

5 August 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.05% lower at 4.2350 and pared some of these gains to trade at 4.2325 at the point of writing. Daily outlook is neutral-to-slightly bearish with emerging market currencies likely to gain after traders continue to up their Fed rate cut bets, but we opine that losses will be more muted today after the 1.0% d/d drop the prior session. It will be an empty economic calendar for Malaysia today but in the US, we will be watching out for the ISM-Services print where an uptick to 51.5 is expected for July as compared to 50.8 previously. Trade data is also on deck.

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 94%. 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	4.2067	4.2240	4.2325	4.2479	4.2586

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.2876, traded within the 1.2863-1.2876 range before settling at 1.2882 at the point of writing. Given that the pair is narrowly traded and that Singapore will release its Singapore's retail sales print this afternoon, we prefer to stay neutral for this pair today, eyeing trading range between 1.2858-1.2898.



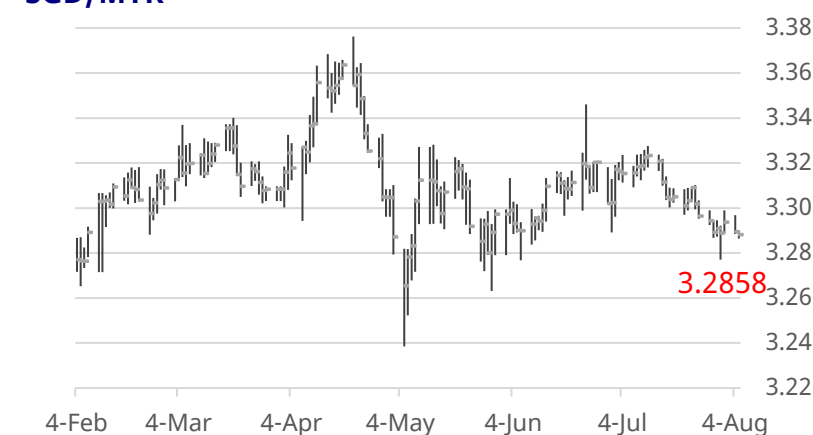
	S2	S1	Indicative	R1	R2
USD/SGD	1.2840	1.2858	1.2882	1.2898	1.2920

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.10% higher at 3.2924 before shaving all its gains and more to trade at 3.2858 at the point of writing. Daily outlook is neutral-to-slightly bearish given MYR strength against regionals and the downward trajectory post opening. Data wise, Singapore's retail sales is expected to pick up pace to 2.0% y/y in June while this morning, we saw its PMI rising to 52.7 in July from 51.0.

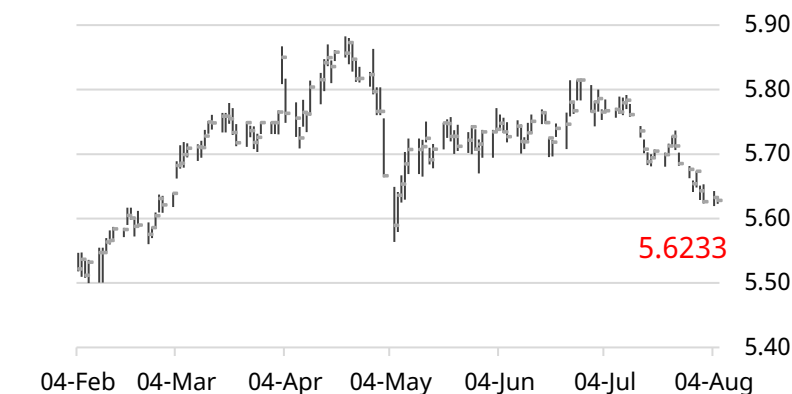


g	S2	S1	Indicative	R1	R2
SGD/MYR	3.2819	3.2855	3.2858	3.2954	3.3017

GBP/MYR

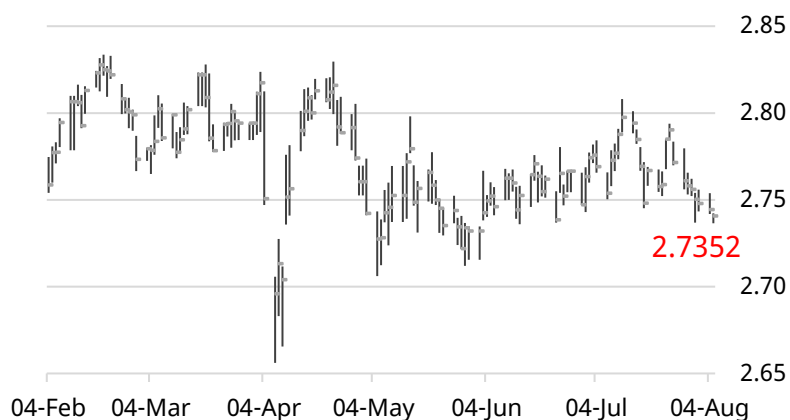
GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.06% lower at 5.6289 and slid to 5.6233 at the point of writing. Daily outlook is neutral-to-slightly bearish but losses likely capped as traders trimmed short-term bearish GBP bets ahead of BOE's meeting. At the point of writing, GBP/USD strengthened closer to the 1.3300 handle.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6079	5.6201	5.6233	5.6436	5.6549

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.13% lower at 2.7405 and slid to 2.7352 at the point of writing. Daily outlook is neutral-to-slightly bearish after AUD/USD tumbled to below 0.6500 handle following its household spending data miss. That said, the upward surprise in China's services PMI will likely keep losses in check today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7224	2.7298	2.7352	2.7515	2.7587

Source: Bloomberg, HLBB Global Markets Research

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