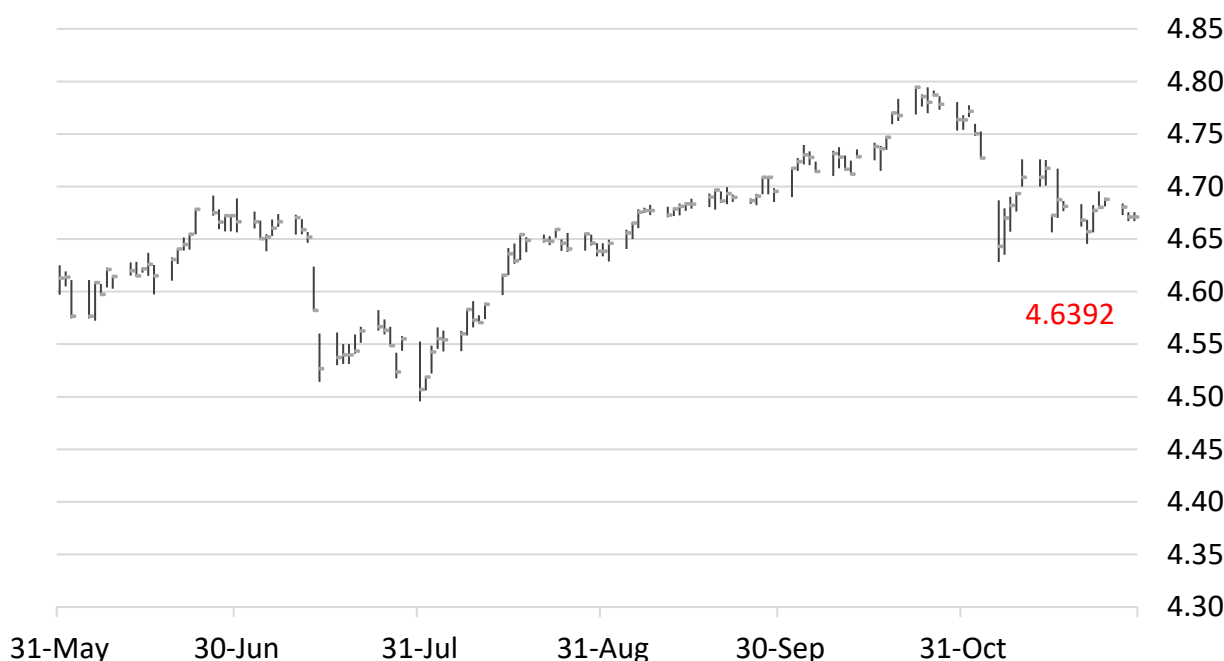


29 November 2023

## Global Markets Research

### Daily Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts –Bearish

USD/MYR opened 0.41% lower at 4.6520 before sliding to 4.6392 at the point of writing. Daily outlook is bearish after USD sank to its 3-months low after Fed Governor Christopher Waller expressed confidence that the policy rate is “currently well positioned” to slow the economy and bring inflation back to 2.0%. His comments raised hopes that the Fed is done raising rates and will cut rates in 1H of 2024, sending the Dollar weakening against all its G10 peers and most regionals. Tonight, we will be watching out for the second reading of the 3Q GDP and Fed Beige Book.

#### 1-Month Outlook – USD/MYR Neutral-to-Slightly Bullish

The USD/MYR 1-month outlook is neutral-to-slightly bullish. Although the latest Fed dot plot points to one more 25bps Fed hike this year and Fed speaks and the latest FOMC minutes have remained hawkish, we noted renewed weakness in US economic data and sharper than expected deceleration in inflation. With the latest CPI print coming in lower than expected and retail sales falling m/m for the first time in 7 months, we have scaled down Fed rate hike bets and now expects the Fed funds rate to have peaked at the current 5.25-5.50%. Although expectations for a steady Fed funds rate will exert downward pressure on the USD, haven demand in an uncertain environment will limit downside in the greenback in our view. Meanwhile on the domestic front, MYR will be supported by expectations for an extended pause in OPR. BNM maintained a neutral stance in its latest MPC statement, highlighting that the prevailing OPR level is consistent with the current assessment of the inflation and growth outlook.

	S2	S1	Indicative	R1	R2
USD/MYR	4.6155	4.6293	4.6392	4.6481	4.6570

## USD/SGD



### USD/SGD Slightly Bearish

USD/SGD opened flat at 1.3312 before falling to 1.3287 at the point of writing. Daily outlook is slightly bearish as regional currencies will enjoy the tailwind of a weaker USD. This pair, will nonetheless, be supported at 1.3269 (S1) and 1.3241 (S2) respectively.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3241	1.3269	1.3287	1.3305	1.3323

## MYR Crosses

### SGD/MYR



### SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.43% higher at 3.5114 but quickly pared all its gains to trade at 3.4918 at the point of writing. Daily outlook is neutral-to-slightly bearish with MYR expected to outperform SGD on risk on sentiment after Waller signalled an end to Fed's rate hike.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4531	3.4752	3.4918	3.5058	3.5197

### GBP/MYR

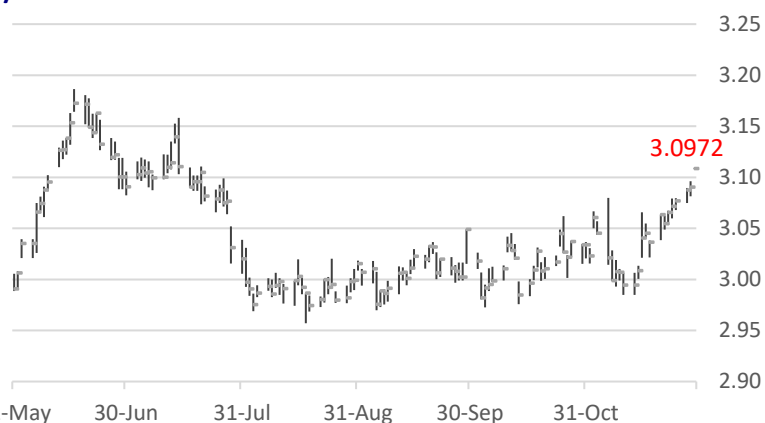


### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.67% higher at 5.9383 before paring some of its gains to trade at 5.9057 at the point of writing. Daily outlook is neutral-to-slightly bullish as GBP/USD strengthened in early morning trade to 1.2725 at the point of writing, supported by BOE Deputy Governor Dave Ramsden's comments that monetary policy must remain restrictive to curb inflation.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.8377	5.8761	5.9057	5.9294	5.9530

## AUD/MYR



## AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.61% higher at 3.1088, slid to as low as 3.0860 before recovering to 3.0972 at the point of writing. Daily outlook is slightly bullish as AUD/USD remained strong, trading at 0.6671 despite the softer than expected CPI print this morning that showed bigger than expected easing to +4.9% y/y in October (Sep: +5.6% y/y).

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0739	3.0851	3.0972	3.1084	3.1202

Source: Bloomberg, HLBB Global Markets Research

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