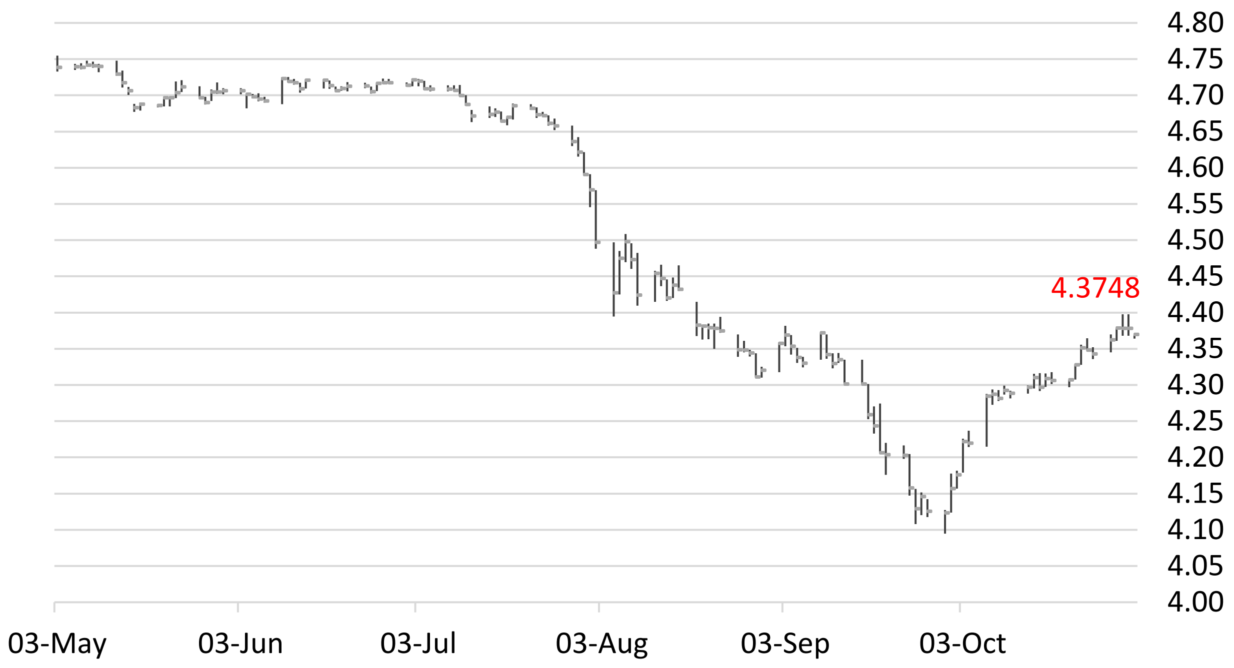
1 November 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.21% lower at 4.3690 before paring some of these losses to trade at 4.3748 at the point of writing. We prefer to stay neutral for this pair today given jittery over the upcoming US non-farm payroll data today, followed by the US presidential election and FOMC meeting next week. We also expect losses to narrow given that USD has held its fort against most Asian currencies today despite consensus pencilling a slowdown in gains to non-farm payroll to 100k in October from 254k the prior month, amid hurricane distortion. With this, we are looking for this pair to trade within the 4.3611-4.3777 range today.

1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral as the pair consolidates after the recent MYR rally, and as traders continue to trade cautiously in USD on uncertainties over the pace of rate cuts following the higher-than-expected price prints and more resilient than expected labour data released recently. The Fed reduced interest rates by 50bps at the September FOMC meeting and indicated more cuts to come this year, with the dot plot pointing to a further reduction of another 50bps for the rest of the year. The market has also pared down its pricing from another three 25bps cuts to less than two 25bps cuts for the remaining 2 FOMC meetings for the year. Domestically, the MYR will be supported by expectations for an extended pause in the OPR.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3528	4.3611	4.3748	4.3777	4.3860

USD/SGD

USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.3198 before rebounding to 1.3218 at the point of writing. Daily outlook is neutral-to-slightly bullish given USD strength and SGD weakness, eyeing trading range between 1.3178-1.3234 today. Other data on deck on the US front includes its ISM-Manufacturing, while Singapore will unveil its official PMI over the weekend.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3159	1.3178	1.3218	1.3234	1.3262

MYR Crosses

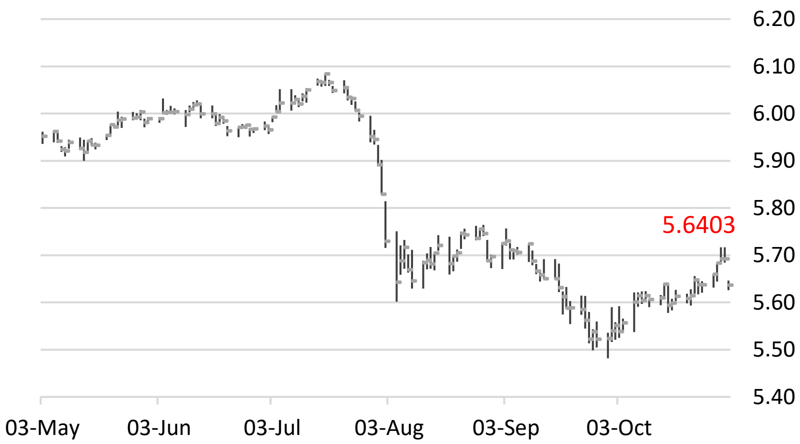
SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.24% higher at 3.3176 before erasing these gains to trade at 3.3094 at the point of writing. Daily outlook is neutral in anticipation that traders will keep to small bets ahead of the NFP print today. With this, we expect the pair to trade within 3.2980-3.3240 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2850	3.2980	3.3094	3.3240	3.3370

GBP/MYR

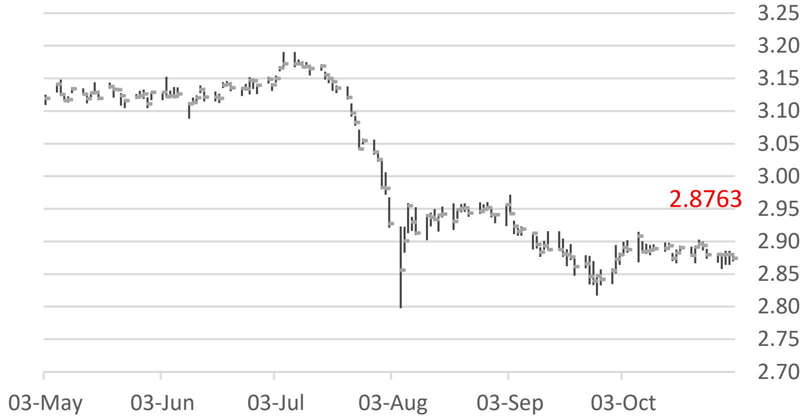


GBP/MYR Bearish

GBP/MYR opened 0.80% lower at 5.6461 and slid to 5.6403 at the point of writing. Daily outlook is bearish as the GBP/USD remains in the defensive around the 1.2890 level at the point of writing. This comes amid a sell-off in the UK gilts, after investor view unfavourably to it latest Autumn Budget which pencilled in more taxes, spending as well as borrowing.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5968	5.6170	5.6403	5.6573	5.6773

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.02% lower at 2.8792 and slid to 2.8763 at the point of writing. Daily outlook is neutral-to-slightly bearish as the AUD/USD declined to 0.6573 at the point of writing amid jittery over the US election and on the domestic front, decline in the household spending data this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8556	2.8653	2.8763	2.8847	2.8944

Source: Bloomberg, HLBB Global Markets Research

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