

26 January 2026

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Bearish

USD/MYR opened 0.42% lower at 3.9900 and plunged to 3.9710 at the point of writing. Daily outlook is bearish given the double whammy of broad USD weakness and MYR strength, the former seeing DXY trading in red at 97.12 at the point of writing, and the latter, supported by BNM's upbeat growth outlook for Malaysia in its latest policy statement. That said, the pair is deeply oversold and thus, could likely see a correction and narrowing losses for the rest of the day. Traders will also be trading on a cautious note given the upcoming FOMC meeting.

1-Month Outlook – USD/MYR Neutral

We are neutral on this pair given that the pair is oversold and thus anticipate a correction from the current level. Fundamental wise, there is no change in our view of a soft labour market outlook in the US and our expectations of a dovish upcoming new Fed Chair. This reaffirmed our house view 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. On the domestic front, BNM continued to deliver a neutral note in its latest policy statement, highlighting rather balanced risks on both the upside and downside in our opinion. This, coupled with our expectation for continued moderate growth expansion (2026: 4.0-4.5%) and benign price outlook (2026: 2.0%), reinforced our view for an extended OPR pause this year, as well as a narrowing interest rate differential between the Fed funds rate and the OPR.

	S2	S1	Indicative	R1	R2
USD/MYR	3.9341	3.9619	3.9710	4.0310	4.0560

USD/SGD

USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened 0.13% lower at 1.2710 and trended down to 1.2696 at the point of writing. Daily outlook is neutral-to-slightly bearish given broad USD weakness in early Asian trade. With the pair oversold and 1.2653 expected to prove strong support and given the upcoming policy meetings for the US and Singapore, we expect the pair to narrow losses for the rest of the day.



	S2	S1	Indicative	R1	R2
USD/SGD	1.2553	1.2653	1.2696	1.2790	1.2853

MYR Crosses

SGD/MYR

SGD/MYR Neutral-to-Slightly Bearish

SGD/MYR opened 0.23% higher at 3.1390 before making a dive to 3.1301 at the point of writing. Daily outlook is neutral-to-slightly bearish as such, with losses likely capped at 3.1205 given that the pair is veering towards the oversold position and amid cautiousness ahead of the MAS meeting later this week, where a status quo is expected.

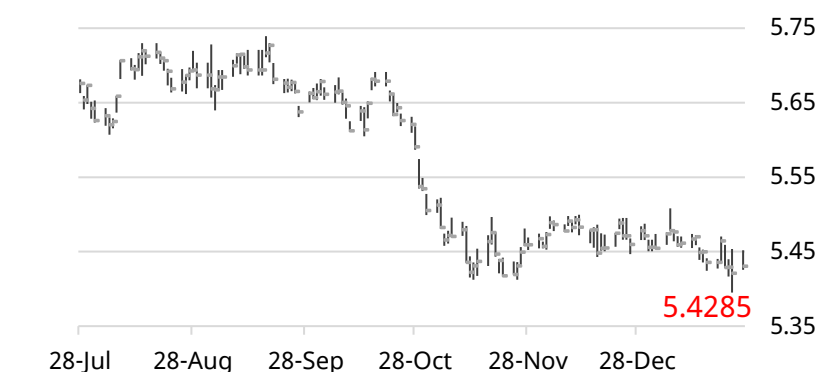


	S2	S1	Indicative	R1	R2
SGD/MYR	3.1093	3.1205	3.1301	3.1488	3.1659

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish

GBP/MYR opened 0.57% higher at 5.4517 before paring its gains to trade at 5.4285 at the point of writing. Daily outlook is neutral-to-slightly bullish given the sharply higher opening and as GBP/USD strengthened further to 1.3675 at the point of writing, supported by the better-than-expected retail sales and PMI data last week.



	S2	S1	Indicative	R1	R2
GBP/MYR	5.3644	5.3926	5.4285	5.4513	5.4818

AUD/MYR



AUD/MYR Neutral-to-Slightly Bullish

AUD/MYR opened 0.64% higher at 2.7580 before narrowing its gains to trade at 2.7471 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening and extended broad AUD strength this morning. On the Aussie front, the upcoming CPI will be closely watched for any repercussion to policy decisions going forward.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7205	2.7305	2.7471	2.7567	2.7729

Source: Bloomberg, HLBB Global Markets Research

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