

17 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 0.08% lower at 4.4323 and slid to 4.4298 at the point of writing. Daily outlook is neutral-to-slightly bearish on MYR strength today, supported by the upward revisions in Malaysia’s 4Q/2024 GDP print last Friday, and in anticipation of USD weakness following its weak retail sales print. It will be an empty economic calendar for the US and Malaysia today, but we will be watching out for the US-EU tension closely for any sways in sentiment as well FOMC meeting minutes this week.

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. Amid more signs of upside of inflationary risks and solid economic environment, this saw traders expecting the next rate cut only in the September FOMC meeting. That said, the current Fed rate remains slightly 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	4.4111	4.4246	4.4268	4.4437	4.4516

USD/SGD



USD/SGD Neutral

USD/SGD opened 0.11% higher at 1.3409 before erasing all its gains and more to trade at 1.3390 at the point of writing. Daily outlook is neutral in a tug of war between USD and SGD weakness today, appetite for the latter weighed down by the downward surprise in Singapore's NODX data this morning.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3338	1.3366	1.3390	1.3436	1.3478

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.06% higher at 3.3113 before retreating below its previous close to trade at 3.3062 at the point of writing. Daily outlook is, thus, neutral-to-slightly bearish, with resistance levels seen at 3.2976 (S1) 3.2856 (S2) today and the next key risk being Singapore's Budget tomorrow.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2856	3.2976	3.3062	3.3188	3.3283

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.02% lower at 5.5822 before sliding to 5.5760 at the point of writing. Daily outlook is, thus, neutral-to-slightly bearish with the next hurdles being UK's employment report, as well as the release of the UK price indices for January. There are also comments from the Bank of England Governor Andrew Bailey to look out for during the week.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5613	5.5724	5.5760	5.5909	5.5983

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.23% higher at 2.8194 before paring some of these gains to trade at 2.8154 at the point of writing. Daily outlook is neutral-to-slightly bullish on AUD strength, which saw AUD/USD trading in green at 0.6360. Gains will likely be capped amid cautiousness ahead of the RBA policy meeting tomorrow. As well as wage price indicator and monthly employment report later in the week.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7936	2.8031	2.8154	2.8250	2.8407

Source: Bloomberg, HLBB Global Markets Research

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