6 December 2024

Global Markets Research

Daily Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.03% higher at 4.4285, strengthened to as high as 4.4295 before retreating to 4.4270 at the point of writing. We prefer to stay neutral ahead of the US non-farm payroll tonight, while noting MYR strength against regionals. Meanwhile the DXY largely traded sideways in early Asian trade, up slightly at 105.83 from its previous close of 105.71. Data wise continued to point to a steadily cooling but still healthy labour market, with jobless claims rising 224k for the week ended November 30 amid some holiday bumps, while employers announced 57.7k job cuts in November, a 2.8% m/m increase and a 26.8% y/y jump. Despite this, consensus have pencilled in stronger labour prints tonight, with NFP expected to gain 220k, normalizing from +12k previously.

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

The USD/MYR outlook is neutral-to-slightly bearish in our view, largely reflecting some consolidation after the recent rally in greenback after Trump's win, and as traders continue to trade cautiously in the USD on uncertainties over the pace of rate cuts in view of Trump's potentially business friendly and inflationary policies going forward. While still healthy, labour data has inevitably cooled. Coupled with mixed economic data, there is no change in our easing monetary policy going forward, albeit at a slower pace than initially expected, narrowing the interest rate differentials between the US and Malaysia. On the domestic front, favourable economic outlook and the delay in the implementation of RON95 subsidy retargeting to mid-2025 will further push back upside risks to inflation, reaffirming our view for an extended pause in the OPR probably through next year, supportive of the MYR and our neutral-to-slightly bearish outlook.

	S2	S1	Indicative	R1	R2
USD/MYR	4.3821	4.4046	4.4270	4.4576	4.4881

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.3389, traded within the 1.3383-1.3412 range before settling at 1.3404 at the point of writing. Again, we have a neutral outlook ahead of US NFP, eyeing trading range between 1.3364 and 1.3428 today.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3340	1.3364	1.3404	1.3428	1.3468

MYR Crosses

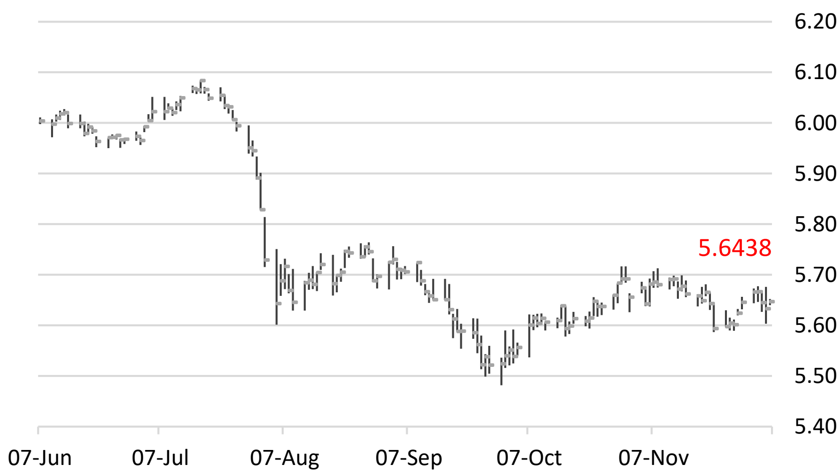
SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.22% higher at 3.3080 before paring some of these gains to trade at 3.3036 at the point of writing Daily outlook is neutral-to-slightly bullish given the higher opening, but expect gains to likely narrow going forward on account of SGD weakness against regionals, facing R1 and R2 at 3.3227 and 3.3349 today

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2627	3.2816	3.3036	3.3227	3.3349

GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.36% higher at 5.6523 before paring some of these gains to trade at 5.6438 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, but expect gains to narrow going forward as GBP weakened against regionals as well as USD and the pair unlikely to break the 5.6714 resistance level.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5645	5.5984	5.6438	5.6713	5.7103

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.25% higher at 2.8577 before all these gains to trade at 2.8449 at the point of writing. Daily outlook is neutral-to-slightly bearish given AUD weakness, as the currency continues to feel the downward pressure from the 3Q GDP. At the point of writing. AUD/USD also trended down below the 0.6450 level.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8162	2.8334	2.8449	2.8705	2.8904

Source: Bloomberg, HLBB Global Markets Research

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