

23 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.03% higher at 4.4370 before strengthening to 4.4430 at the point of writing. Daily outlook is neutral-to-slightly bullish on MYR weakness, likely due to some profit taking after Ringgit strength yesterday. Just a recap, MYR strengthened after BNM maintained the OPR and its neutral stance, while USD continued to be partially supported by modest tariff hike expectations. Data wise, the US leading index edged down marginally overnight, while today, only the Kansas City Fed Manufacturing Activity index will be on deck, unlikely to sway the pair today.

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 2. 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	4.4105	4.4232	4.4430	4.4606	4.4853

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.3555, traded within 1.3542-1.3559 range before settling back at opening levels. We prefer to stay neutral ahead of Singapore's CPI today and MAS' policy decision tomorrow, eyeing trading range between 1.3520-1.3576 today. As it is, consensus is expecting inflationary pressures to ease slightly for December, but remains divided on MAS policy stance, ie status quo or to ease.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3486	1.3520	1.3555	1.3576	1.3598

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.18% lower at 3.2739 before paring some of these losses to trade at 3.2776 at the point of writing. Daily outlook is neutral, with the lower opening likely to narrow following MYR weakness today, and on cautiousness ahead of MAS' decision. We are eyeing trading range between 3.2704-3.2965 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2610	3.2704	3.2776	3.2965	3.3132

GBP/MYR

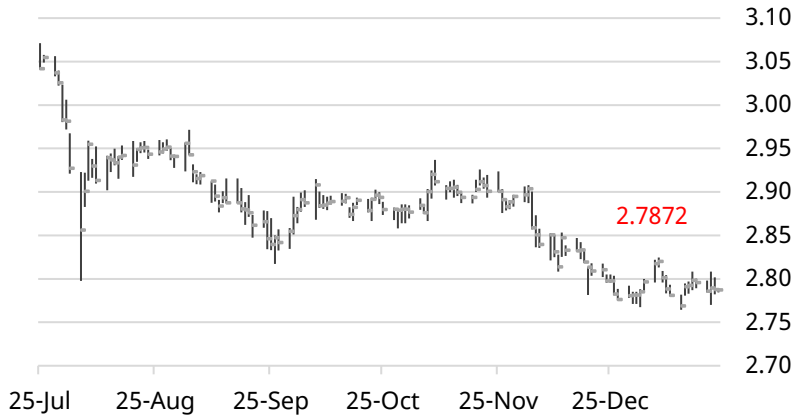


GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.20% lower at 5.4727 and slid to 5.4687 at the point of writing. We have a neutral-to-slightly bearish call for this pair today given sterling weakness, marred by stagflation risk and after Britain ran a bigger-than-expected budget deficit. That said, the pair is trading close to its oversold territory, and as such, will likely cap losses for this pair today. Next up on deck is UK PMIs due tomorrow.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4494	5.4667	5.4687	5.5092	5.5344

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.01% higher at 2.7877, whipsawed between 2.7838-2.7882 before settling at 2.7872 at the point of writing. With this, we prefer to stay neutral for this pair today, with key risks being Aussie's PMI tomorrow morning. That said, China's latest stimulus for the equity markets will likely boost sentiment for CNH, and likely AUD as well, posing upside rise to our outlook today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7703	2.7788	2.7872	2.7990	2.8107

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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