

20 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 flat at 4.5065 before sliding to 4.5020 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of USD weakness, as investors turn cautious ahead of President Trump’s inauguration and immediate slew of executive orders that may be announced, which may include measures on tariffs and immigration. As far as economic data is concerned, Malaysia will see the release of its December external trade data today where a pick-up is expected. Meanwhile, Leading Index will take centre stage in the US, while we entered the pre-FOMC blackout period which began over the weekend.

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 tamer than expected US PPI and CPI bringing forward the next and only rate cut for 2025 to the July 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	4.4905	4.4985	4.5020	4.5110	4.5155

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened 0.07% lower at 1.3675 and slipped further to 1.3662 at the point of writing. Daily outlook is neutral-to-slightly bearish given USD weakness, but losses likely capped as traders remains divided on a MAS pivot at the end of the week. With this, we expect the pair to be firmly supported at 1.3654 (S1) and 1.3624 (S2) today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3624	1.3654	1.3662	1.3708	1.3732

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.05% lower at 3.2958 before sliding to 3.2951 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of the lower opening and downward trajectory subsequent to that, but losses likely capped given cautiousness ahead of Malaysia's trade numbers due at noon, after the disappointing advanced GDP print released last Friday.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2837	3.2905	3.2951	3.3016	3.3059

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.17% lower at 5.4868 and pared some losses to trade at 5.4881 at the point of writing. Daily outlook is neutral-to-slightly bearish given that GBP/USD continues to trade below the 1.2200 level and on expectations that the sterling will be weighed down by the weak retail sales print last Friday. UK labour data will be closely watched his week.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4597	5.4781	5.4881	5.5128	5.5291

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.09% lower at 2.7929, slid to 2.7910 before rebounding to 2.7948 at the point of writing. Daily outlook is neutral, with the lower opening offset by AUD strength today, the latter seeing the AUD/USD trending up above the 06200 level. It will be quiet on the economic front for Australia, but better than expected 2024 GDP print for China, its largest trading partner, last Friday will likely whet appetite for AUD this week.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7837	2.7896	2.7948	2.8008	2.8061

Source: Bloomberg, HLBB Global Markets Research

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