

4 February 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bearish

USD/MYR opened 0.18% lower at 4.4653 and slid to 4.4575 at the point of writing. Daily outlook is slightly bearish given MYR strength following US pauses on tariffs, supported firmly at 4.4462 (S1) and 4.4072 (S2) today. Trading will nonetheless be volatile as investors await Trump’s call with President Xi of China, as well as more clarity/certainty if the tariff hikes will pan out at all. On the economic front, focus will be on the JOLTS job openings in a prelude to the NFP later this week. Consensus is expecting job openings to ease but remained strong at 8k for the month of December.

1-Month Outlook – USD/MYR Neutral

The one-month outlook for USD/MYR is neutral in our view, largely reflecting some consolidation after the recent rally in greenback, which saw DXY hitting its 2-year high above the 109-handle. This comes after Trump’s election win, that saw traders pencilling in more business friendly and inflationary policies going forward, the latter including the higher tariffs on Canada, Mexico and China recently. Coupled with solid economic environment, this saw traders pushing back the next rate cut to the July/September FOMC meeting. That said, the current Fed rate remains restrictive at this juncture, and as such, we opine that policy easing remains on track for the US. On the domestic front, BNM maintained the OPR at 3.00% as well as neutral policy stance in its latest monetary policy meeting. With no material changes in the policy statement, other than the mention of uncertainties and risks stemming from “more trade and investment restrictions,” this supports our view for an extended pause in the OPR in 2025, and in tandem with this, supportive of the MYR as well.

| | S2 | S1 | Indicative | R1 | R2 |
|---------|--------|--------|------------|--------|--------|
| USD/MYR | 4.4072 | 4.4462 | 4.4575 | 4.4988 | 4.5242 |

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3611, plunged to 1.3584 before rebounding to 1.3602 at the point of writing. With the pair still trading below its previous close, we have a neutral-to-slightly bearish outlook for this pair today. There will be no data on deck today, but investors will be watching out for the retail sales data later in the week.

| | S2 | S1 | Indicative | R1 | R2 |
|---------|--------|--------|------------|--------|--------|
| USD/SGD | 1.3528 | 1.3569 | 1.3602 | 1.3676 | 1.3742 |

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.54% higher at 3.2907 before paring gains to trade at 3.2765 at the point of writing. Daily outlook is neutral-to-slightly bullish, with gains from the higher opening expected to narrow on MYR strength, supported by risk-on environment following Trump's tariff delay.

| | S2 | S1 | Indicative | R1 | R2 |
|---------|--------|--------|------------|--------|--------|
| SGD/MYR | 3.2578 | 3.2653 | 3.2765 | 3.2879 | 3.3030 |

GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.87% higher at 5.5464 before paring some of these gains to trade at 5.5328 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, but expect gains to narrow on uncertainties over the upcoming BOE's monetary policy decision.

| | S2 | S1 | Indicative | R1 | R2 |
|---------|--------|--------|------------|--------|--------|
| GBP/MYR | 5.4658 | 5.4823 | 5.5328 | 5.5612 | 5.6089 |

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.98% higher at 2.7739 before making a retreat to 2.7655 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, but expect gains to narrow on AUD weakness this morning. This was despite the better-than-expected household spending print reported this morning on the Aussie front.

| | S2 | S1 | Indicative | R1 | R2 |
|---------|--------|--------|------------|--------|--------|
| AUD/MYR | 2.7184 | 2.7327 | 2.7655 | 2.7850 | 2.8183 |

Source: Bloomberg, HLBB Global Markets Research

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