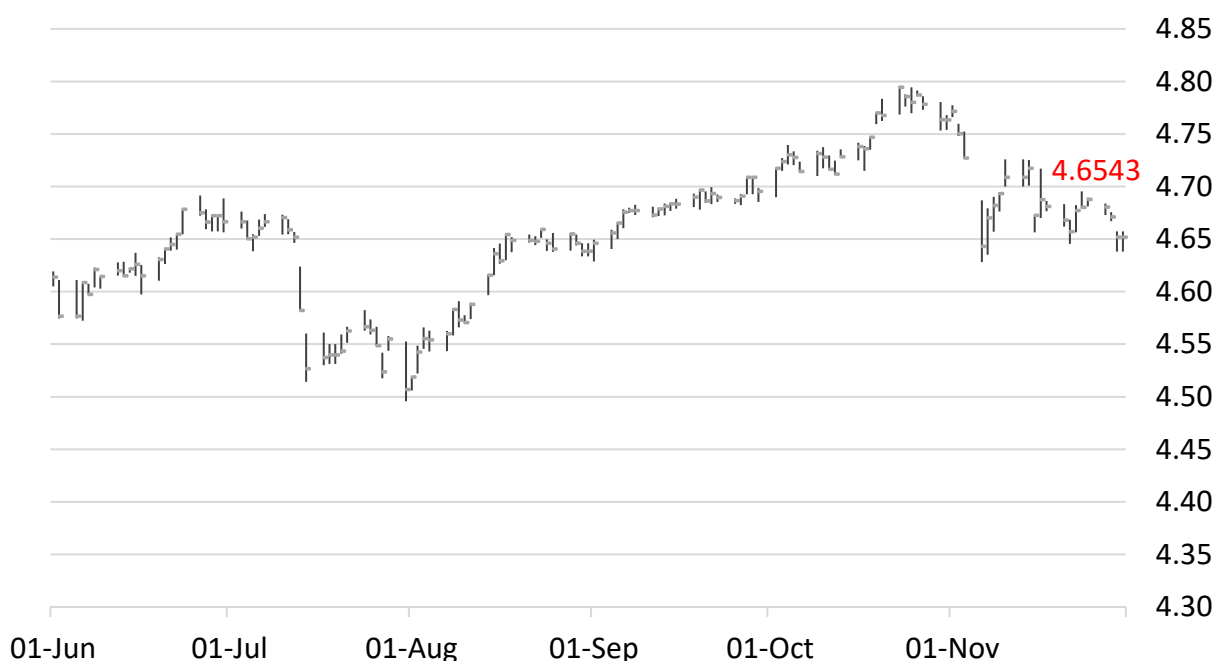


30 November 2023

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts –Neutral

USD/MYR opened 0.04% lower at 4.6500 before turning around and strengthened to 4.6543 at the point of writing. Mirroring overnight performance, we expect trading to be largely mild ahead of the highly tracked US core-PCE prices tonight, where expectations are that it will ease to +3.5% y/y in October from +3.7% y/y the prior month. Other data on deck tonight will include pending home sales as well as weekly jobless claims. We have a neutral outlook for this pair, eyeing trading range between 4.6483-4.6587.

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

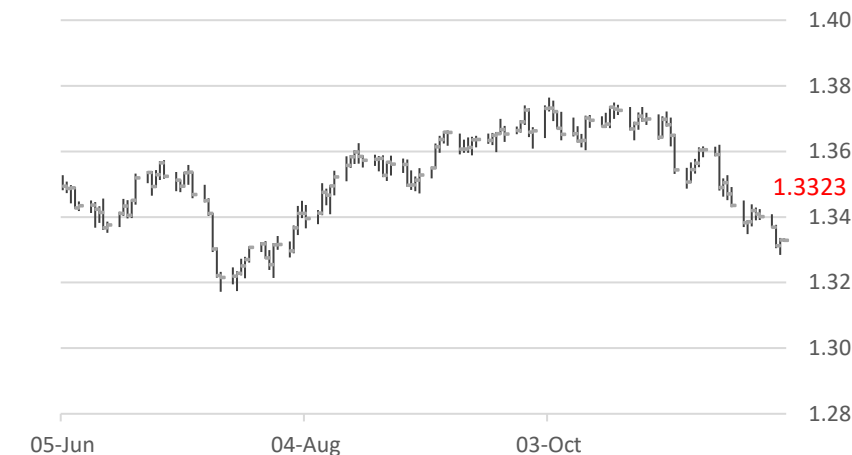
The USD/MYR 1-month outlook is neutral-to-slightly bullish. Although the latest Fed dot plot points to one more 25bps Fed hike this year and Fed speaks and the latest FOMC minutes have remained hawkish, we noted renewed weakness in US economic data and sharper than expected deceleration in inflation. 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	4.6430	4.6483	4.6543	4.6587	4.6640

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.3329, traded within the 1.3317-1.3335 range before retreating slightly to 1.3323 at the point of writing. Similar to the previous pair, daily outlook is neutral and USD driven, eyeing a trading range of 1.3317-1.3339. Only data on deck this week will be Singapore's PMI later in the week.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3306	1.3317	1.3323	1.3339	1.3350

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.05% lower at 3.4912 before rebounding to 3.4934 at the point of writing. Daily outlook is neutral-to-slightly bullish, hit by a double whammy of relative SGD strength and MYR weakness. This pair is expected to face resistance at 3.4974 (R1) and 3.5019 (R2) respectively.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.4838	3.4884	3.4934	3.4974	3.5019

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.12% higher at 5.9058 and strengthened to 5.9080 at the point of writing. Daily outlook is neutral-to-slightly bullish on GBP strength, supported by the upward surprise in mortgage approval data overnight as well as BoE Governor Andrew Bailey's comments that BOE is not in a place to discuss cutting rates now and added that he expects inflation to be below 4% by end of 1Q 2024.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.8897	5.8987	5.9080	5.9167	5.9257

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.14% lower at 3.0785 before paring its losses to trade at 3.0830 at the point of writing. Daily outlook is neutral-to-slightly bullish as AUD/USD held firmly above the opening level despite disappointing China PMIs. On the Aussie front, data this morning was mixed. Private sector credit slowed more than expected but building approvals jumped.

	S2	S1	Indicative	R1	R2
AUD/MYR	3.0691	3.0754	3.0830	3.0880	3.0940

Source: Bloomberg, HLBB Global Markets Research

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