

12 August 2024

## Global Markets Research

### Daily Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened flat at 4.4240 before trending up to 4.4358 at the point of writing. Daily outlook is neutral-to-slightly bullish given the upward trajectory post opening and slightly oversold position, but gains likely capped given the positive sentiment towards MYR ahead of its 2Q GDP print and cautiousness ahead of the release of US CPI and retail sales numbers later in the week.

#### 1-Month Outlook – USD/MYR Neutral

The USD/MYR outlook is neutral given its slightly oversold position, which will more than offset expectations of broad USD weakness going forward, the latter weighed down by a much softer labour data prints in July, further signs of disinflation and gradual weakening in economic conditions in 3Q. This has sent markets pencilling in at least 3 rate cuts by end-2024 at the point of writing, narrowing the interest rate differentials between the US and Malaysia. Domestically, MYR will be supported by expectations for an extended pause in the OPR, as recovery in exports, sustained domestic demand and upside risk to inflation amid imminent subsidy cuts should shield BNM from any OPR cut.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| USD/MYR | 4.4081 | 4.4219 | 4.4358     | 4.4497 | 4.4705 |

## USD/SGD



### USD/SGD Neutral

USD/SGD opened 0.02% higher at 1.3241, retreated to as low as 1.3230 before rebounding back to its opening level this morning. We have a neutral outlook for this pair given the upcoming release of 1<sup>st</sup> tier data from the US as well as final Singapore's GDP print due to be released tomorrow, where expectations is that it will be revised down to +0.1% q/q and +2.7% y/y respectively.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| USD/SGD | 1.3219 | 1.3227 | 1.3241     | 1.3255 | 1.3273 |

## MYR Crosses

### SGD/MYR

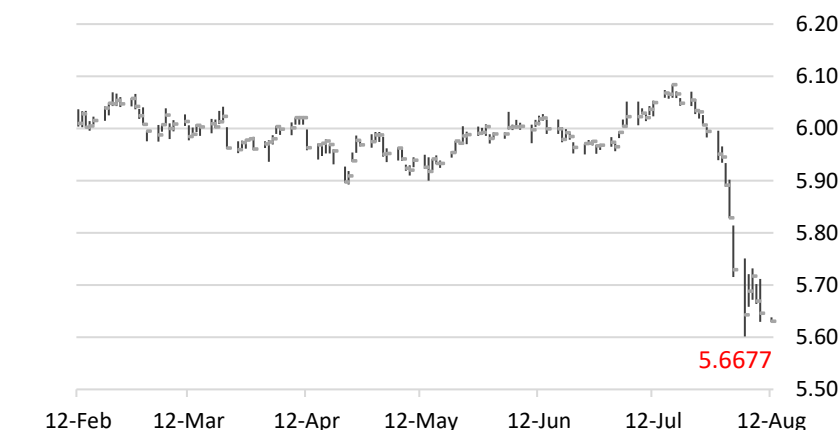


### SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.06% lower at 3.3396 but quickly pared its losses and more to trade at 3.3504 at the point of writing. Daily outlook is neutral-to-slightly bullish given SGD strength against regionals today, facing resistance levels at 3.3611 (R1) and 3.3770 (R2) respectively.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| SGD/MYR | 3.3293 | 3.3398 | 3.3504     | 3.3611 | 3.3770 |

### GBP/MYR

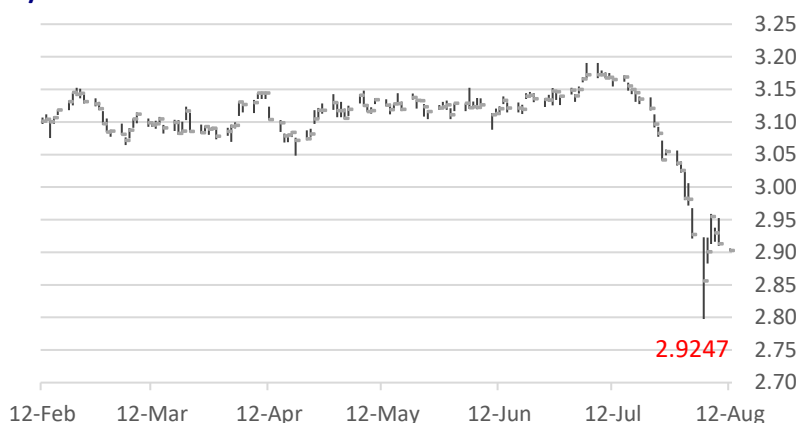


### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.13% lower at 5.6382 before paring all its losses and more to trade at 5.6677 at the point of writing. Daily outlook is neutral-to-slightly bullish as the GBP/USD given its upward trajectory post opening and slightly oversold position. The next trigger on the UK front will be its labour and price prints.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| GBP/MYR | 5.6179 | 5.6394 | 5.6677     | 5.6722 | 5.6835 |

## AUD/MYR



## AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.26% lower at 2.9053 but rebounded to 2.9247 at the point of writing. Daily outlook is neutral-to-slightly bullish on AUD strength, with the AUD/USD pair trading on a stronger note near 0.6587 at the point of writing. The focus on the Aussie front this week will be on the labour market report for July. We will also see the release of wage numbers as well as consumer and business confidence numbers.

|         | S2     | S1     | Indicative | R1     | R2     |
|---------|--------|--------|------------|--------|--------|
| AUD/MYR | 2.8941 | 2.9094 | 2.9247     | 2.9403 | 2.9634 |

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