22 October 2024

Global Markets Research

Daily Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened flattish at 4.3075 but trended up to 4.3235 at the point of writing. Daily outlook is neutral-to-slightly bullish as most Asian currencies trader weaker against USD this morning, supported by the jump in UST yields overnight and appetite for regional currencies dented by cautious sentiment surrounding the economic climate and politics. Not much on deck on the US front today with only regional indices up for release.

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	4.2803	4.3005	4.3235	4.3411	4.3614

USD/SGD

USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3163 but retreated to 1.3151 at the point of writing. Daily outlook is neutral-to-slightly bearish on the back of SGD strength. The pair is also veering towards an overbought position. This pair will be supported at 1.3133 (S1) and 1.3111 (S2) respectively.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3111	1.3133	1.3151	1.3180	1.3201

MYR Crosses

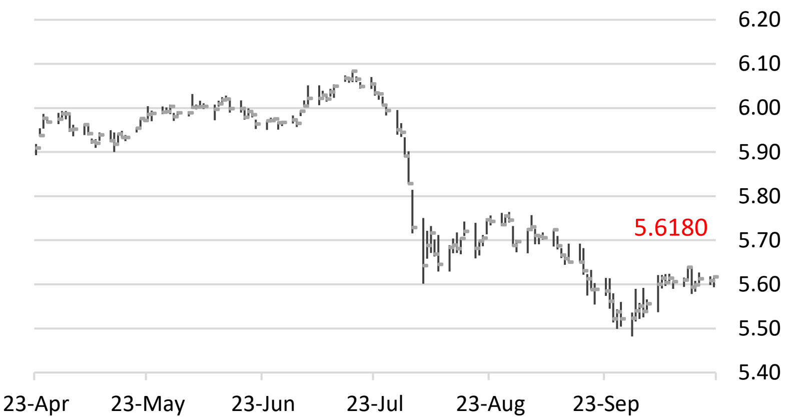
SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.26% lower at 3.2713 but made a sharpy turn to 3.2870 at the point of writing. Daily outlook is neutral-to-slightly bullish with SGD expected to benefit from the risk-off environment today vis-à-vis a softer MYR outlook today. This pair will face resistance levels at 3.3010 (R1) and 3.3198 (R2) respectively. Key risk will be CPI prints on both sides of the border due later in the week.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2446	3.2634	3.2870	3.3010	3.3198

GBP/MYR

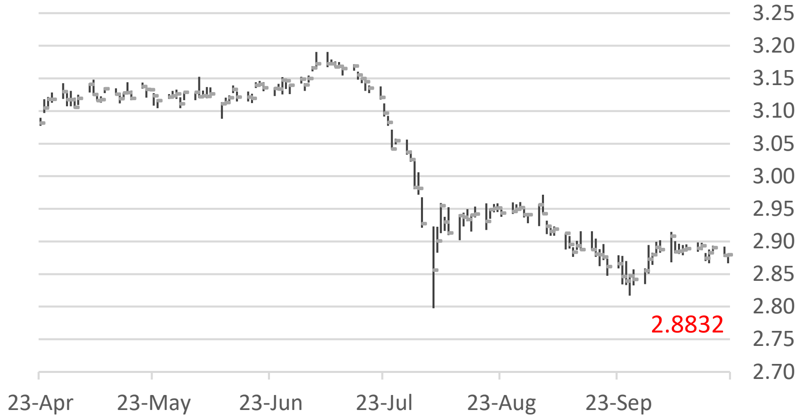


GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.24% lower at 5.5942 before paring all its losses to trade at 5.6180 at the point of writing. Daily outlook is neutral-to-slightly bullish on GBP strength. GBP/USD rebounded from its low to 1.2992 at the point of writing. Traders will nonetheless be keeping an eye out for an appearance from BOE Governor Andrew Bailey today at the Bloomberg Global Regulatory Forum.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5585	5.5846	5.6180	5.6368	5.6629

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.38% lower at 2.8674, but very quickly spiked to 2.8832 at the point of writing. Daily outlook is neutral-to-slightly bullish on AUD strength this morning after the RBA deputy governor commented overnight that the central bank left the door open for possible rate hike.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8465	2.8614	2.8832	2.8912	2.9061

Source: Bloomberg, HLBB Global Markets Research

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