

26 March 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.02% higher at 4.4367 before making a retreat to 4.4260 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of MYR strength, largely supported by a slight risk-on mood appetite in the global equity markets, and yet, a haven appeal amongst emerging markets investors given its political and policy stability, the latter especially in view of the recent sell-off in IDR and Turkish lira. It will be an empty economic calendar for Malaysia today, but US will release its durable and capital goods orders later today.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR, expecting the DXY to consolidate after falling from 109 to 103 levels currently, firmly supported by still solid economic and labour market indicators, which will likely offset the slightly less upbeat outlook from recent FOMC statement. The FOMC left rates unchanged at its latest FOMC meeting despite heightened tariff risks and downward revisions in its GDP forecasts, maintaining its 50bps rate cut view for each of 2025 and 2026 as per dot plot. Core-PCE prices, meanwhile, was revised higher but is expected to stay transitory, capping any significant upside for this pair. On the domestic front, BNM maintained the OPR at 3.00% and neutral policy stance in its latest monetary policy meeting. With no material changes in the policy statement, other than the characterization of exports being “expected to expand at a more moderate pace” amidst global policy uncertainties, we affirm our view for an extended pause in the OPR in 2025, and in tandem with this, lending support for the MYR in the month ahead.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4052	4.4202	4.4260	4.4423	4.4487

USD/SGD



USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.3361 before inching up to 1.3372 at the point of writing. Daily outlook is neutral-to-slightly bullish amid SGD weakness, possibly weighed down by concerns that Singapore's IPI print could disappoint later today. That said, the weak US consumer confidence print will likely cap gains for the Dollar and this pair.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3320	1.3340	1.3372	1.3390	1.3420

MYR Crosses

SGD/MYR

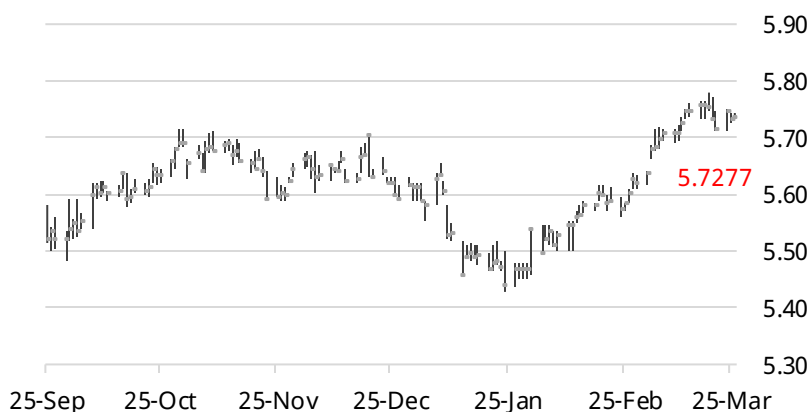


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.11% higher at 3.3200 before making a sharp retreat to 3.3100 at the point of writing. Daily outlook is neutral-to-slightly bearish given MYR strength and SGD weakness, expecting the pair to be firmly supported at 3.3085 (S1) and 3.3011 (S2) today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.3011	3.3085	3.3100	3.3197	3.3223

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.11% higher at 5.7424, but made a U-turn to 5.7277 at the point of writing. Daily outlook is neutral-to-slightly bearish, as City traders appear to be selling GBP ahead of the Spring Statement, reflected in the extended decline in GBP this morning. Data wise, UK's CPI is up on deck today, and expectations is that headline will hold steady in February.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6999	5.7176	5.7277	5.7445	5.7530

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.13% higher at 2.7975, but erased all its gains to trade at 2.7875 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD/USD tumbled below the 0.6300 level at the point of writing following the softer inflation prints this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7750	2.7833	2.7875	2.7969	2.7999

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.