

8 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral-to-Slightly Bullish**

USD/MYR opened 0.02% higher at 4.4880 before strengthening to 4.4983 at the point of writing. Daily outlook is neutral-to-slightly bullish on the back of Dollar strength today, which saw the DXY spiralling upwards to 108.64 at the point of writing. This comes after the strong readings from the JOLTs job openings and ISM-Services overnight which saw traders reaffirming bets that the next rate cut will be in July and sending UST yields higher. However, with the FOMC minutes and another set of labour data on deck later today, we believe that traders will likely stay cautious, potentially capping upside for this pair.

**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	4.4700	4.4782	4.4983	4.5043	4.5214

### USD/SGD



#### USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.3642 before inching up to 1.3646 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength, facing R1 and R2 at 1.3674 and 1.3706 today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3556	1.3599	1.3646	1.3674	1.3706

### MYR Crosses

#### SGD/MYR

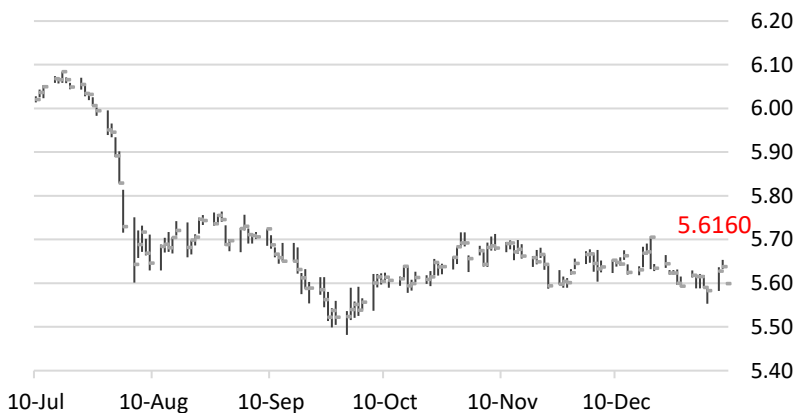


#### SGD/MYR Neutral

SGD/MYR opened 0.38% lower at 3.2882 before rebounding to 3.2976 at the point of writing. Daily outlook is neutral as we expect losses from the lower opening to narrow throughout the day, possibly even reverse, on expectations that the paring risk appetite will likely weigh on MYR rather than SGD.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2833	3.2929	3.2976	3.3064	3.3121

#### GBP/MYR



#### GBP/MYR Slightly Bearish

GBP/MYR opened 0.69% lower at 5.5985 before shaving some of these losses to trade at 5.6160 at the point of writing. Daily outlook remains slightly bearish although losses from the lower opening likely to narrow as GBP outperformed Asian currencies in early Asian trade.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5475	5.6002	5.6160	5.6498	5.6620

**AUD/MYR**

**AUD/MYR Bearish**

AUD/MYR opened 0.79% lower at 2.7976 before paring these losses slightly to trade at 2.7982 at the point of writing. Daily outlook is bearish given the lower opening and after AUD/USD erased earlier gains after Australia's core inflation eased and fans RBA rate cut bets in 2Q of this year.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7757	2.7954	2.7982	2.8255	2.8311

Source: Bloomberg, HLBB Global Markets Research

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