

6 June 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.02% higher at 4.2277 and extended its gain to 4.2338 at the point of writing. Daily outlook is neutral-to-slightly bullish as USD recovered from its overnight weakness, strengthening against most regional currencies and G10 peers. The DXY was seen trading at 98.83 at the point of writing. That said, while Trump-Xi talk optimism could lend some support for USD today, we opine that gains will likely be capped given the slew of weak labour prints overnight and concerns that the non-farm payroll (NFP) data could also disappoint 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 recent Moody's downgrade and tax cut bill intensify the spotlight on US' debt sustainability and revives a mini "sell-America" sentiment. Lingering concerns over the outcome of the trade negotiations and its repercussions on US growth will also continue to weigh on appetite 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, likely to 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 odd of a 25bps OPR cut in the 2H of 2025.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2141	4.2206	4.2338	4.2399	4.2527

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.2860, took a leg up to 1.2876 before paring some of these gains to trade at 1.2867 at the point of writing. We prefer to stay neutral for this pair ahead of the US NFP, eyeing trading range between 1.2827-1.2885 today. As it is, consensus is expecting the gains in NFP to ease sharply to +126k in April from +177k previously.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2793	1.2827	1.2867	1.2885	1.2909

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.12% lower at 3.2862 before paring some of these losses to trade at 3.2892 at the point of writing. Daily outlook is neutral, eyeing trading range between 3.2857-3.2983, with losses from the lower opening expected to narrow given cautiousness ahead of US NFP and amid no economic drivers on both sides of the border today.

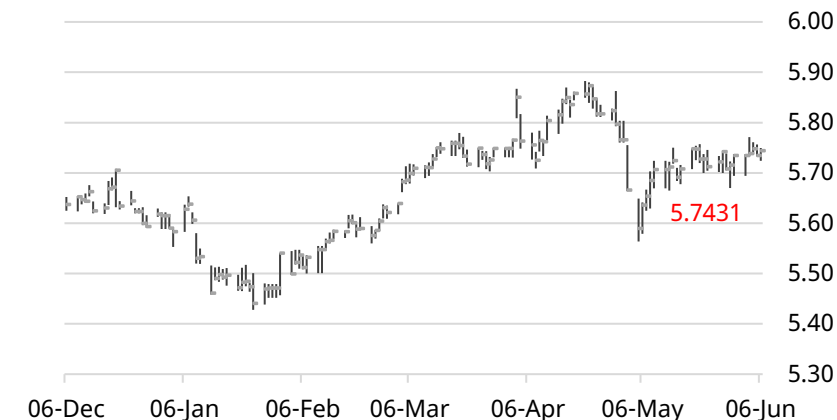


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2811	3.2857	3.2892	3.2983	3.3063

GBP/MYR

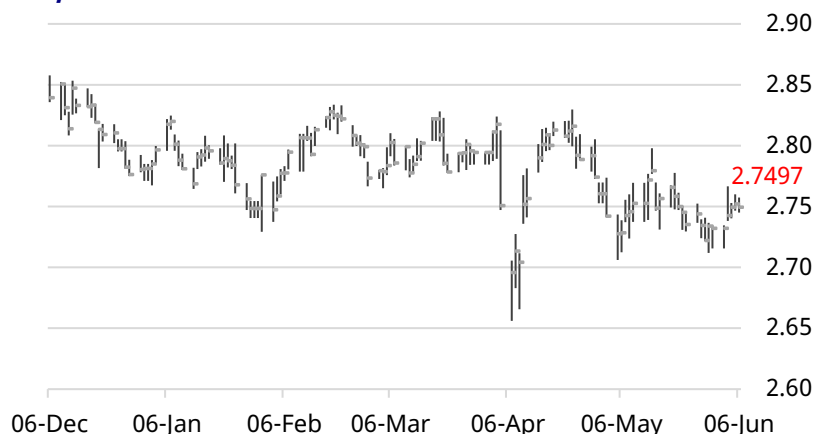
GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.10% higher at 5.7399 and strengthened further to 5.7431 at the point of writing. Daily outlook is neutral-to-slightly bullish amid broad GBP strength today. There will be no economic data today, but BOE's rate setter Megan Greene is due to speak over the weekend.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.7174	5.7257	5.7431	5.7493	5.7646

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened flat at 2.7519 but retreated to 2.7497 at the point of writing. Daily outlook is neutral-to-slightly bearish on AUD weakness, with AUD/USD trending below the 0.6500 handle again at the point of writing. Largely weighing on AUD is the risk-off sentiment this morning, while the softer than expected Australia's household spending data overnight and decline in export numbers also does not bode well for AUD today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7394	2.7456	2.7497	2.7591	2.7664

Source: Bloomberg, HLBB Global Markets Research

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