9 October 2024

Global Markets Research

Daily Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.05% lower at 4.2850, and drifted slightly lower in early morning trading to stand at 4.2825 at the point of writing. Daily outlook is neutral as the pair looks to have consolidated after the recent move higher, and is no longer trading in oversold territory from a technical standpoint. There are no economic data releases out of Malaysia today, with the Fed scheduled to release the minutes of their Sep 18 FOMC meeting later tonight, which may provide a bit more clarity into their thinking during the 50bps reduction in the Fed Funds Rate. Support for the pair today emerges at 4.2750 (S1), while initial resistance above can be seen at 4.2900 (R1).

1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral as the pair consolidates after the recent MYR rally, which has seen it move into oversold conditions. While expectations of broad USD weakness going forward should continue to play out in the medium term, with the currency weighed down by further signs of disinflation and a gradual weakening in economic conditions, the USD could regain some ground in the short term. 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 about 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	4.2690	4.2750	4.2825	4.2900	4.2990

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.3040 and inched lower to 1.3039 at the point of writing. Daily outlook for the pair today is neutral, with no Tier-1 data out of Singapore today. Support for the pair is seen emerging at 1.3017 (S1) for the day, while 1.3065 (R1) should provide initial resistance above.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2990	1.3017	1.3039	1.3065	1.3094

MYR Crosses

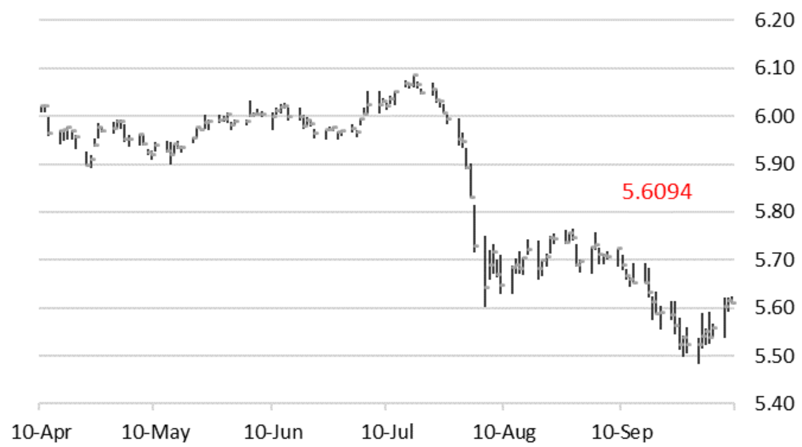
SGD/MYR

SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.08% lower at 3.2868 and grinded lower in early morning trading to 3.2853 at the point of writing. Daily outlook for the cross is neutral-to-slightly bearish for today, with initial support seen at 3.2781 (S1) while more significant support for the pair emerges at 3.2734 (S2).

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2734	3.2781	3.2853	3.2904	3.2974

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.06% lower at 5.6104 and headed slightly lower in the early Asian session to trade at 5.6094 at the point of writing. Daily outlook for the cross is neutral-to-slightly bearish for the day ahead, with no economic releases scheduled for either country today. Support can be seen below at 5.5985 (S1) and 5.5905 (S2) for the day.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5905	5.5985	5.6094	5.6190	5.6310

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.12% higher at 2.8874 and inched up in early trading to stand at 2.8879 at the point of writing. Daily outlook is neutral-to-slightly bearish for the cross today, as sentiment in the AUD remains poor after the sharp fall in iron ore prices yesterday. Initial support for the cross is seen at 2.8804 (S1) below, while more significant support emerges at 2.8725 (S2).

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8725	2.8804	2.8879	2.8949	2.9000

Source: Bloomberg, HLBB Global Markets Research

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