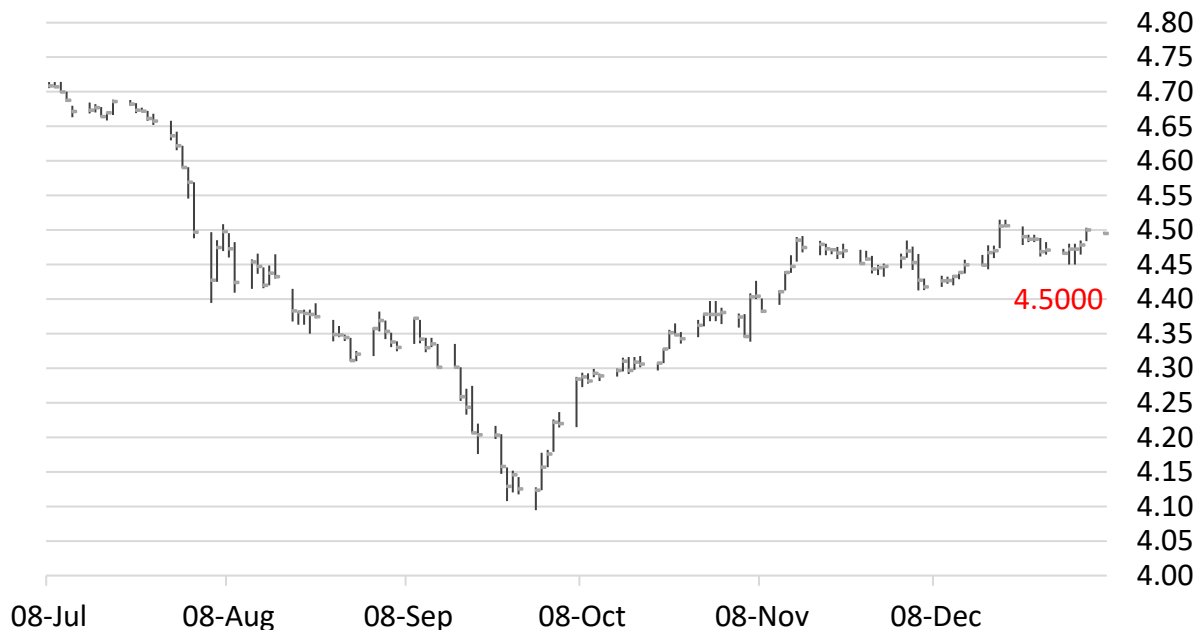


6 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.06% lower at 4.4975, trended up to as high as 4.5048 as cautious sentiment ahead of the PBoC fixing put downward pressure of some Asian currencies like MYR before paring some of these moves to trade at 4.5000 at the point of writing after PBoC maintained its support for the yuan with the daily fixing set at 7.1876. We have a neutral outlook for this pair today, as this week sees the release of the minutes of the Dec 18 FOMC meeting and a slew of labour market indicators prior to Friday's non-farm payroll for the US. On the domestic front, IPI is on deck later in the week.

1-Month Outlook – USD/MYR Neutral-to-Slightly Bearish

The USD/MYR outlook is neutral-to-slightly bearish in our view, largely reflecting some consolidation after the recent rally in greenback after Trump's win, and as traders continue to trade cautiously in the USD on uncertainties over the pace of rate cuts in view of Trump's potentially business friendly and inflationary policies going forward. While still healthy, labour data has inevitably cooled. Coupled with mixed economic data, there is no change in our view on easing monetary policy going forward, albeit at a slower than initially expected pace, narrowing the interest rate differentials between meeting next week given Trump's potentially inflationary policies. On the domestic front, favourable economic outlook and the delay in the implementation of RON95 subsidy retargeting to mid-2025 will further push back upside risks to inflation, reaffirming our view for an extended pause in the OPR probably through next year, supportive of the MYR and our neutral-to-slightly bearish outlook.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4765	4.4884	4.5000	4.5077	4.5151

USD/SGD



USD/SGD Neutral

USD/SGD opened 0.01% higher at 1.3704 before making a U-turn to 1.3694 at the point of writing. Daily outlook is neutral, but the softer S&P Singapore PMI for December (51.5 vs 53.9) this morning could potentially pose an upside risks to the pair today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3647	1.3674	1.3694	1.3729	1.3757

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.16% lower at 3.2793 before paring all its losses to trade at 3.2865 at the point of writing. Daily outlook is neutral-to-slightly bullish given SGD strength against regionals this morning, facing R1 and R2 at 3.2912 and 3.2976 respectively. It will be an empty economic calendar this morning, but MAS is set to release its monetary policy statement by end month.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2466	3.2636	3.2865	3.2912	3.2976

GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.04% higher at 5.5848 before strengthening to 5.5983 at the point of writing. Daily outlook is neutral-to-slightly bullish on GBP strength against regionals and as GBP/USD held steady above the 1.24 level. Today, we will see the final revision to its Services PMI, while BOE's Breeden is set for release later in the week.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5396	5.5612	5.5983	5.6096	5.6446

AUD/MYR
AUD/MYR Neutral-to-Slightly Bullish


AUD/MYR opened flat at 2.7961 before strengthening to 2.8038 at the point of writing. Amid AUD strength against G10 and regionals this morning, we have a neutral-to-slightly bullish outlook for this pair today. A data heavy week with CPI and retail sales in focus.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7783	2.7872	2.8038	2.8087	2.8239

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets
Level 8, Hong Leong Tower
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
Email:

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