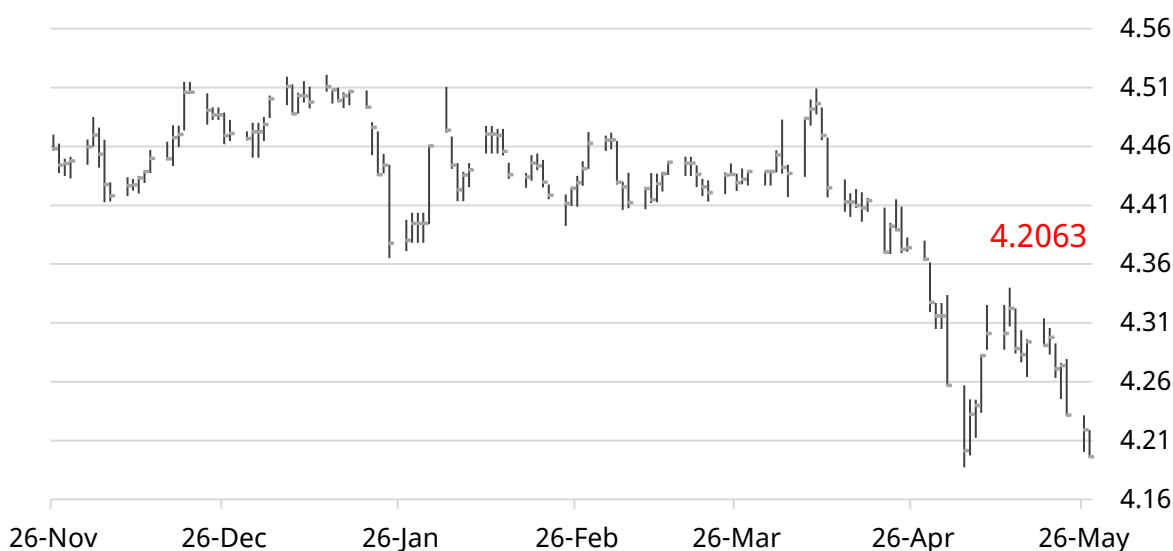


27 May 2025

## Global Markets Research

### Midday Currency Outlook

#### USD/MYR



Source: Bloomberg, HLBB Global Markets Research

#### Intraday Thoughts – Slightly Bearish

USD/MYR opened flat at 4.2188 but plunged to 4.2063 at the point of writing. Daily outlook is slightly bearish given MYR strength and USD weakness today, but losses likely capped at 4.1859 (S1) given its slightly oversold position. Although the US markets were closed for trading overnight, appetite for the greenback continued to be dampened by trade and fiscal deficit concerns. Meanwhile, on the domestic front, talks on RON95 subsidy rationalisation measures will boost sentiment for MYR. Data wise, all eyes will be on US May's Conference Board's consumer confidence index and April's capital and durable goods orders due for release later today.

#### 1-Month Outlook – USD/MYR Neutral-to-Slightly Bearish

We prefer to stay neutral-to-slightly bearish on USD/MYR as we expect the recent Dollar weakness to have more legs to run, as recent Moody's downgrade and tax cut bill intensify the spotlight on US' debt sustainability and revives a mini "sell-America" sentiment. Linger concerns over the outcome of the trade negotiations and its repercussions on US growth will also continue to weigh on appetite for the greenback but that said, divergence in the policy tones between the Fed and BNM recently, namely a wait-and-see hawkish stance for the Fed and a dovish tweak for BNM, suggests a possibility of widening interest rate differential for the two policy rates, likely to cap losses for this pair. As it is, US labour market indicators remain decent for now while inflation prints have softened, giving FOMC leeway to stay the course, and potentially pushing back rate cuts to the later part of this year. With this, we are pencilling in 2 quarter point cuts in 2H for the US, but on the domestic front, the dovish tweaks in policy tone suggests odd of a 25bps OPR cut in the 2H of 2025.

	S2	S1	Indicative	R1	R2
USD/MYR	4.1549	4.1859	4.2063	4.2334	4.2479

## USD/SGD

### USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.2842 before trending down to 1.2836 at the point of writing. Daily outlook is neutral-to-slightly bearish given USD weakness, but unlikely to break below the 1.2810 level given that the pair is trading near its oversold position. The pair rebounded after touching as low as 1.2821 this morning.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2778	1.2810	1.2836	1.2866	1.2890

## MYR Crosses

### SGD/MYR

### SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.02% higher at 3.2856 before paring its gains and more to trade at 3.2774 at the point of writing. Daily outlook is neutral-to-slightly bearish given MYR strength this morning, but losses likely capped at 3.2664 (S1) as the pair trades near its oversold position and in the absence of economic drivers on both sides of the border.

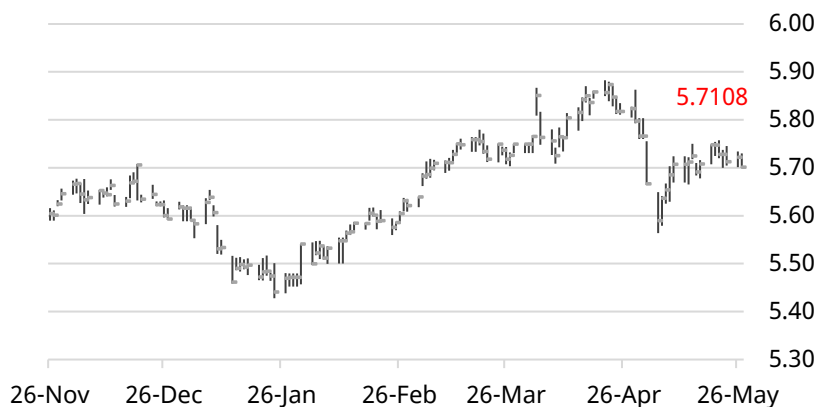


	S2	S1	Indicative	R1	R2
SGD/MYR	3.2472	3.2664	3.2774	3.2949	3.3048

### GBP/MYR

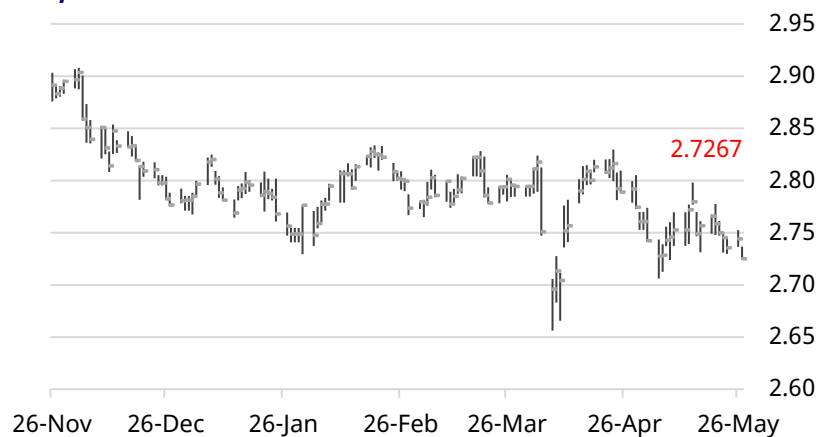
### GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.03% higher at 5.7229 before making a sharp retreat to 5.7108 at the point of writing. Daily outlook is neutral-to-slightly bearish on MYR strength, and with no 1<sup>st</sup> tier data on deck to significantly sway the pair today. That said, CBI retailing reported sales are on deck on the British shore.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6543	5.6866	5.7108	5.7362	5.7512

## AUD/MYR



### AUD/MYR Neutral-to-Slightly Bearish

AUD/MYR opened 0.35% lower at 2.7340 and slid to 2.7267 at the point of writing. Daily outlook is neutral-to-slightly bearish as AUD/USD trades in the red at 0.6481 at the point of writing. That said, losses will likely be capped amid cautiousness ahead of the release of Australia's inflation prints tomorrow, while the stronger industrial profits print from its largest trading partner, China will bode well for AUD.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7124	2.7172	2.7267	2.7519	2.7601

Source: Bloomberg, HLBB Global Markets Research

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