

1 July 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bearish

USD/MYR opened 0.04% lower at 4.2087 and continued to decline in early Asian trading to 4.1867 at the point of writing. Daily outlook is slightly bearish with the USD likely to remain on the back foot with the focus on the deteriorating fiscal situation as a result of the administration's proposed spending bill. Domestically, the Malaysia manufacturing PMI rose in June from the month before. Over to the US, tonight sees the release of the ISM Manufacturing index for June, which will provide a clearer picture of how the US factory sector closed out 2Q, as well as the JOLTS job openings numbers for May, with the key US monthly employment report scheduled for this Thursday. Also on the deck for this evening is the participation of Fed Chair Powell, ECB President Lagarde, BoE Governor Bailey and BoJ Governor Ueda at a panel at the ECB forum in Sintra.

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

We prefer to stay neutral-to-slightly bearish on USD/MYR as we expect the recent Dollar weakness to have more legs to run, as lingering concerns over the outcome of the trade negotiations and its repercussions on US growth will also continue to weigh on sentiment for the greenback but that said, divergence in the policy tones between the Fed and BNM recently, namely a wait-and-see hawkish stance for the Fed and a dovish tweak for BNM, suggests a possibility of widening interest rate differential for the two policy rates, will likely cap losses for this pair. As it is, US labour market indicators remain decent for now while inflation prints have softened, giving FOMC leeway to stay the course, and potentially pushing back rate cuts to the later part of this year. With this, we are pencilling in 2 quarter point cuts in 2H for the US, but on the domestic front, the dovish tweaks in policy tone suggests a 25bps OPR cut in the 2H of 2025.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1705	4.1790	4.1867	4.1947	4.2024

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.2716 and inched higher in early morning trading to 1.2725 at the point of writing. Daily outlook for the pair is neutral for today, with support seen emerging beneath at 1.2671 (S1) while resistance above is likely to come in around the 1.2793 (R1) level.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2610	1.2671	1.2725	1.2793	1.2854

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.35% higher at 3.3129 but gave up all its gains and more to plunge to 3.2903 at the point of writing. Daily outlook is neutral-to-slightly bearish, with initial support for the cross seen below at 3.2825 (S1) while more significant support is expected to emerge at 3.2764 (S2).

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2764	3.2825	3.2903	3.2980	3.3075

GBP/MYR



GBP/MYR Slightly Bearish

GBP/MYR opened 0.27% higher at 5.7811 but made an about turn and nosedived to 5.7467 at the point of writing. The daily outlook for the cross is slightly bearish. The final reading of the UK manufacturing PMI for June, and the report on house prices for the month by the Nationwide Building Society may influence the price action in the cross today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.7195	5.7310	5.7467	5.7595	5.7730

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.79% higher at 2.7688 but lost its gains and more to trade at 2.7450 at the point of writing. Daily outlook for the cross is neutral today, with support for the cross seen emerging below at 2.7365 (S1) while resistance above can be seen at 2.7533 (R1)

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7287	2.7365	2.7450	2.7533	2.7601

Source: Bloomberg, HLBB Global Markets Research

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