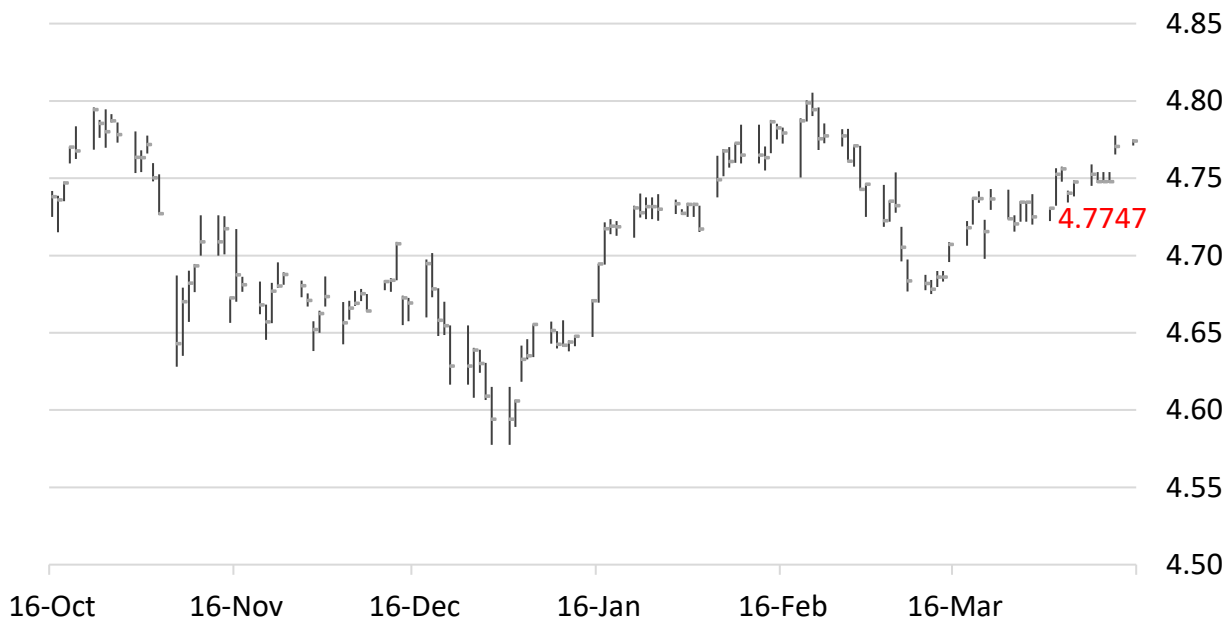


15 April 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.01% higher at 4.7712 and strengthened to 4.7747 at the point of writing. Daily outlook is neutral, as the ongoing tension between Israel and Iran triggered a safe-haven bid in the forex market and to USD, but this could be negated by the elevated oil prices which will benefit MYR. Besides geopolitical developments, market will also focus on the string of Fed speaks this week as well as upcoming economic numbers like the retail sales, consumer confidence, IPI, housing indicators and the latest Beige Book.

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

The USD/MYR outlook is neutral-to-slightly bearish in our view as the pair is veering into overbought territory with the recent rise, after the market dialled back expectations of the magnitude and timing of rate reductions to 1-2 cuts this year by the US Fed. This comes after economic data continues to point to a resilient economy, underpinned by a labour market that continues to remain surprisingly robust as well as a disinflation path than remains uneven. Nonetheless, the ongoing tension between Israel and Iran, which triggered a safe-haven bid in the forex market will nonetheless cap any downside to this pair. Domestically, MYR will be supported by elevated oil prices due to the geopolitical conflict, expectations for an extended pause in 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	4.7608	4.7663	4.7747	4.7773	4.7828

USD/SGD



USD/SGD Neutral

USD/SGD opened 0.07% lower at 1.3604, traded within the 1.3598 and 1.3614 range before settling at 1.3606 at the point of writing. Daily outlook is neutral, eyeing trading range between 1.3592-1.3618 with SGD acting as a safe haven amongst Asian currencies neutralizing the impact from USD strength.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3579	1.3592	1.3606	1.3618	1.3622

MYR Crosses

SGD/MYR



SGD/MYR Neutral

SGD/MYR opened 0.05% lower at 3.5102 and trended down to 3.5093 at the point of writing. Daily outlook is neutral, with SGD's safe haven status challenged by potential MYR strength due to its commodity-linked status. This week will see both sides of the border releasing their trade numbers and Malaysia, its advance 1Q GDP data as well.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4974	3.5027	3.5093	3.5131	3.5183

GBP/MYR



GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.20% lower at 5.9502 and hovered at 5.9506 at the point of writing. Given the lower opening, we have a neutral-to-slightly bearish outlook for this pair with a busy week ahead on the UK front in terms of economic calendar. March CPI will centre stage, alongside the scheduled release of IPI, trade numbers and employment report.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.9369	5.9410	5.9506	5.9542	5.9630

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.37% lower at 3.0921 but pared some of its losses to trade at 3.0852 at the point of writing. Daily outlook is neutral-to-slightly bearish given the lower opening but we expect losses to be capped given AUD strength in tandem with the rally in metal prices. March's Australian employment report is also due for release in the week ahead, and will be closely watched after the solid report the previous month.

Cess	S2	S1	Indicative	R1	R2
AUD/MYR	3.0811	3.0859	3.0952	3.0955	3.1003

Source: Bloomberg, HLBB Global Markets Research

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