

18 February 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% higher at 4.4342 before trending up to 4.4000 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength this morning. DXY was seen trending up to 106.92 at the point of writing. This comes after Fed’s Waller comment that he favours a Fed rate pause until the inflation bump fades, supporting market’s view of an extended Fed pause until the September FOMC meeting but gains will likely be capped given cautiousness ahead of the FOMC meeting minutes later in the 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	4.4195	4.4266	4.4400	4.4445	4.4570

## USD/SGD



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

USD/SGD opened flat at 1.3416 before strengthening to 1.3428 at the point of writing. Daily outlook is neutral-to-slightly bullish solely on account of USD strength. Against other G10, SGD appears stronger in early Asian trade. Key risk today will be the unveiling of Budget 2025 for Singapore, where the government is expected to ramp up spending to support consumer spending heading into election year.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3359	1.3387	1.3428	1.3449	1.3494

## MYR Crosses

### SGD/MYR

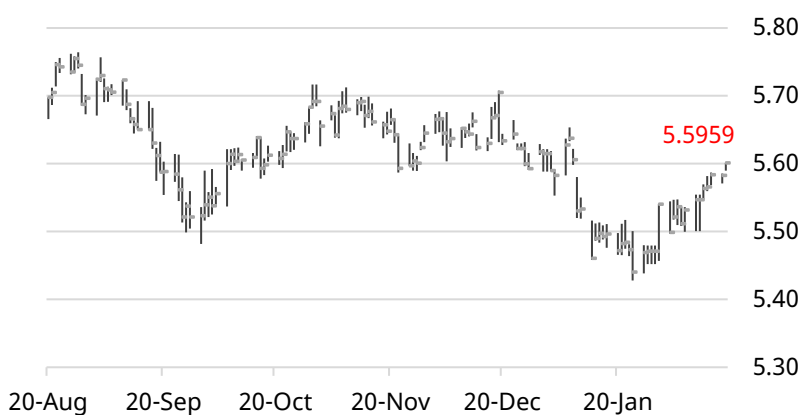


### SGD/MYR Neutral

SGD/MYR opened 0.03% lower at 3.3045, spiked to as high as 3.3092 before losing its lustre to trade at 3.3059 at the point of writing. With the pair largely trading sideways at the point of writing and cautiousness ahead the tabling of Singapore's budget, we have a neutral outlook for this pair eyeing trading range between 3.3011-3.3179 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2967	3.3011	3.3059	3.3179	3.3285

### GBP/MYR



### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.27% higher at 5.5978 before shedding some of these gains to trade at 5.5959 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening but gains likely capped given GBP weakness against USD, trading in the red at 1.2604 at the point of writing as well as on cautiousness ahead of UK's labour data prints today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5652	5.5740	5.5959	5.6090	5.6136

## AUD/MYR



### AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.13% lower at 2.8191 and trended down to 2.8157 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD appears to have traded on a weaker note ahead of RBA's decision today where a 25bps is widely expected, but we will be watching out for the monetary policy statement for guidance on decisions going forward.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8014	2.8110	2.8157	2.8265	2.8302

Source: Bloomberg, HLBB Global Markets Research

**Hong Leong Bank Berhad**

Fixed Income & Economic Research, Global Markets  
Level 8, Hong Leong Tower  
6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel: 603-2081 1221  
Fax: 603-2081 8936  
Email:

**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.