

12 January 2026

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts - Neutral-to-Slightly Bearish

USD/MYR opened 0.18% higher at 4.0800 but made a sharp dive to 4.0700 at the point of writing. Daily outlook is neutral to slightly bearish with the Department of Justice's probe on the Fed over the renovations of the Federal Reserve's headquarter likely to weigh on the Dollar today. The DXY retreated to 98.89 at the point of writing. It will be an eventful week ahead, with key focus on the US CPI figures for December and the retail sales report for November, and on the domestic front, preliminary estimates of 2025 and 4Q 2025 GDP at the end of the week.

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

We are neutral-to-slightly bearish on this pair premising on softer labour market outlook and our expectations of a dovish upcoming new Fed Chair. This reaffirmed our house view and consensus call for easier monetary policy going forward, hence a weaker Dollar outlook in the first half of the year. In terms of inflation, there is limited pass through from tariffs to goods inflation at this juncture, but concerns over persistence inflationary pressure will likely keep hawkish FOMC members on their toes and the FOMC divided, capping losses for the pair on a more medium term. In the more immediate timeframe, the ever-shifting geopolitical risks will continue to boost demand for haven assets, lending some support for the greenback. On the domestic front, BNM continued to deliver a neutral note in its latest policy statement, with the overall tone largely unchanged with balanced risks on both the upside and downside in our view. This reaffirmed our view for an extended OPR pause going into 2026, as well as a narrowing interest rate differential between the Fed funds rate and the OPR.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0591	4.0658	4.0700	4.0817	4.0930

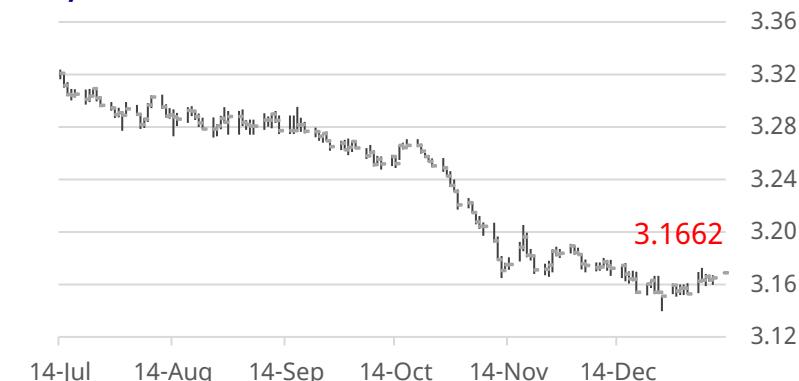
USD/SGD



	S2	S1	Indicative	R1	R2
USD/SGD	1.2820	1.2850	1.2856	1.2890	1.2910

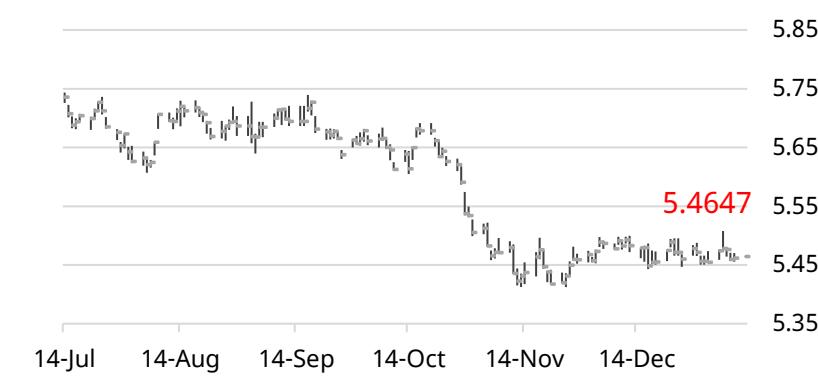
MYR Crosses

SGD/MYR



	S2	S1	Indicative	R1	R2
SGD/MYR	3.1566	3.1611	3.1662	3.1716	3.1791

GBP/MYR



	S2	S1	Indicative	R1	R2
GBP/MYR	5.4473	5.4544	5.4647	5.4695	5.4775

USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened 0.12% lower at 1.2858 and slid to 1.2850 at the point of writing. Daily outlook is neutral-to-slightly bearish amid a softer USD outlook today, with losses likely capped given cautiousness over the upcoming US CPI and mixed labour print last Friday which saw traders dialling back Fed rate cut bets for 2026, limiting losses for the Dollar.

SGD/MYR Neutral

SGD/MYR opened 0.12% higher at 3.1693 but pared its gains to trade at 3.1662 at the point of writing. Daily outlook is neutral eyeing trading range between 3.1611-3.1716 today. Nothing on deck on the Singapore front until Friday's NODX print, and so is the MYR where advanced 4Q GDP print is due on Friday.

GBP/MYR Neutral

GBP/MYR opened 0.05% higher at 5.4645, strengthened to as high as 5.4736 before losing its lustre to trade at 5.4647 at the point of writing. Given limited gains for the sterling this morning and cautiousness over the upcoming UK GDP for November, daily outlook is neutral eyeing trading range between 5.4544-5.4695 today.

AUD/MYR

AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.25% higher at 2.7277 before making a slight retreat to 2.7262 at the point of writing. Daily outlook is neutral-to-slightly bullish given AUD strength today, well supported by the stronger than expected household spending data on the Aussie front this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7141	2.7174	2.7262	2.7375	2.7445

Source: Bloomberg, HLBB Global Markets Research

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets
Level 8, Hong Leong Tower
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
Email:

DISCLAIMER

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.