19 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 0.04% higher at 4.1980 and strengthened to 4.2075 at the point of writing. Daily outlook is neutral-to-slightly bullish on broad USD strength this morning after data showed that US initial jobless claims dropped by the most in nearly four years in a sign that the labour market is holding well, albeit at a softer pace. The better-than-expected Philadelphia Fed Business Outlook index also bodes well for the greenback today, likely to eclipse the worse than expected leading index released at the same time. It will be an empty economic calendar today for the US, but Malaysia is expected to release its trade numbers at noon.

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, while consensus and in-house are expecting a 50bps rate cut for the remaining of 2025 and another 50bps in 2026, 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	4.1886	4.1925	4.2075	4.2117	4.2321

USD/SGD

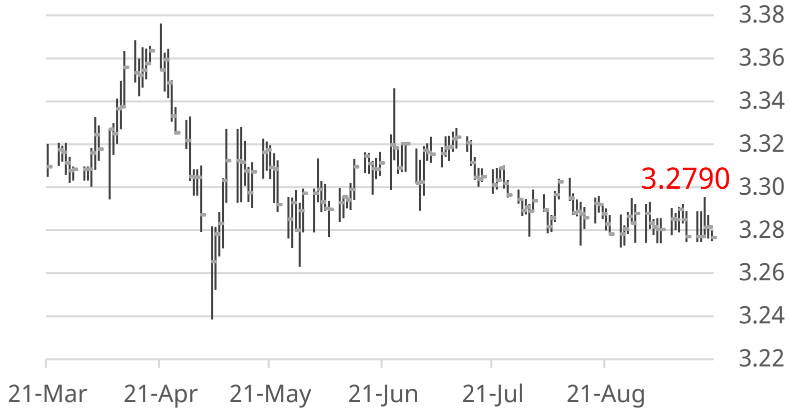
USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.2820 before strengthening to 1.2832 at the point of writing. Daily outlook is neutral-to-slightly bullish amid USD strength. That said, gains will likely be capped at 1.2856 (R1) today given the lack of economic data to move the market today,

	S2	S1	Indicative	R1	R2
USD/SGD	1.2712	1.2766	1.2832	1.2856	1.2892

MYR Crosses

SGD/MYR

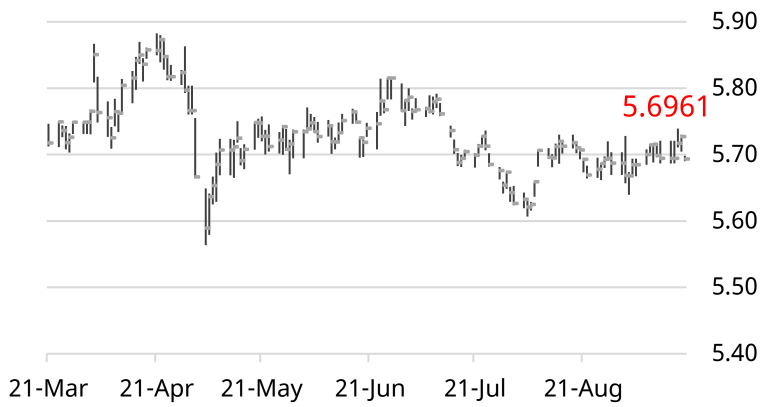


SGD/MYR Neutral

SGD/MYR opened 0.23% lower at 3.2742 before erasing some of its losses to trade at 3.2790 at the point of writing. We prefer to stay neutral barring any surprise on Malaysia's trade data, where consensus is expecting export growth to ease sharply to 3.0% y/y in August from 6.8% y/y previously.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2566	3.2688	3.2790	3.2875	3.2932

GBP/MYR

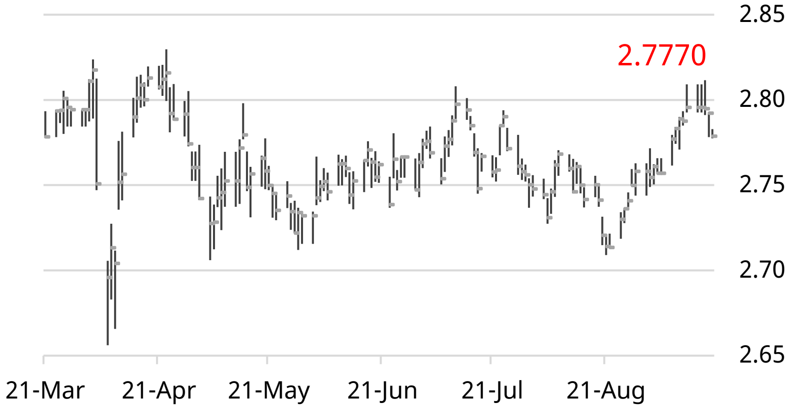


GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.64% lower at 5.6904 but quickly erased its losses to trade at 5.6961 at the point of writing. Daily outlook is neutral-to-slightly bearish given the lower opening and as GBP/USD weakened to 1.3528 at the point of writing. Losses will nonetheless be capped at 5.6945 (S1) amid cautiousness ahead UK's retail sales pint this afternoon.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6686	5.6945	5.6961	5.7366	5.7463

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.50% lower at 2.7780 and inched down 2.7770 at the point of writing. Daily outlook is neutral-to-slightly bearish given the lower opening and with AUD/USD weakening to 0.6601 at the point of writing following the disappointing labour data on the Aussie front yesterday. Nothing on deck from Australia today but the September PMIs are due for release early next week.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7586	2.7731	2.7770	2.7972	2.8023

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:

DISCLAIMER

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into 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.