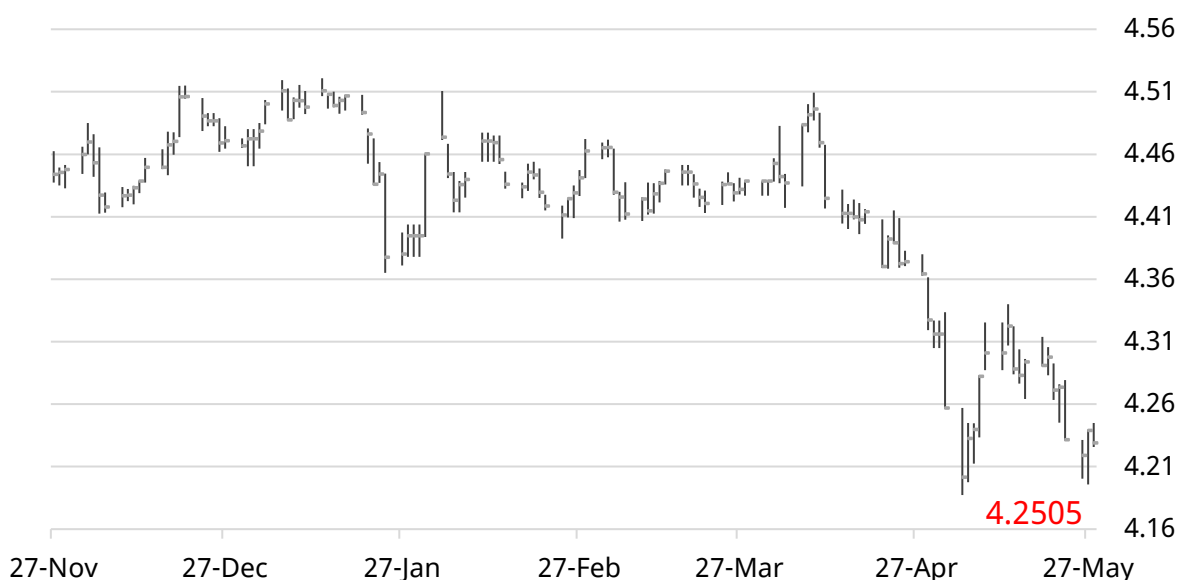


28 May 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.02% higher at 4.2395 and trended up to 4.2505 at the point of writing. Daily outlook is neutral-to-slightly bullish after USD rebounded following optimism over the fast-track US-EU trade talk, taking another leg up after the US consumer confidence beat. That said, FOMC meeting minutes are scheduled for release, likely to be a key market mover especially if there are any surprises and likely to cap gains for the pair 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. Lingering 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	4.1810	4.2098	4.2505	4.2535	4.2684

USD/SGD

USD/SGD Neutral

USD/SGD opened flat at 1.2887, traded within the 1.2875-1.2898 range before settling at 1.2894 at the point of writing. We prefer to stay neutral for this pair today ahead of the FOMC meeting minutes today, eyeing trading range between 1.2841-1.2914. Data wise, it will be light with only US mortgage applications and regional indices up on deck.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2797	1.2841	1.2894	1.2914	1.2940

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.08% lower at 3.2902, but quickly rebounded to 3.2972 at the point of writing. Daily outlook is neutral-to-slightly bullish given the upper trajectory post opening, but gains likely capped at 3.3014 in the absence of economic drivers on both sides of the border and cautiousness ahead of the FOMC meeting minutes.



	S2	S1	Indicative	R1	R2
SGD/MYR	3.2634	3.2781	3.2972	3.3014	3.3100

GBP/MYR

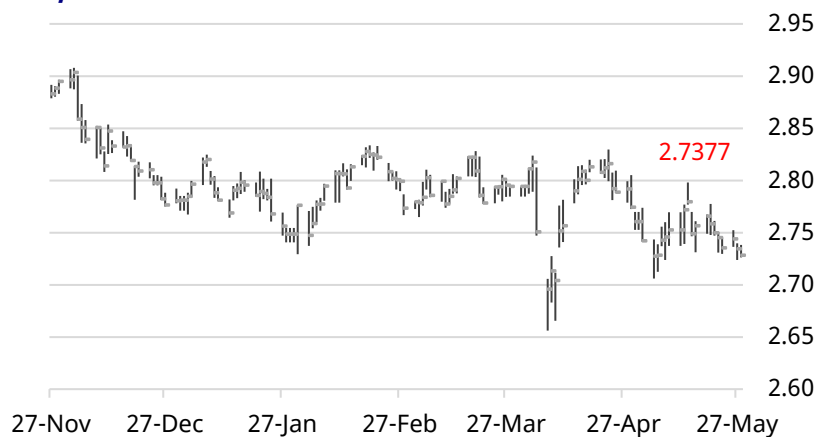
GBP/MYR Neutral-to-Slightly Bearish

GBP/MYR opened 0.24% lower at 5.7282 before paring some of these losses to trade at 5.7374 at the point of writing. Daily outlook is neutral-to-slightly bearish amid some weakness in GBP, with GBP/USD retreating below the 1.3500 handle at the point of writing. It will be an empty economic calendar on the British front today, but the downbeat retail sales volume yesterday does not bode well for GBP today.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.6841	5.7130	5.7374	5.7575	5.7731

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.05% lower at 2.7329, before strengthening to 2.7377 at the point of writing. Daily outlook is neutral-to-slightly bullish given the upward trajectory post opening and as we expect AUD to be firmly supported following a slightly higher than expected Australia's CPI data this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7169	2.7256	2.7377	2.7413	2.7483

Source: Bloomberg, HLBB Global Markets Research

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