

7 March 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts - Neutral-to-Slightly Bullish

USD/MYR opened 0.01% lower at 4.4250, but quickly made a U-turn to 4.4350 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength against regionals, and as the DXY regained some grounds to trade above the 104.15 levels at the point of writing. That said, tariff uncertainty looms, US non-farm payroll (NFP) is on deck and risk sentiment is swinging profusely, and as such, likely to cap gains for this pair today. Market consensus is expecting gains in NFP to be higher at +160k in February as compared to +143k in January.

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 characterization of exports being “expected to expand at a more moderate pace” amidst global policy uncertainties, 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	4.3965	4.4110	4.4350	4.4445	4.4685

USD/SGD

USD/SGD Neutral

USD/SGD opened 0.01% higher at 1.3334, traded within the 1.3321-1.3337 range before settling at 1.3336 at the point of writing. We prefer to stay neutral for this pair today, in anticipation that any swings will likely be US NFP driven today, eyeing trading range between 1.3308-1.3349.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3282	1.3308	1.3336	1.3349	1.3364

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.01% higher at 3.3201 and strengthened further to 3.3252 at the point of writing. Daily outlook is neutral-to-slightly bullish as risk sentiment appears to be off at this juncture, boding well for SGD as compared to MYR today. Reaffirming our expectations is the weaker Asian equity markets today, and after MYR pared its gains even after leaving OPR unchanged.

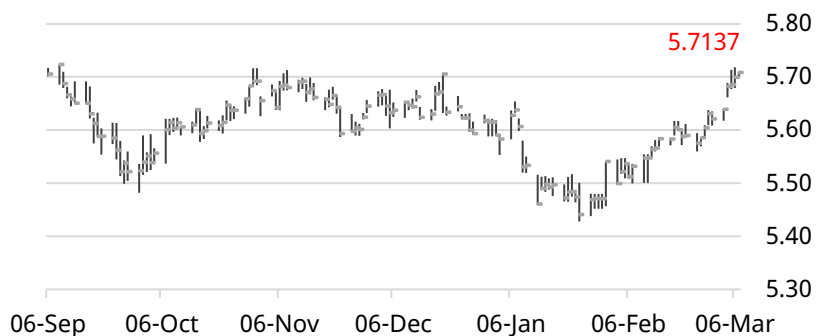


	S2	S1	Indicative	R1	R2
SGD/MYR	3.3007	3.3102	3.3252	3.3286	3.3375

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.05% higher at 5.7016 and strengthened to 5.7137 at the point of writing. Daily outlook is neutral-to-slightly bullish because of this, but upside seen limited given that the pair, as well as GBP/USD, has crossed the overbought position and should correct lower over the near term.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6201	5.6595	5.7137	5.7185	5.7383

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.01% lower at 2.8020 before inching up to 2.8024 at the point of writing. Daily outlook is neutral, as a risk-off mood does not bode well for both currencies, and as investors will likely stay cautious with Australia's largest trading partner China's trade numbers on deck today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7824	2.7924	2.8024	2.8114	2.8204

Source: Bloomberg, HLBB Global Markets Research

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