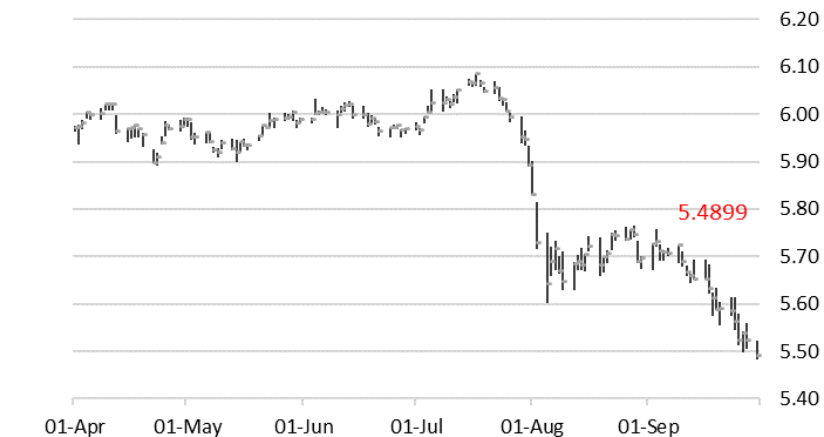


	S2	S1	Indicative	R1	R2
SGD/MYR	3.1857	3.1953	3.2050	3.2187	3.2325

### GBP/MYR

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

GBP/MYR opened flat at 5.5214 but dived lower together along with the USD/MYR in early morning trading to stand at 5.4899 at the point of writing. Daily outlook from the current level is neutral-to-slightly bullish, with final UK 2Q GDP, mortgage approval numbers for August and the house price report from Nationwide Building Society for September all due for release today.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.4588	5.4762	5.4899	5.5161	5.5393

**AUD/MYR**

**AUD/MYR Neutral**

AUD/MYR opened 0.46% higher at 2.8546 but plunged lower to 2.8382 at the point of writing. Daily outlook for the cross is neutral for today, with private sector credit growth in Australia for August coming in as per expectations this morning. Support is seen below at 2.8312 (S1) today, while some resistance is likely to emerge above at 2.8518 (R1).

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8226	2.8312	2.8382	2.8518	2.8638

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email:

**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis of a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.