

27 February 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened flattish at 4.4290 before trending up marginally to 4.4330 at the point of writing. Daily outlook is neutral-to-slightly bullish on USD strength against regions, but a largely mixed market sentiment and cautiousness given the uncertainties over US tariffs and upcoming key core-PCE price index will likely put any gains in check. As it is, market is expecting core prices to ease slightly to 2.6% y/y in January from 2.8% y/y previously but before today, we will be watching out for the second reading of 4Q GDP, pending home sales, durable and capital goods orders today.

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, amid some push-backs in tariff US hikes and on some weakness in recent economic indicators, which saw traders pencilling more than 2 quarter point cuts by the Fed in 2025 and the DXY retreating from its 109-handle levels. That said, inflation risks persist, inflation expectations have ticked up and thus, the Fed would have to balance this against a still restrictive monetary policy, keeping any further weakening in the US Dollar, likely in check. 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	4.3980	4.4134	4.4330	4.4396	4.4504

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.3388 before trending up to 1.3392 at the point of writing. Daily outlook is neutral, eyeing trading range between 1.3361-1.3406 today. As it is, the upside surprise in Singapore's IPI growth appears to have only provided brief support for the SGD yesterday, suggesting that the pair remains predominantly USD driven.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3333	1.3361	1.3392	1.3406	1.3423

MYR Crosses

SGD/MYR

SGD/MYR Neutral

SGD/MYR opened flat at 3.3103, traded within the 3.3082-3.3114 levels before settling back at the previous close/opening rate. We have a neutral outlook for this pair today, eyeing trading range between 3.3002-3.3177, while acknowledging the upside risk to this pair today as investor appear to favour SGD amongst regionals.

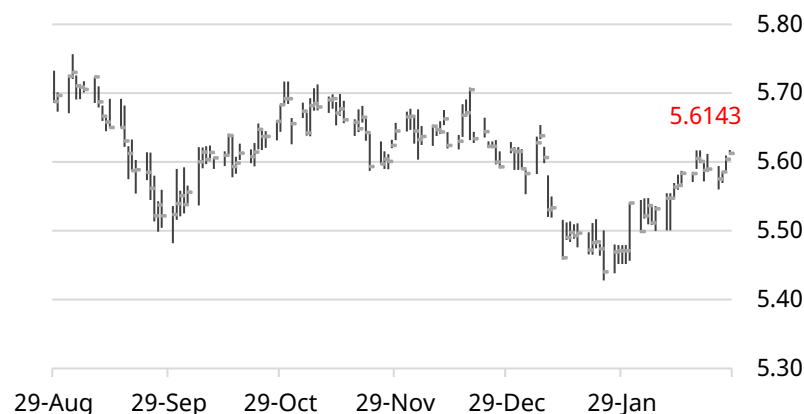


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2902	3.3002	3.3103	3.3177	3.3252

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.24% higher at 5.6171 before paring some of these gain to trade at 5.6143 as GBP's strength appeared to lose momentum in early morning trade. That said, the pair is still trading above its flatline and as such, we have a neutral-to-slightly bullish outlook for this pair today.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.5744	5.5892	5.6143	5.6240	5.6488

AUD/MYR



AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.21% lower at 2.7945 before shedding some of these losses to trade at 2.7960 at the point of writing. The weak capex data on the Aussie front will not bode well for AUD today and as such, we have a neutral-to-slightly bearish outlook for this pair today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7654	2.7828	2.7960	2.8090	2.8176

Source: Bloomberg, HLBB Global Markets Research

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