

27 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 0.02% lower at 4.3767 before trending lower to 4.3741 at the point of writing. We have a neutral-to-slightly bearish outlook given MYR strength today after Moody’s affirmed its A3 ratings for Malaysia and its stable outlook. Capping losses is nonetheless cautiousness ahead of the FOMC meeting and as the pair trades near its oversold position today. As it is, consensus is pencilling a status quo for the Fed but before that, we will be watching out for the US new home sales data 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 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. 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, 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	4.3162	4.3468	4.3741	4.4263	4.4752

USD/SGD



USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened 0.01% higher at 1.3464 before trending up to 1.3480 at the point of writing. Daily outlook is neutral-to-slightly bullish given the upper trajectory post opening. It will be data light on the Singapore front this week, with only the unemployment rate on deck.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3359	1.3411	1.3480	1.3547	1.3631

MYR Crosses

SGD/MYR

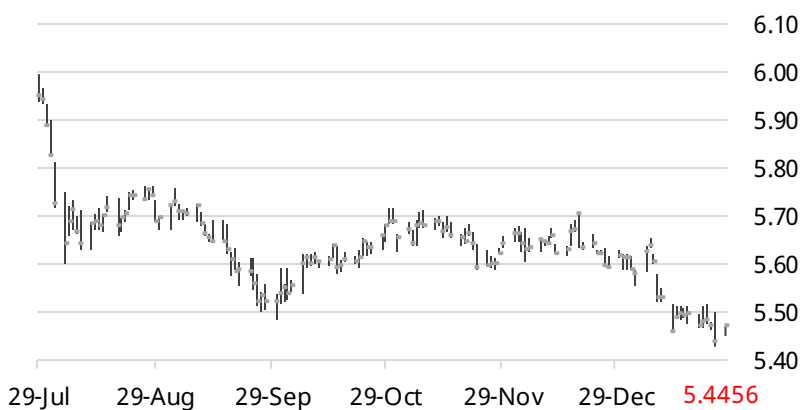


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.17% lower at 3.2446, traded within the 3.2439-3.2644 level before settling at 3.2447 at the point of writing. Daily outlook is neutral-to-slightly bearish given SGD weakness against regionals today, with S1 and S2 seen at 3.2347 and 3.2192 respectively.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2192	3.2347	3.2447	3.2752	3.3002

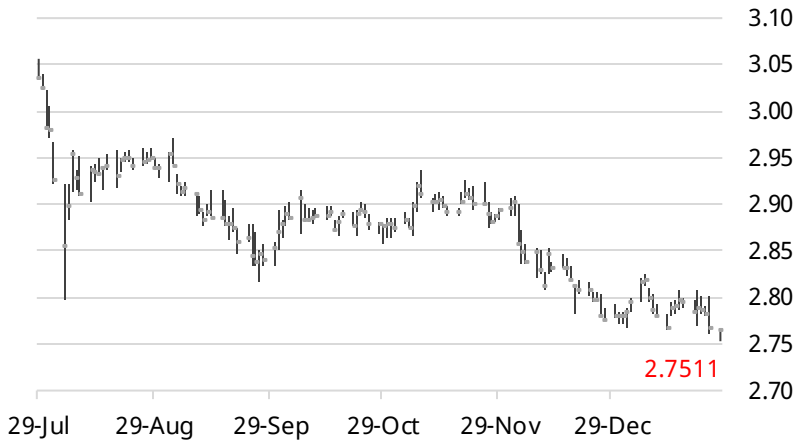
GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.19% higher at 5.4507 before paring some of these gains to trade at 5.4456 at the point of writing. Daily outlook is neutral-to-slightly bullish given the strong opening after UK's Composite PMI beat forecasts, but expect gains to narrow as GBP/USD trades in negative bias around the 1.2450 level at the point of writing.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.3836	5.4119	5.4456	5.4846	5.5290

AUD/MYR

AUD/MYR Slightly Bearish

AUD/MYR opened 0.50% lower at 2.7538 and slid to 2.7511 at the point of writing. Daily outlook is slightly bearish on AUD weakness today, but losses likely capped given that the pair is veering towards oversold. The quarterly CPI numbers for 4Q24 will take centre stage, which likely loom large in RBA's next monetary policy meeting.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6947	2.7357	2.7511	2.7927	2.8177

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