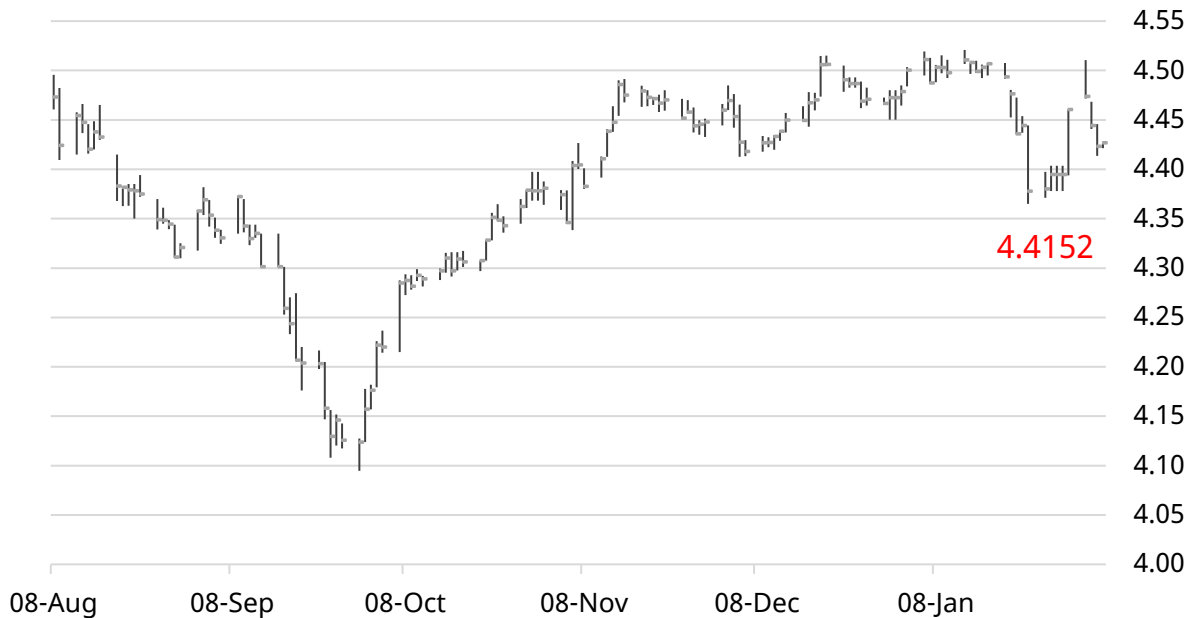


6 February 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.01% lower 4.4225 and slid to 4.4152 at the point of writing. Daily outlook is neutral-to-slightly bearish on MYR strength and USD weakness today, as the momentary reprieve from tariff tension and weaker than expected US ISM-Services do not bode well for the USD. With the private sector ADP hiring data still robust overnight, we will be watching out for the Challenger job cuts prints closely tonight ahead of the NFP tomorrow, which will likely cap losses for this pair today.

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	4.3951	4.4091	4.4152	4.4414	4.4597

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3484, whipsawed within a narrow range of 1.3478-1.3494 before settling at 1.3480 at the point of writing. Daily outlook is neutral, eyeing trading range between 1.3451-1.3528 today. It will be an empty economic calendar on the Singapore front for the rest of the week, thus any swings for this pair will largely be USD driven.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3418	1.3451	1.3480	1.3528	1.3572

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.08% higher at 3.2792 before paring all its gains to trade at 3.2748 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of MYR strength, benefitting from a risk-on mood in early Asian trade. The pair will however be firmly supported at 3.2655 (S1 level) today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2546	3.2655	3.2748	3.2872	3.2980

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.14% lower at 5.5285 and slid to 5.5229 at the point of writing. We have a neutral-to-slightly bearish outlook for this pair today, but losses likely capped as the GBP/USD largely drifts above the 1.2500 level in early morning trade ahead of BOE's monetary policy meeting today, where a 25bps rate cut is expected.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4931	5.5148	5.5229	5.5528	5.5691

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.07% higher at 2.7789 before making a retreat to 2.7744 at the point of writing. Daily outlook is neutral-to-slightly bearish on AUD weakness against regionals, weighed down by its narrower than expected trade surplus data this week and as a proxy to China.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7519	2.7644	2.7744	2.7933	2.8140

Source: Bloomberg, HLBB Global Markets Research

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