

20 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 0.03% higher at 4.4445 before erasing all its gains to trade at 4.4375 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of MYR strength and USD weakness today, with the DXY trending down towards the 107-handle at the point of writing. Focus today will be on speeches by Fed’s Goolsbee, Barr and Musalem which could offer more insights on the policy rates going forward. On the data front, US leading index and jobless claims are on decks, as well as Malaysia’s trade numbers.

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	4.4173	4.4315	4.4375	4.4516	4.4599

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3429 before sliding to 1.3415 at the point of writing. Daily outlook is neutral-to-slightly bearish given USD weakness, with support levels observed at 1.3394 (S1) and 1.3363 (S2) today. It will be an empty economic calendar on the Singapore front for the rest of the week, hence, any swings to this pair will be USD driven.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3363	1.3394	1.3415	1.3443	1.3456

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.02% lower at 3.3085 before inching down to 3.3080 at the point of writing. Daily outlook is neutral, pending the release of Malaysia's trade print, where expectations is that export and import growth will moderate to 5.0% y/y and 2.5% y/y respectively in January.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2929	3.3024	3.3080	3.3152	3.3214

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.15% lower at 5.5921 before sliding to 5.5854 at the point of writing. Daily outlook is neutral-to-slightly bearish as GBP lost its allure despite the pick-up in UK's CPI, where the uptick was partially due to seasonal and one-off factors, and as such, does not change the broad disinflation trend and BOE's easing path.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5270	5.5679	5.5854	5.6122	5.6240

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.25% lower at 2.8177 and slid to 2.8116 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD/USD remains weak at 0.6333 despite the broadly better than expected Australia's labour data this morning. Labour gains slowed less than expected, while the uptick in unemployment rate was largely due to higher labour force participation rate.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7888	2.8022	2.8116	2.8318	2.8388

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad

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

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