

15 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.11% lower at 4.5030 before paring some of these losses to trade at 4.5060 at the point of writing. We prefer to stay neutral ahead of US CPI today and while DXY stabilised between 109.21-109.27 levels in early morning trade, after weakening overnight following reports of more gradual tariff increases and the milder US PPI print. As it is, consensus is expecting core inflation to hold steady at 3.3% y/y in December, while headline is projected to accelerate 0.2ppts to 2.9% y/y, and any surprises on these fronts could see traders pushing back or bringing forward their rate cut bets, swaying USD.

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 September 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	4.4814	4.4927	4.5060	4.5116	4.5153

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3666 before strengthening to 1.3680 at the point of writing. We have a neutral outlook for this pair pending the release of US CPI, eyeing trading range between 1.3647-1.3701 today. Key risk for SGD remains on its monetary policy decision due by month end, while NODX print is set for release this Friday.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3629	1.3647	1.3680	1.3701	1.3737

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.13% higher at 3.2965 before quickly losing its momentum to trade at 3.2950 at the point of writing, weighed down by some SGD weakness. With this, we have a neutral outlook for this pair today, eyeing trading range between 3.2844-3.3040. On the local front, Malaysia's advanced 4Q GDP print is on deck this Friday, where expectation is that it will soften slightly to 5.2% y/y from 5.3% y/y previously.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2764	3.2844	3.2950	3.3040	3.3178

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.10% higher at 5.4954 before shedding some of these gains to trade at 5.4985 at the point of writing. We prefer to stay neutral for this today ahead of UK price prints, while noting that GBP/USD weakened to below the 1.2200 level at the point of writing. As it is, consensus is expecting headline CPI to hold steady at 2.6% y/y in December, but core to ease 0.1ppts to 3.4% y/y. PPI is also on deck, with output prices expected to register flat growth after contracting previously.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4707	5.4803	5.4985	5.5057	5.5215

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.15% lower at 2.7864 before paring some of these losses to trade at 2.7887 at the point of writing. Daily outlook is neutral-to-slightly bearish on AUD weakness today, which consequently saw the AUD/USD languishing in red at 0.6187 at the point of writing, and amid concerns over Australia's labour data tomorrow, where gains in employment change expected to decelerate sharply and unemployment rate to tick up 0.1ppts to 4.0% in December.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7609	2.7748	2.7887	2.7965	2.8026

Source: Bloomberg, HLBB Global Markets Research

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