

8 July 2025

## Global Markets Research

### Midday Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – Neutral

USD/MYR opened flattish at 4.2387, strengthened to as high as 4.2470 before losing some of its lustre to trade at 4.2410 at the point of writing. We prefer to stay neutral for this pair today amid continuous jittery over the slew of trade announcements over the coming weeks, as well as on cautiousness over the upcoming release of the FOMC meeting minutes and BNM's policy decision tomorrow. As it is, the 25% tariff on Malaysian goods, although still lower than some countries in the region, will inevitably negate Malaysia's GDP, raising expectations of a pre-emptive 25bps cut to 2.75% by the BNM tomorrow.

#### 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	4.2088	4.2237	4.2410	4.2558	4.2793

## USD/SGD

### USD/SGD Neutral

USD/SGD opened flat at 1.2797, took a dive to 1.2778 before paring its losses to trade at 1.2790 at the point of writing. Daily outlook is also neutral, with key risk on the Singapore front being its upcoming advanced 2Q GDP release. On the trade front, we do not foresee any changes to the 10% tariff rate slapped on Singapore currently.



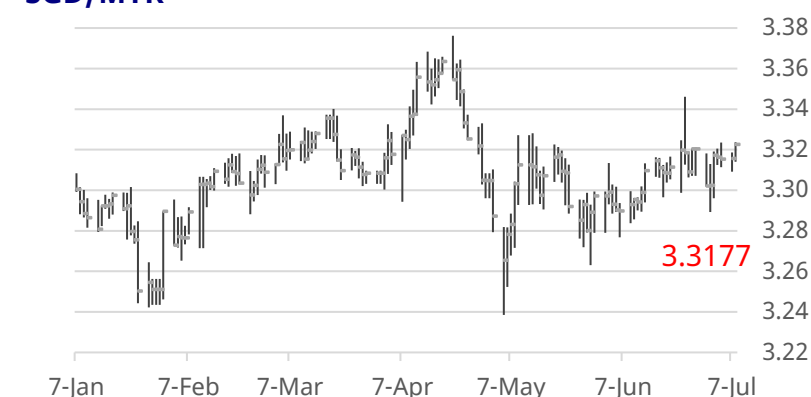
	S2	S1	Indicative	R1	R2
USD/SGD	1.2701	1.2749	1.2790	1.2826	1.2855

## MYR Crosses

### SGD/MYR

### SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.02% higher at 3.3141 before trending up to 3.3177 at the point of writing. Daily outlook is neutral-to-slightly bullish on SGD strength against regionals this morning, benefitting from its haven status and lower tariff rate vis-à-vis regional peers at the point of writing.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.3036	3.3085	3.3177	3.3246	3.3351

### GBP/MYR

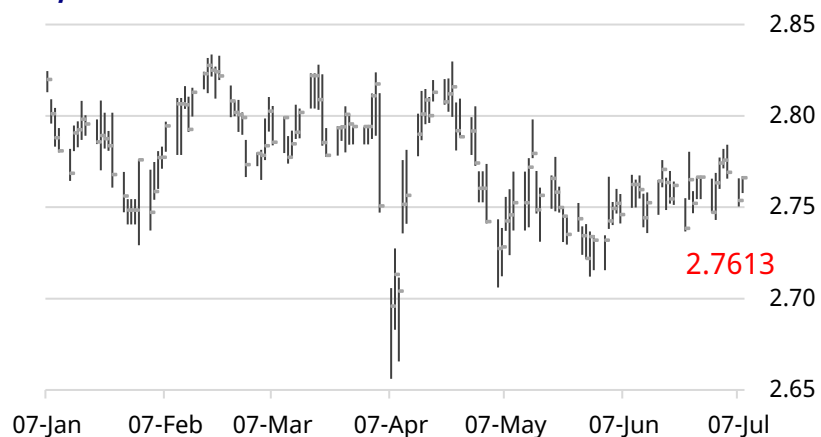
### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.10% higher at 5.7745 and strengthened further to 5.7823 at the point of writing. Daily outlook is neutral-to-slightly bullish as GBP strengthened against regional currencies in early morning trade. As the UK has struck a trade deal with the US, we do not expect any rumbles on the tariff front for the UK but will be watching out May's GDP due for release end-week.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.7488	5.7588	5.7823	5.8010	5.8064

## AUD/MYR



### AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.15% higher at 2.7578 before strengthening further to 2.7613 at the point of writing. Daily outlook is neutral-to-slightly bullish as AUD appears to gain momentum against G10 and regionals, boosted by the jump in business confidence and conditions data this morning. That said, gains will likely be capped below 2.7613 (R1) ahead of RBA's decision this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7401	2.7469	2.7613	2.7631	2.7725

Source: Bloomberg, HLBB Global Markets Research

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