

12 August 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened 0.07% higher at 4.2365 before shaving its losses and more to trade at 4.2327 at the point of writing. We prefer to stay neutral given the upcoming US CPI print, which could provide more clues on Fed's rate cut path. As it is, consensus is expecting both headline and core inflation to accelerate slightly to 2.8% and 3.0% in July, while market is pencilling a more than 80% probability of a rate cut in the September FOMC meeting.

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 around 90%. 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	4.2208	4.2271	4.2327	4.2429	4.2524

USD/SGD

USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.2872 before trending lower to 1.2863 at the point of writing. Daily outlook is neutral to slightly bearish in anticipation of SGD strength today, supported by the upgrades in its final 2Q GDP but more importantly, its full year GDP growth forecast to 1.5-2.5% for 2025.



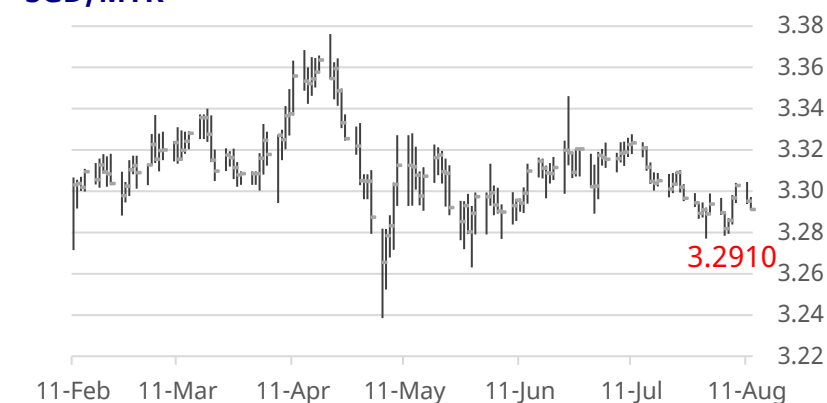
	S2	S1	Indicative	R1	R2
USD/SGD	1.2815	1.2843	1.2863	1.2889	1.2907

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.10% lower at 3.2921 before trading down to 3.2910 at the point of writing. Despite the downtick, we are neutral-to-slightly bullish for this pair today given our expectations of SGD strength, but one that is unlikely to break above the R1 level at 3.3024 given cautiousness ahead of US CPI and Malaysia's GDP print due later in the week.

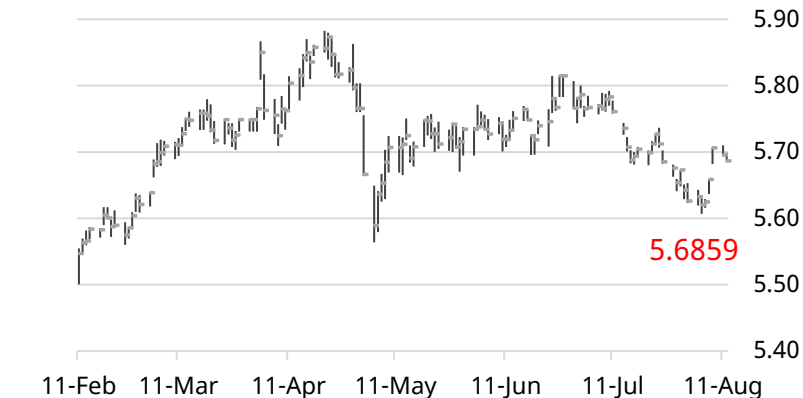


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2739	3.2858	3.2910	3.3024	3.3096

GBP/MYR

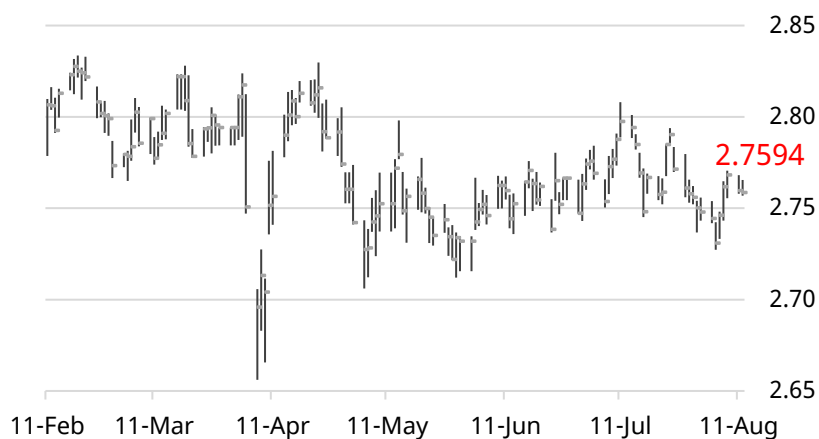
GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.08% lower at 5.6911 and retreated further to 5.6859 at the point of writing. Daily outlook is neutral-to-slightly bearish given the downward trajectory post opening but losses likely capped given cautiousness ahead of the release of UK's labour prints later today. Evidently, GBP/USD is seen gyrating within a narrow range of 1.3426-1.3438 this morning.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6667	5.6831	5.6859	5.7057	5.7159

AUD/MYR



AUD/MYR Neutral

AUD/MYR opened 0.01% lower at 2.7594, traded within 2.7568-2.7655 before settling at its opening level again. Despite AUD strength against regional, we prefer to stay neutral ahead of RBA's policy decision today, barring any surprises to its policy tone, while the central bank is widely expected to lower rates by a quarter point to 3.60%.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7398	2.7507	2.7594	2.7661	2.7725

Source: Bloomberg, HLBB Global Markets Research

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