

28 February 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Slightly Bullish

USD/MYR opened flat at 4.4410 before trending up to 4.4672 at the point of writing. Daily outlook is slightly bullish on USD strength and MYR weakness as investors turned cautious given Trump's tariff talk overnight and ahead of US core-PCE prices prints today. Just a recap, the President said that the proposed tariffs of 25% on Mexico and Canada will proceed as planned on March 4th, while China could face an additional 10% levy, sending Wall Street tumbling overnight and Asian equities falling into the red this morning.

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	4.4175	4.4292	4.4703	4.4799	4.5071

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.3484 before sliding to 1.3476 at the point of writing. Daily outlook is neutral pending the release of US price prints, where expectations is that core PCE will ease to 2.6% in January from 2.8% previously. With this, we expect any trading range to be contained within 1.3409-1.3522 today.



	S2	S1	Indicative	R1	R2
USD/SGD	1.3334	1.3409	1.3476	1.3522	1.3560

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.50% lower at 3.2958, before paring these losses and more to trade at 3.3162 at the point of writing. A risk-off sentiment will likely benefit SGD rather than MYR today, and with this, we have a neutral-to-slightly bullish outlook for this pair.

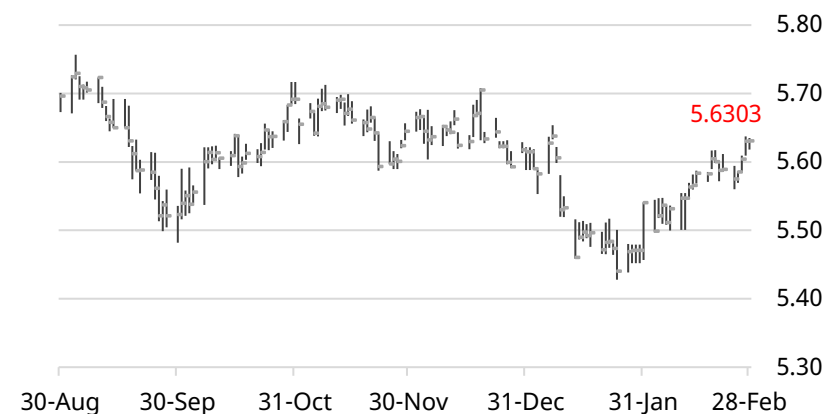


	S2	S1	Indicative	R1	R2
SGD/MYR	3.3035	3.3079	3.3162	3.3217	3.3308

GBP/MYR

GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.22% lower at 5.6180 before paring some of these losses to trade at 5.6303 at the point of writing. Daily outlook is neutral-to-slightly bearish as GBP/USD retreats below the 1.2600 level at the point of writing. This suggests GBP/MYR will likely gyrate towards 5.6141 (S1) today.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.5978	5.6141	5.6303	5.6421	5.6538

AUD/MYR



AUD/MYR Slightly Bearish

AUD/MYR opened 0.69% lower at 2.7796 before erasing some of its earlier losses to trade at 2.7813 at the point of writing. As a liquid proxy to the yuan, AUD will likely feel the rumble from Trump's 10% additional tariff of China and as such, we have a slightly bearish outlook for this pair today.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7284	2.7720	2.7813	2.8041	2.8092

Source: Bloomberg, HLBB Global Markets Research

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