

5 March 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.02% lower at 4.4645 and plunged to 4.4565 at the point of writing. Daily outlook is neutral-to-slightly bearish on MYR strength, on expectations that the BNM will maintain the OPR tomorrow, and after the Dollar took a beating overnight after US upheld its decision to raise its tariffs, sparked a trade war and raised concerns that the US economy could falter because of this. This saw the DXY retreating to back below the 106-handle overnight and this morning, a level not seen since November 2024, and could take another round of beating if the ISM-Services print due today echo recent economic data and surprised on the downside as well.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral for the USD/MYR waiting for more clarity on the ongoing trade war, the FOMC meeting scheduled on March 19-20, and as the pair consolidated from the 109 to 105 levels, after a slew of disappointing and weaker forward economic looking data. While the Fed held its ground at the January FOMC meet, pointing to the significant amount of uncertainty and its impact on both the economic and inflation, market traders not only brought forward their expectations for the next rate cut to June (prior: 3Q), but has since pencilled more rate cuts for the year, weighing on the Dollar. 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	4.4126	4.4365	4.4565	4.4722	4.4790

USD/SGD



USD/SGD Neutral

USD/SGD opened 0.01% lower at 1.3387 before rebounding to 1.3402 at the point of writing. We prefer to stay neutral for this pair today, pending the release of US ISM-Services, and Singapore's retail sales prints. Sentiments remain fragile as investors await for more clarity on the tariff front.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3312	1.3351	1.3402	1.3451	1.3512

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.43% higher at 3.3369 but quickly lost its lustre to 3.3250 at the point of writing. We prefer to stay neutral for this pair today awaiting Singapore's retail sales prints, where expectations is that it will ease to 2.1% y/y in January from +2.9% y/y previously.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3050	3.3137	3.3250	3.3298	3.3372

GBP/MYR

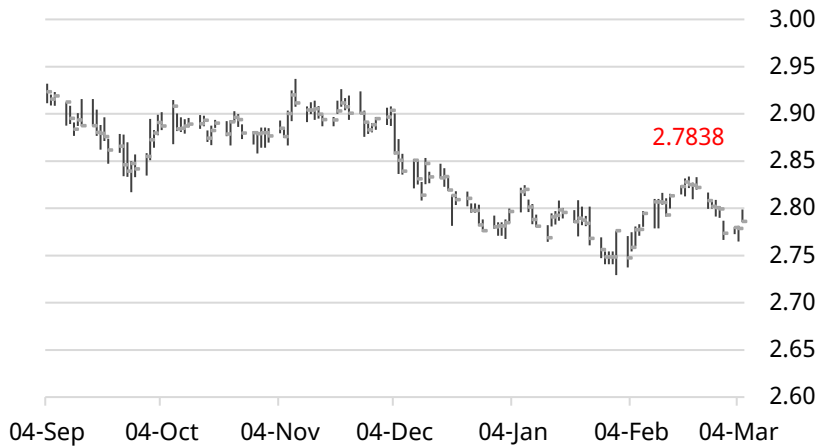


GBP/MYR Slightly Bullish

GBP/MYR opened 0.55% higher at 5.7135 before paring some of these gains to trade at 5.6912 at the point of writing. Daily outlook is slightly bullish as GBP/USD hit its highest since November 2024 overnight and continued to trade around the 1.2780 levels at the point of writing. That said, the pair is trading near its overbought position and will likely cap further gains for this pair today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6508	5.6664	5.6912	5.6931	5.7042

AUD/MYR



AUD/MYR Slightly Bullish

AUD/MYR opened 0.73% higher at 2.7986 before paring some of these gains to trade at 2.7838 at the point of writing. Daily outlook is slightly bullish given the higher opening and after its largest trading partner, China, reported better than expected Services PMI prints this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7573	2.7680	2.7838	2.7853	2.7922

Source: Bloomberg, HLBB Global Markets Research

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