

24 January 2025

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.09% lower at 4.4400 and slid further to 4.4335 at the point of writing. Daily outlook is neutral-to-slightly bearish predominantly driven by USD weakness against regionals and G10 currencies today, the latter seeing DXY sliding below the 108-handle at the point of writing. President Trump’s call for lower oil prices and interest rates drove the Dollar lower overnight. This, however, has not changed the consensus view for the next rate cut in July. Not boding well for USD is also the jump in continuing claims overnight but today, we will be watching out for US PMIs.

1-Month Outlook – USD/MYR Neutral

The one-month outlook for USD/MYR is neutral in our view, largely reflecting some consolidation after the recent rally in greenback, which saw DXY hitting its 2-year high above the 109-handle. This comes after Trump’s policy win, that saw traders pencilling in more business friendly and inflationary policies going forward, while tamer than expected US PPI and CPI bringing forward the next and only rate cut for 2025 to the July FOMC meeting. The current Fed rate remains restrictive at this juncture, and as such, we opine that easing policy measures remains on track for the US. On the domestic front, BNM maintained the OPR at 3.00% as well as neutral policy stance in its latest monetary policy meeting. With no material changes in the policy statement, other than the mention of uncertainties and risks stemming from “more trade and investment restrictions,” this supports our view for an extended pause in the OPR in 2025, and in tandem with this, supportive of the MYR as well.

	S2	S1	Indicative	R1	R2
USD/MYR	4.4115	4.4285	4.4335	4.4528	4.4783

USD/SGD



USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.3550 and plunged to 1.3524 at the point of writing. With this, we have a neutral-to-slightly bearish outlook for this pair, with the pair firmly supported at 1.3505 (S1) and 1.3452 (S2) today. Capping losses is MAS easing policy this morning, but it should be noted that the adjustment is still consistent with a modest and gradual appreciation path of the S\$NEER policy band.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3452	1.3505	1.3524	1.3580	1.3611

MYR Crosses

SGD/MYR



SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.03% higher at 3.2767, traded within a wide range of 3.2694-3.2874 post Singapore's monetary policy decision before settling at 3.2745 at the point of writing. Given the pair has largely traded south of opening levels at the point of writing, we prefer to stay neutral-to-slightly bearish for this pair today.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2682	3.2719	3.2745	3.2864	3.2955

GBP/MYR



GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.20% higher at 5.4845 before making a sight retreat to 5.4843 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening and as GBP/USD trades higher at 1.2395 at the point of writing. That said, we don't see further upsides for this pair today unless UK's PMI surprised on the upside.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4557	5.4646	5.4843	5.5037	5.5227

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.20% higher at 2.7891 and strengthened to 2.7920 at the point of writing. Daily outlook is neutral-to-slightly bullish given AUD strength and as AUD trended up to 0.6313 at the point of writing, benefitting from the risk-on mood as well as the stabilised PMIs indicators this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7455	2.7705	2.7915	2.8072	2.8143

Source: Bloomberg, HLBB Global Markets Research

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