

2 July 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.01% higher at 4.1970 before trending up to 4.2145 at the point of writing. Daily outlook is neutral-to-slightly bullish amid broad USD strength this morning, supported by favourable ISM manufacturing and JOLTS jobs data overnight. That said, gains will likely be capped as US fiscal worries after the President's tax and spending megabill could put some downward pressure for the Dollar and amid cautiousness ahead of the slew of labour data over the rest of the week. Of note, Challenger job cuts and ADP employment change prints are on deck today, and the latter expected to pick up momentum in a nod to a solid labour market view and a well-supported USD today.

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	4.1670	4.1818	4.2145	4.2234	4.2516

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.2728, traded within a narrow range of 1.2724-1.2740 before settling at 1.2733 at the point of writing. We prefer to stay neutral for this pair given the upcoming slew of labour prints on the US front. For Singapore, investors will be watching out for its official PMI for the month of June. This comes after two consecutive months of contraction for its manufacturing sector.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2679	1.2703	1.2733	1.2747	1.2767

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.18% lower at 3.2977 before rebounding above its previous close to trade at 3.3098 at the point of writing. Daily outlook is neutral-to-slightly bullish given the upward trajectory post opening, but we opine that the pair will unlikely break its R1 level of 3.3146 today given cautiousness ahead of key economic data from the US.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.2782	3.2909	3.3098	3.3146	3.3256

GBP/MYR

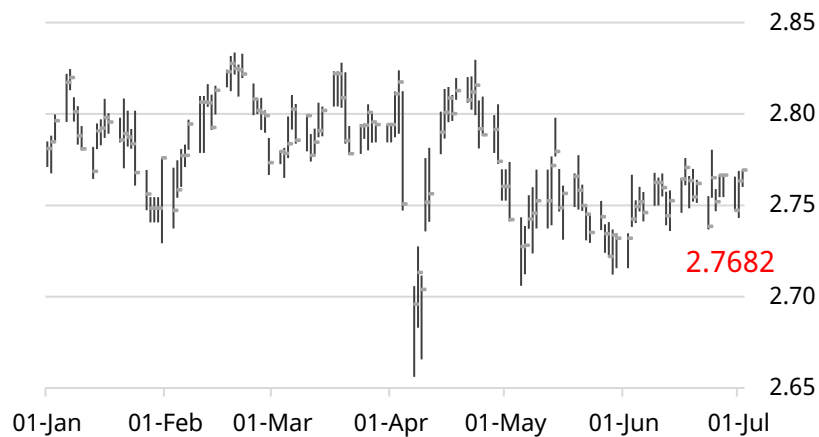
GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.21% lower at 5.7685 and similar to the previous pair, pared its losses and more to trade above its previous close at 5.7900 at the point of writing. Daily outlook is neutral-to-slightly bullish, but gains likely capped as GBP/USD retreated from its 3Y to trade at 1.3737 at the point of writing and amid cautiousness ahead of Bailey's speech later in the week.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.7278	5.7544	5.7900	5.7963	5.8116

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.08% lower at 2.7611 before rebounding to 2.7682 at the point of writing. Despite trading above its previous close, we have a neutral outlook for this pair as we expect AUD to lose some of its momentum after its retail sales print missed estimates this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7325	2.7479	2.7682	2.7737	2.7841

Source: Bloomberg, HLBB Global Markets Research

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