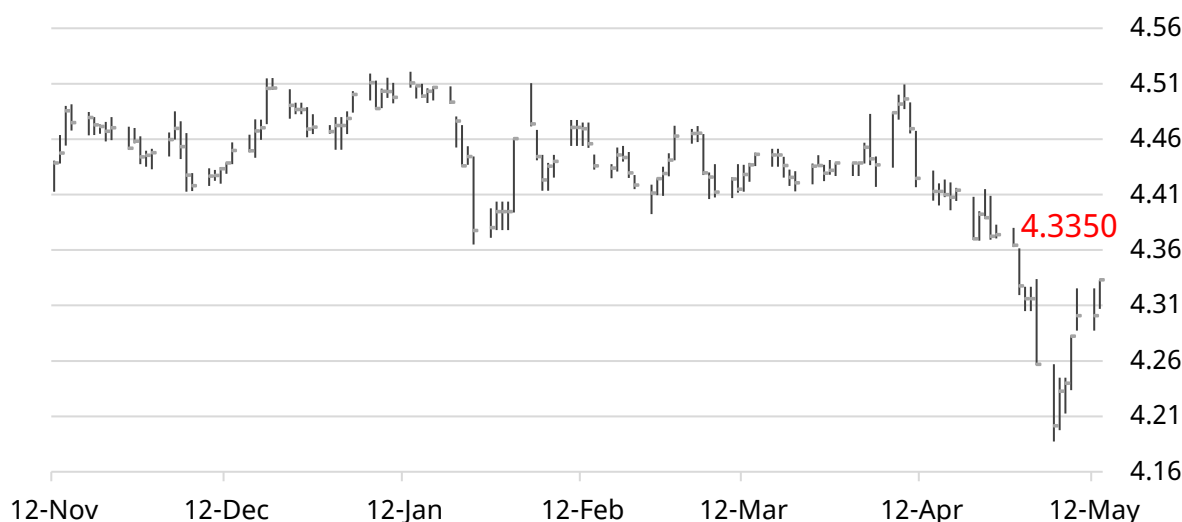


13 May 2025

## Global Markets Research

### Midday Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – Bullish

USD/MYR opened 0.15% higher at 4.3070 and strengthened further to 4.3350 at the point of writing. Daily outlook is bullish given the higher opening and upper trajectory post opening, and as the Dollar Index holds firmly around the 101.60-70 level in early Asian trade. While noting that the US Dollar has lost some momentum at the point of writing and nervousness over the upcoming CPI print tonight could cap gains for this pair, the breakthrough in US-China talks has not only lifted sentiment, but also soothed fears of a US recession, paring back rate cut bets. UST yields also jumped overnight, all boding well for the greenback today.

#### 1-Month Outlook – USD/MYR Neutral-to-Slightly Bullish

We prefer to stay neutral-to-slightly bullish on USD/MYR over a one-month horizon, as we believe the sell-off in USD/Asia FX is overdone, and thus, could likely correct higher in the next month. Moreover, growing hopes for a continued de-escalation in the tariff tension, divergence in the policy tones between the Fed and BNM recently, 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 Fed funds rate and OPR, lending support for the USD in the near term and not boding well for the MYR. No doubt, investors will likely to continue to tread cautiously amid the slew of trade negotiations, flip between risk-on and risk-off sentiments, and with the 10% tariff largely still intact, concerns over the negative effect of tariff shocks on growth and upward pressure on inflation. At the point of writing, a solid economic and labour market indicators recently will give Fed leeway to stay the course for now, and we are maintaining our three 25bps rate cuts this year. On the domestic front, the BNM maintained its OPR rate in the latest MPC meeting, but the dovish tweaks in policy tone suggests increasing odd of an OPR cut in the 2H, in line with our house view of a 25bps rate cut in 3Q of 2025.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2664	4.2836	4.3350	4.3424	4.3804

## USD/SGD

### USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3062 before plunging to 1.3038 at the point of writing. Daily outlook is neutral-to-slightly bearish given SGD strength against most G10 and regionals. It will be an empty economic calendar as far as Singapore is concerned, with nothing on deck until NODX this Friday.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2921	1.2991	1.3038	1.3109	1.3157

## MYR Crosses

### SGD/MYR

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

SGD/MYR opened 0.55% lower at 3.2941 before paring all of these losses to trade at 3.3240 at the point of writing. Daily outlook is neutral-to-slightly bullish given SGD strength. Like Singapore, it will be an empty economic calendar for Malaysia until the final 1Q GDP print this Friday.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.3067	3.3099	3.3240	3.3468	3.3813

### GBP/MYR

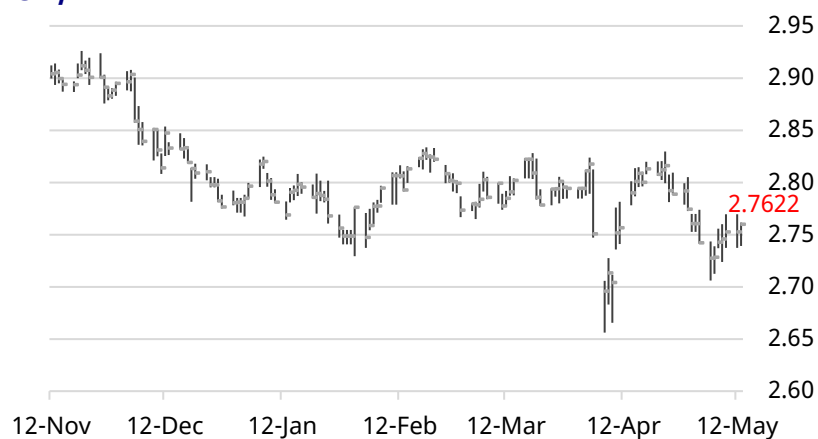
### GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.69% lower at 5.6674 before making a sharp U-turn to 5.7140 at the point of writing. Daily outlook is neutral-to-slightly bullish with GBP/USD rebounding to 1.3184 at the point of writing but gains likely capped given cautiousness ahead of a slew of 1<sup>st</sup> tier data from the UK this week, starting with labour prints today.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6962	5.7046	5.7142	5.7170	5.7214

## AUD/MYR



## AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.43% lower at 2.7406 before rebounding to 2.7622 at the point of writing. Daily outlook is neutral-to-slightly bullish as AUD/USD trades firmer at 0.6375 at the point of writing following a slew of better, albeit still sluggish economic prints down under. Notably, both consumer and business confidence improved during the month, but business confidence remains contractionary.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7454	2.7511	2.7622	2.7658	2.7748

Source: Bloomberg, HLBB Global Markets Research

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