

14 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.28% lower at 4.4977 before paring some of these losses to trade at 4.5000 at the point of writing. Daily outlook is neutral-to-slightly bearish on USD weakness this morning, amid reports that Trump’s economic team are mulling more gradual tariff increases. Nonetheless, the DXY remains elevated above the 109-handle, and will thus, likely limit losses for this pair today. It will be data light, with only NFIB Small Business Optimism index up on deck and PPI prints, in a prelude to CPI numbers tomorrow.

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 policy win, that saw traders pencilling in more business friendly and inflationary policies going forward, while stronger than expected labour market data recently saw traders pushing back the next and only rate cut for 2025 to the October FOMC meeting. At its, the current Fed rate remains restrictive at this juncture, and as such, we opine that easing policy measures remains on track for the US. On the domestic front, favourable economic outlook and the implementation of RON95 subsidy retargeting in mid-2025 will likely keep MYR supported, as investors will most likely view the latter positively that the government is continuing to address its fiscal consolidation going forward.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4840	4.4983	4.5000	4.5187	4.5269

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3696, spiked to as high as 1.3719 before losing its momentum to trade at 1.3699 at the point of writing. As the pair has largely traded within the 1.3693-1.3700 range, and in the absence of fresh catalysts in Singapore, we prefer to stay neutral for this pair today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3657	1.3676	1.3699	1.3733	1.3711

MYR Crosses

SGD/MYR

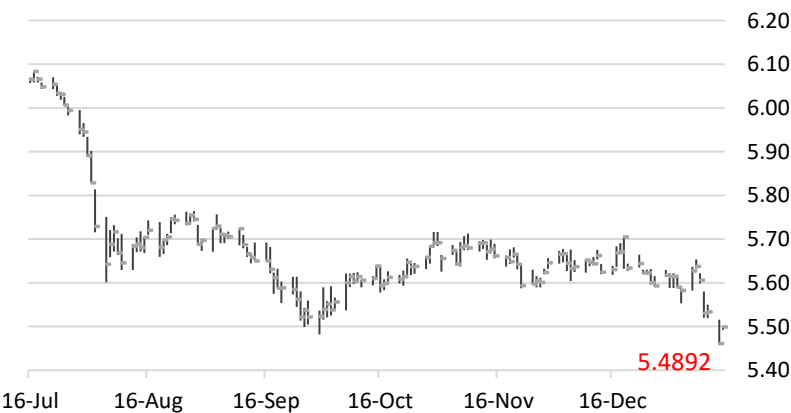


SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.47% higher at 3.2961 before paring some of these gains to trade at 3.2850 at the point of writing. Daily outlook is neutral-to-slightly bullish in anticipation that SGD will likely be less affected by more tariff hikes by the US, given Singapore's free trade agreement with the country.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2524	3.2689	3.2850	3.2914	3.3019

GBP/MYR



GBP/MYR Slightly Bullish

GBP/MYR opened 0.72% higher at 5.4997 before paring some of these gains to trade at 5.4892 at the point of writing. Daily outlook is slightly bullish given its higher opening and as GBP/USD stabilized around the 1.2200 level in early Asian trade and remains slightly oversold. Capping these gains are continuous jittery over UK's fiscal position as well as upcoming price prints tomorrow.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4196	5.4401	5.4892	5.5372	5.5960

AUD/MYR
AUD/MYR Slightly Bullish


AUD/MYR opened 0.55% higher at 2.7836, traded within the 2.7808-2.7881 range before settling at 2.7825 at the point of writing. Daily outlook is slightly bullish as the AUD/USD trades firmer at 0.6182 level at the point and as AUD continues to benefit from higher oil prices overnight.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7356	2.7612	2.7825	2.7899	2.8080

Source: Bloomberg, HLBB Global Markets Research

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