

7 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% lower at 4.2220 before rebounding to 4.2290 at the point of writing. Daily outlook is neutral-to-slightly bullish amid signs of USD strength in early morning trade, but gains likely capped as investors will likely remain cautious ahead of more tariff announcements, the FOMC due to release the minutes of the Jun 18 meeting and on the domestic front, the BNM monetary policy decision. At the point of writing, the market is still divided about whether the central bank will ease policy this week, while on the US front, Commerce Secretary Howard Lutnick said that the country-by-country tariffs will take effect August 1st.

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	4.1562	4.1893	4.2290	4.2468	4.2712

USD/SGD

USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened 0.03% lower at 1.2737 before making a U-turn to 1.2756 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength, with key risk on the Singapore front being the possible release of its advanced 2Q GDP.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2650	1.2700	1.2756	1.2790	1.2830

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.05% lower at 3.3132, traded within the 3.3092-3.3159 range before settling just above its flatline at 3.3151 at the point of writing. We expect trading to be range bound given the upcoming tariff deadline and BNM's policy decision, eyeing trading range between 3.2948-3.3292 today. We have a neutral outlook for this pair today.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.2748	3.2948	3.3151	3.3293	3.3438

GBP/MYR

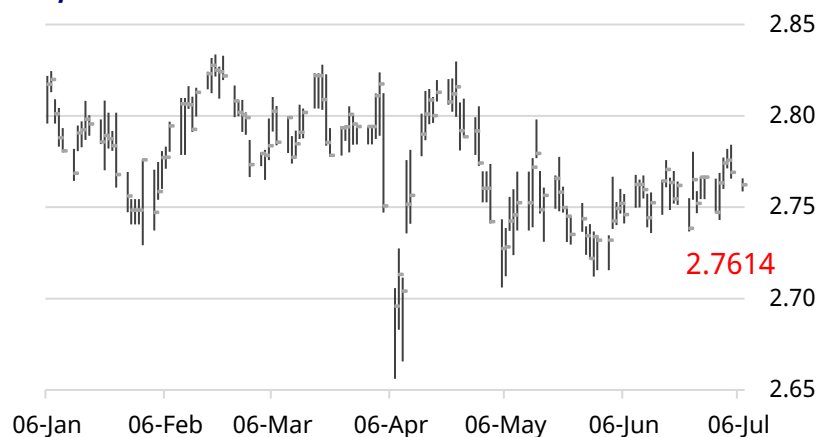
GBP/MYR Neutral

GBP/MYR opened 0.05% lower at 5.7641, before paring its losses to trade at 5.7667 at the point of writing. We have a neutral outlook for this pair today as GBP/USD has largely traded sideways around the mid-1.3600s level over the past week and unlikely to see significant swings given that UK has inked a trade deal with the US. This week, key risk lies in the upcoming BNM policy meeting followed by the May's monthly GDP for UK due for release at end-week.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.7037	5.7353	5.7667	5.8064	5.8459

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.12% lower at 2.7657 and slid further to 2.7614 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD appears to be under pressure ahead of the RBA decision tomorrow, where a 25bps rate cut is anticipated by the market. At the point of writing, AUD/USD is trading below its flatline at 0.6530 and AUD also weakened against its G10 peers.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7240	2.7465	2.7614	2.7879	2.8068

Source: Bloomberg, HLBB Global Markets Research

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