

18 September 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.12% higher at 4.1932 and strengthened to 4.1953 at the point of writing. Daily outlook is neutral-to-slightly bullish amid broad USD strength this morning, likely supported by a less dovish than expected cut by the FOMC overnight. Just a recap, the 25bps Fed rate cut was within expectations, but the dot plot suggests less aggressive easing policy stance as compared to what market had anticipated and that the Fed's independence has remained intact, likely boding well for the greenback today. Key risk today will be leading index and the jobless claims data for more indications on the state of the labour market, a key focus for the Fed for now.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR as we expect some consolidation in the USD following the recent weakness. Fundamental wise, the recent FOMC statement has flagged the shift in balance of risks, notably increased downside risks to employment, balanced against Fed Chair Jerome Powell continued cautiousness over signs of permanence/transitory impact from the recent tariff hikes and less than aggressive rate cut stance view by the Fed vis-à-vis market. With Powell describing the latest 25bps Fed rate cut as a "risk management cut," amid upgrades in the GDP, core-PCE and labour data (ironically), we thus opine that any policy easing going forward will remain gradual for now. As it is, the while consensus and in-house are expecting a 50bps rate cut for the remaining of 2025 and another 50bps in 2026, but the Fed dot plot signals a smaller quantum of 25bps by end-2026. On the domestic front, BNM delivered a more neutral tone in its latest policy statement, removing the slight tinge of cautiousness that we saw previously, while highlighting numerous positive development and potential upsides. This should have wiped out expectations for any further easing in the near term, and reaffirmed our view for no further adjustment in the OPR for the rest of the year and probably into 2026.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1742	4.1811	4.1953	4.2066	4.2228

USD/SGD

USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.2780 and strengthened to 1.2788 at the point of writing. Daily outlook is neutral-to-slightly bullish, unlikely to break above the 1.2800 R1 level today amid broad USD strength today. Data overnight on the Singapore front disappointed with NODX contracting in August, but next up will be the CPI data due early next week.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2690	1.2730	1.2788	1.2800	1.2830

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened 0.09% lower at 3.2780 before paring all its losses and more to trade above its flatline at 3.2819 at the point of writing. Daily outlook is neutral with both currencies trading largely mixed and narrowly against their regional peers between +/-0.3% and key risks for the pair being Malaysia's exports data due for release tomorrow.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.2669	3.2740	3.2819	3.2918	3.3025

GBP/MYR

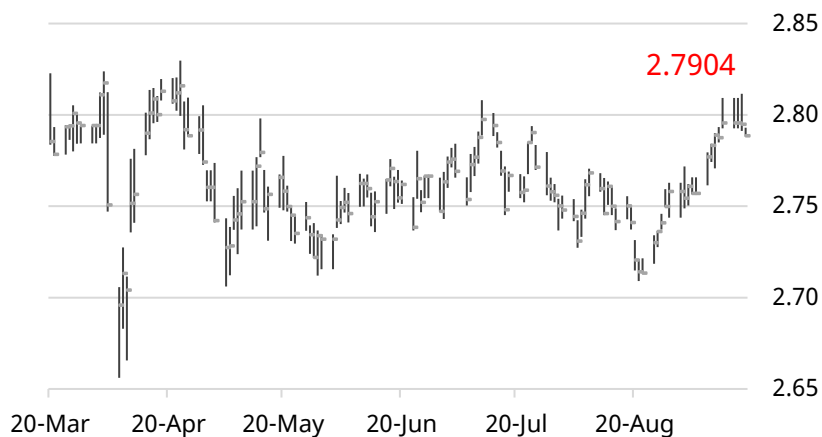
GBP/MYR Neutral

GBP/MYR opened 0.03% lower at 5.7152 before rebounding to 5.7184 at the point of writing. We prefer to stay neutral ahead of BOE's policy decision today where a status quo is expected, while noting a bullish bias given broad GBP strength against regionals in early Asian trade.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6928	5.7048	5.7184	5.7340	5.7512

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.20% lower at 2.7891 before erasing some of its losses to trade at 2.7904 at the point of writing. Daily outlook is neutral-to-slightly bearish in anticipation of AUD weakness, weighed down by the unexpected contraction in its employment change data this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7789	2.7868	2.7904	2.8071	2.8195

Source: Bloomberg, HLBB Global Markets Research

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