20 August 2025

Global Markets Research

Midday Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.03% higher at 4.2250 and edged up to 4.2295 at the point of writing. Daily outlook is neutral-to-slightly bullish on broad USD strength this morning. The Dollar Index trended up to 98.39 at the point of writing. Gains will nonetheless be capped as inventors continue to maintain bets of a Fed rate cut in September and amid cautiousness ahead of Powell's speech at the Jackson Hole summit. Minutes to the latest July FOMC policy meeting is on deck early tomorrow morning, one we opine is moot considering the latest developments in the labour market.

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 weakness. 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. 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	4.2173	4.2205	4.2295	4.2363	4.2458

USD/SGD

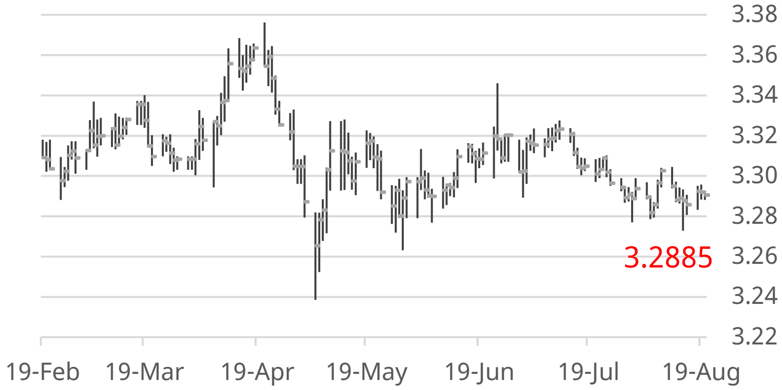
USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened 0.01% higher at 1.2851 and trended up to 1.2861 at the point of writing. We have a neutral-to-slightly bullish outlook for this pair today amid USD strength, but upside is capped at 1.2877 (R1). Nothing on the economic calendar for Singapore for the rest of the week, hence the pair will be USD-driven.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2813	1.2831	1.2861	1.2877	1.2909

MYR Crosses

SGD/MYR

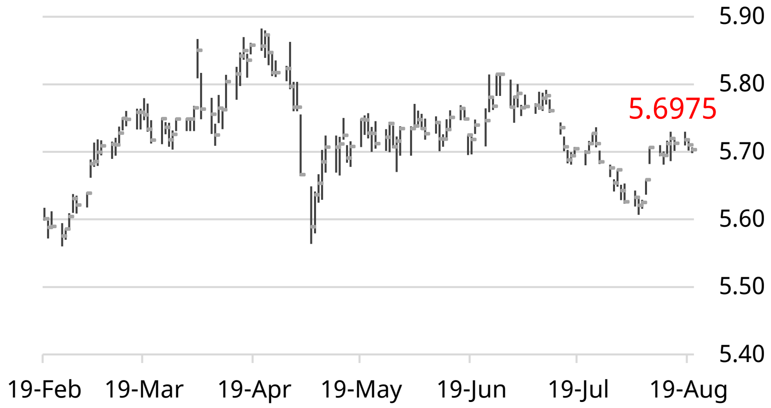


SGD/MYR Neutral

SGD/MYR opened 0.18% lower at 3.2858, but pared some of its losses to trade at 3.2885 at the point of writing. Daily outlook is neutral given the lack of catalysts on both sides of the border, eyeing trading range between 3.2869-3.2964 today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2821	3.2869	3.2885	3.2964	3.3011

GBP/MYR

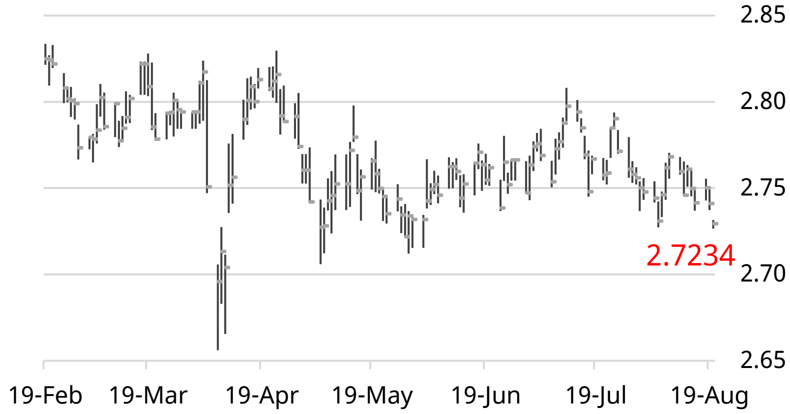


GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.06% lower at 5.7064 and slid further to 5.6975 at the point of writing. Daily outlook is neutral-to-slightly bearish as GBP/USD continues to struggle below the 1.3500 handle in early Asian trade. That said, expectations that the UK CPI data could accelerate could likely keep losses in check at 5.6938 (S1).

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6776	5.6938	5.6975	5.7179	5.7264

AUD/MYR



AUD/MYR Slightly Bearish

AUD/MYR opened 0.35% lower at 2.7313 and retreated further to 2.7234 at the point of writing. Daily outlook is slightly bearish with AUD/USD continues to trade in the red this morning and with key risk for this pair being the PMIs for Australia, due for release early tomorrow morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6866	2.7178	2.7234	2.7481	2.7553

Source: Bloomberg, HLBB Global Markets Research

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