

21 August 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened flattish at 4.2267 and slid to 4.2215 at the point of writing. Daily outlook is neutral-to-slightly bearish given broad MYR strength this morning, but losses likely capped amid cautiousness ahead of Powell's speech at the Jackson Hole summit. Meanwhile, the release of the FOMC meeting minutes was largely a non-event, with Fed officials largely focusing and divided on the scale and persistence of inflationary pressures due to Trump's tariffs. On the data front, key risk today will be on August's PMIs, and to a lesser extent, US' leading index and existing home sales data.

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	4.2103	4.2188	4.2215	4.2273	4.2312

USD/SGD



USD/SGD Neutral

USD/SGD opened flat at 1.2852, traded within a 1.2849-1.2859 range before settling little changed at 1.2853 at the point of writing. Given that it is narrowly traded and amid cautiousness over Powell's speech, we have a neutral outlook for this pair today, eyeing trading range between 1.2839-1.2866.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2825	1.2839	1.2853	1.2866	1.2879

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.04% higher at 3.2890 before making a retreat to 3.2841 at the point of writing. Daily outlook is neutral-to-slightly bearish given MYR strength. There is nothing on the economic calendar today, but tomorrow, Malaysia's CPI is on deck at noon.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2721	3.2802	3.2841	3.2920	3.2964

GBP/MYR

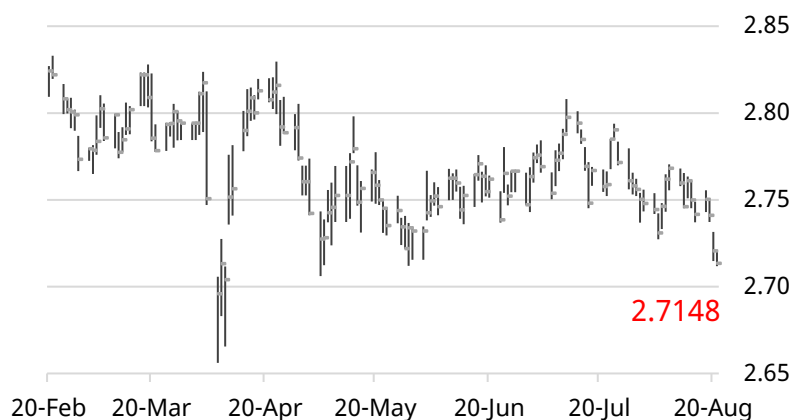


GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.23% lower at 5.6930 and slid to 5.6813 at the point of writing. Daily outlook is neutral-to-slightly bearish amid MYR strength, but losses likely capped with GBP/USD recovering this morning following its hotter than expected UK CPI and amid cautiousness ahead of the PMI data due for release later in the day.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.6575	5.6699	5.6813	5.7129	5.7197

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.02% higher at 2.7210 but made a sharp retreat to 2.7148 at the point of writing. Daily outlook is neutral-to-slightly bearish, but losses likely capped as the pair is trading at a slightly oversold territory and likely to correct upwards. Moreover, the broad improvements in Australia's PMIs will likely lend support for the AUD today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.6886	2.7054	2.7148	2.7297	2.7390

Source: Bloomberg, HLBB Global Markets Research

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