

28 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 0.03% lower at 4.4303 and slid to 4.4298 at the point of writing. Daily outlook is neutral-to-slightly bearish on account of slight MYR strength today, but losses like capped given policy uncertainty on the trade front and cautiousness ahead of the US core-PCE prints due to be released later today. As it is, expectations are that core will inch up slightly to +2.7% y/y in February from +2.6% y/y previously. All eyes will also be on personal spending, where expectations are that it will rebound ahead of the tariff hikes and mirroring its retail sales print.

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	4.4202	4.4260	4.4298	4.4394	4.4470

USD/SGD

USD/SGD Neutral

USD/SGD opened 0.01% lower at 1.3396, traded within a narrow range of 1.3391-1.3404 before settling at its opening level again. We prefer to stay neutral today pending the release of the US core-PCE prints this evening and 2nd April deadline for the tariffs, and as Singapore heads for the long weekend.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3355	1.3376	1.3396	1.3417	1.3437

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.04% higher at 3.3092 before erasing all its gains to trade at 3.3066 at the point of writing. Daily outlook is neutral, with investors largely staying sideline ahead of the US core-PCE prices and long weekend, reflected in a narrow trading range between 3.3043-3.3097 at the point of writing.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.2960	3.3019	3.3066	3.3139	3.3200

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.25% higher at 5.7397, before paring some of these gains to trade at 5.7354 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, but gains likely capped given UK's 4Q GDP is up for revision today, while a disappointing retail sales will not bode well for GBP.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6915	5.7085	5.7354	5.7491	5.7779

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.10% lower at 2.7925 and slid to 2.7878 at the point of writing. Daily outlook is neutral-to-slightly bearish given AUD weakness, eyeing support levels at 2.7767 (S1) and 2.7598 (S2) today. Key risk for the Aussie is the retail sales print and RBA's policy decision next Tuesday, followed by sentiment ahead of May 3rd election.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7598	2.7767	2.7878	2.8030	2.8105

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.