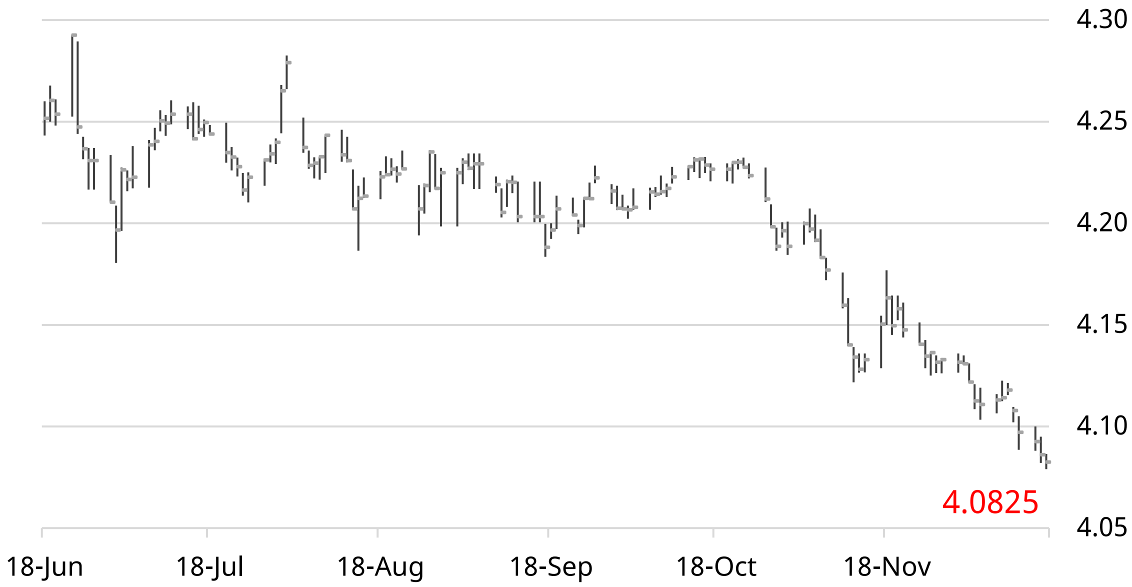
17 December 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

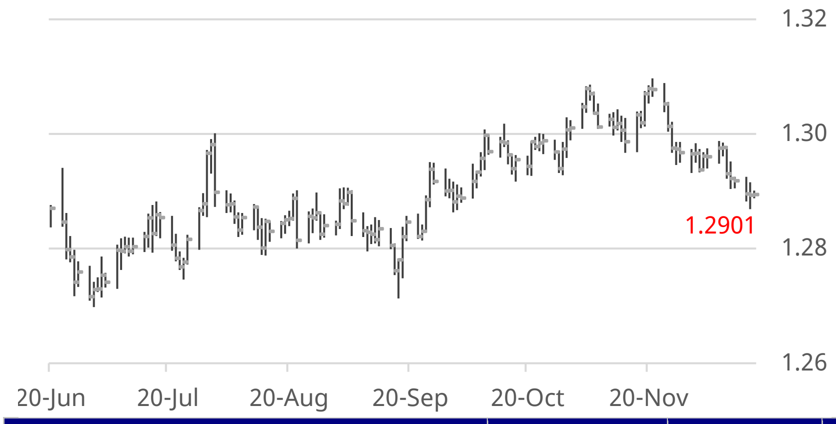
USD/MYR opened flat at 4.0860 but slid to 4.0825 at the point of writing. Daily outlook is neutral-to-slightly bearish amid broad MYR strength in early morning trade. From the US, the DXY has largely traded sideways after a rather mixed US non-farm payroll (NFP) overnight. Just a recap, the gains in NFP was better than expected but the pop in unemployment rate as well as softer wage growth essentially kept Fed rate cut bets intact for 2026.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR as investors and FOMC members await the deluge of US economic data but on the fundamental front, we opine that there is no change in the outlook with regards to limited pass through from tariffs to goods inflation at this juncture and increasingly softer labour market. That said, concerns over persistence inflationary pressure will likely keep hawkish FOMC members on their toes, while the doves will likely focus on the softer labour market and spending data, one that could keep the Fed divided on the next move for now. While there is concern over the quality and reliability of the data since the weeks-long shutdown could have impacted the collection and reporting processes, there is no change to our current house view for another two quarter point cuts in 2026, as well as our weakening Dollar outlook in the more medium term. On the domestic front, BNM continued to deliver a neutral note in its latest policy statement, with the overall tone largely unchanged with balanced risks on both the upside and downside in our view. This reaffirmed our view for an extended OPR pause going into 2026.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0747	4.0803	4.0825	4.0933	4.1007

USD/SGD



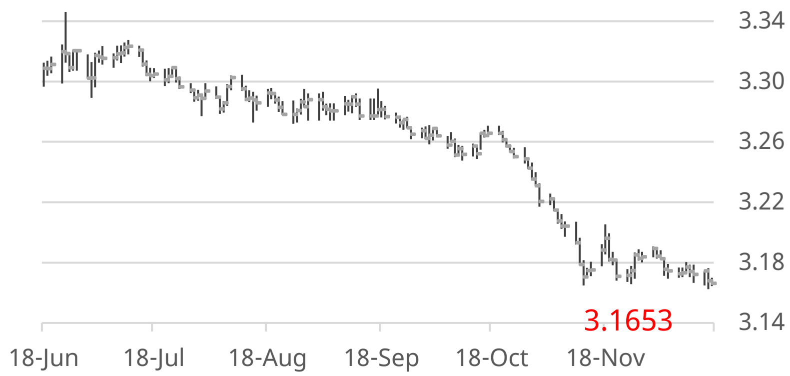
USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.2893 before inching up to 1.2901 at the point of writing. Daily outlook is neutral-to-slightly bullish amid broad SGD weakness in early morning trade. Gains will nonetheless be capped with SGD likely supported by the NODX print beating consensus forecast this morning.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2846	1.2869	1.2901	1.2916	1.2940

MYR Crosses

SGD/MYR

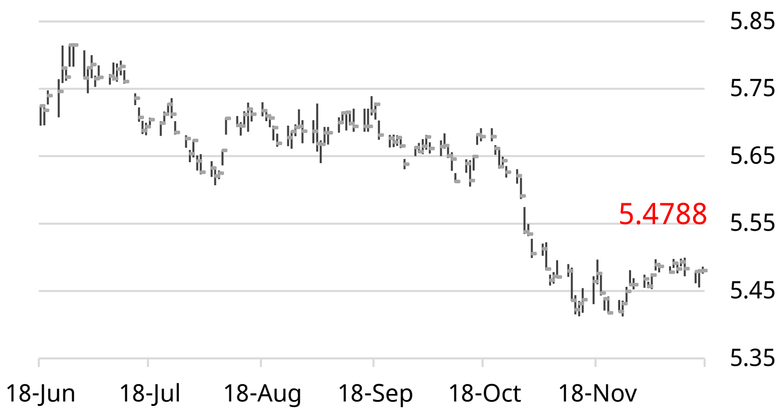


SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.06% higher at 3.1692 before paring its gains to trade below its flatline at 3.1653 at the point of writing. Daily outlook is neutral-to-slightly bearish given broad SGD weakness. We expect losses to be capped nonetheless with the pair trading near its oversold territory and as Singapore's NODX continues to stay sturdy with double-digit growth.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.1546	3.1610	3.1653	3.1751	3.1828

GBP/MYR



GBP/MYR Neutral

GBP/MYR opened 0.06% higher at 5.4830 before making a dive to 5.4788 at the point of writing. We prefer to stay neutral amid investors cautiousness ahead of the UK CPI print due for release later today, the last piece of key data before the central bank meeting. Data wise was mixed overnight, with PMIs improving, but the softer labour data reaffirms our view of a rate cut later this week.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4448	5.4621	5.4788	5.4897	5.5000

AUD/MYR

AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.08% lower at 2.7087 and slid to 2.7061 at the point of writing. Daily outlook is neutral-to-slightly bearish with AUD likely to be under pressure following the decline in Australia's leading index this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6869	2.6998	2.7061	2.7183	2.7256

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad
Fixed Income & Economic Research, Global Markets
Level 8, Hong Leong Tower
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
Email:

whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.