4 August 2025

Global Markets Research

Midday Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Bearish

USD/MYR opened 0.79% lower at 4.2450 before rebounding slightly to 4.2455 at the point of writing. Daily outlook is bearish with regional currencies strengthening against the greenback in early morning trade, as traders pared appetite for the Dollar after the weak nonfarm job data last Friday and amid concerns over FOMC's independence after the resignation of Fed's Governor and the firing of a top BLS executive. It will be a relatively lighter economic calendar this week but US factory orders are on deck today and Malaysia's IPI and wholesale & retail trade are due for release later in the week, which is expected to shed more lights on how the Malaysian economy has performed in 2Q.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR as we expect some consolidation in the USD after the recent strength. Fundamental wise, Fed Chair Powell has continued to strike a cautious note waiting for signs of permanence or transitory impact from the recent tariff hikes on domestic inflation, the latter having seen some glimpses of it trickling down into goods inflation as soon as June. Retail sales and advanced 2Q GDP reading has surpassed expectations, but July's weaker than expected the non-farm payroll (NFP) and hefty downward revisions to previous months' jobs, suggested that the labour market may not be as resilient as anticipated earlier and saw traders upping their rate cut bets for September to 92%. This is in line with our long-held view of a quarter point cut in the September FOMC meeting and as such, we maintain our neutral outlook for the pair this month. On the domestic front, BNM delivered a less dovish undertone in its latest policy statement, and remarked that the 25bps cut in July was a pre-emptive move to support a still steady economy and resilient domestic demand, implying likelihood of a status quo in the OPR for the rest of 2025.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1320	4.1960	4.2382	4.2857	4.2923

USD/SGD

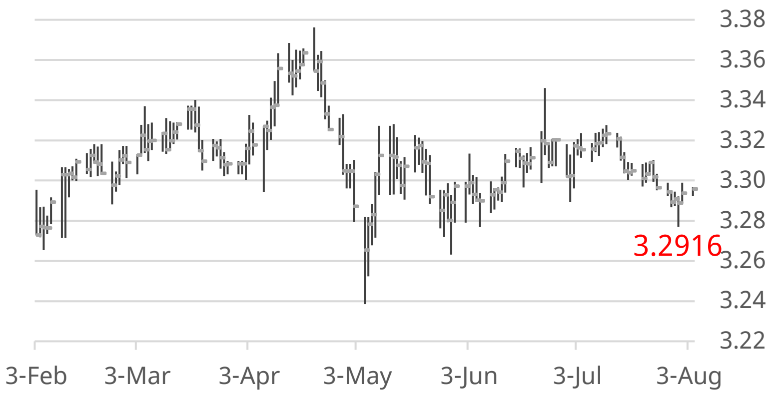
USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened 0.06% lower at 1.2890, traded sideways between 1.2874-1.2902 between settling at 1.2876 at the point of writing. Daily outlook is neutral-to-slightly bearish given USD weakness but expect losses to be narrower after Friday's 0.6% d/d tumble.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2797	1.2847	1.2876	1.2975	1.3052

MYR Crosses

SGD/MYR

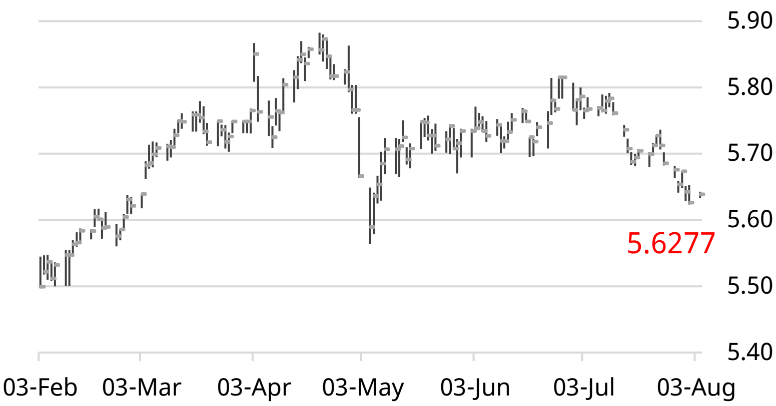


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.06% higher at 3.2952, traded within 3.2898-3.2981 before settling at 3.2916 at the point of writing. Daily outlook is neutral-to-slightly bearish, with key risk on the Singapore front being the upcoming retail sales for June. We are eyeing a trading range between 3.2875-2.3047 today.

g	S2	S1	Indicative	R1	R2
SGD/MYR	3.2819	3.2875	3.2916	3.3047	3.3161

GBP/MYR

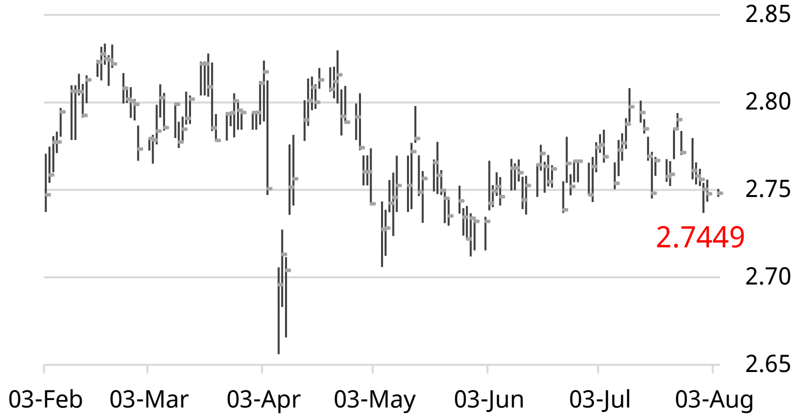


GBP/MYR Slightly Bullish

GBP/MYR opened 0.29% higher at 5.6422 before strengthening to 5.6277 at the point of writing. Daily outlook is slightly bullish given that the pair is still trading near its oversold position. Against USD, GBP traded on a weaker note at 1.3258 but we opine that losses will be limited given the upcoming BOE's decision.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6043	5.6151	5.6277	5.6449	5.6639

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.05% lower at 2.7463 and slid further to 2.7449 at the point of writing. Daily outlook is neutral-to-slightly bearish given AUD weakness against regionals, but we opine that it is unlikely the pair will break below the 2.7419 (S1) handle following the spike in its inflation gauge data released this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7355	2.7416	2.7449	2.7548	2.7619

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad2
Fixed Income & Economic Research, Global Markets
Level 8, Hong Leong Tower
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
Email: