31 July 2026

Global Markets Research

Midday Currency Outlook

USD/MYR

Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bearish

USD/MYR opened 0.01% lower at 4.0895 and traded all the way down to 4.0785 in early Asian trading before recovering its losses to stand at 4.0895 at the point of writing. The reported Bank of Japan intervention to stem the weakness in the Yen overnight depressed the greenback against currency pairs as well, and US data overnight saw advanced 2Q GDP fall slightly short versus expectations while the core PCE for June was marginally cooler than anticipated. We are neutral-to-slightly bearish on the pair for today, with the MYR expected to play catch-up as the trading day goes by. There are no economic releases out of Malaysia today, with the US seeing the release of the employment cost index for 2Q and the final University of Michigan consumer sentiment index for July later tonight.

1-Month Outlook – USD/MYR Neutral

We are neutral on this pair on expectations that investors will stay cautious with the current geopolitical space still fluid, and on the fundamental front, supported by expectations that the FOMC will maintain rates at this level in the near term with the economy is expanding at a still solid pace, labour market remains resilient albeit softer as reflected by the latest NFP, while inflation risks remained elevated albeit likely to ease, in line with the broadly softer crude oil prices as compared to the beginning of the war in March. On the domestic front, there is also no change in our view that BNM will maintain the OPR at 2.75% in the foreseeable future, given BNM's firm expectations for continued moderate growth for 2026 (4.0-5.0% vs HLB: 4.6%) and benign price outlook (1.5-2.5% vs HLB: 1.9%), and as the central bank maintained a neutral stance in its latest policy statement, albeit with some positive twists such as resilient global growth to stronger than expected exports performance for Malaysia. In our opinion, this should certainly eliminate expectations for rate cut but not enough to signal a near term rate hike in our view, keeping Ringgit well supported in the near term.

	S2	S1	Indicative	R1	R2
USD/MYR	4.0700	4.0785	4.0895	4.0955	4.1020

USD/SGD

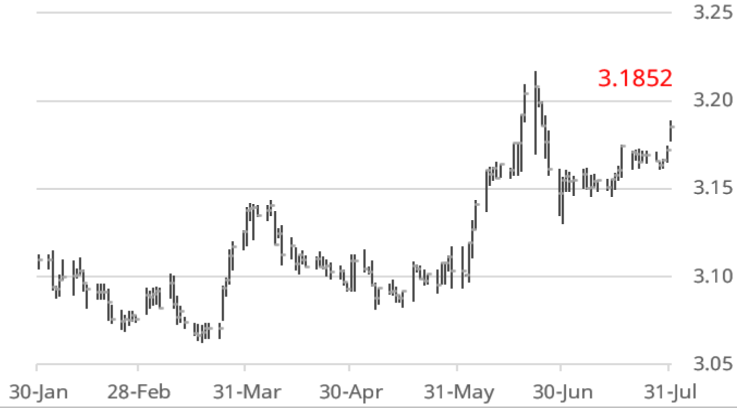
USD/SGD Neutral-to-Slightly Bullish

USD/SGD opened flat at 1.2817, and traded in a range of 1.2812 – 1.2845 before settling at 1.2839 at the point of writing. Daily outlook for the pair is neutral-to-slightly bullish, with the unemployment rate for June coming out this morning at 2.0%, similar to the downwardly revised reading the month before.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2766	1.2810	1.2839	1.2885	1.2960

MYR Crosses

SGD/MYR

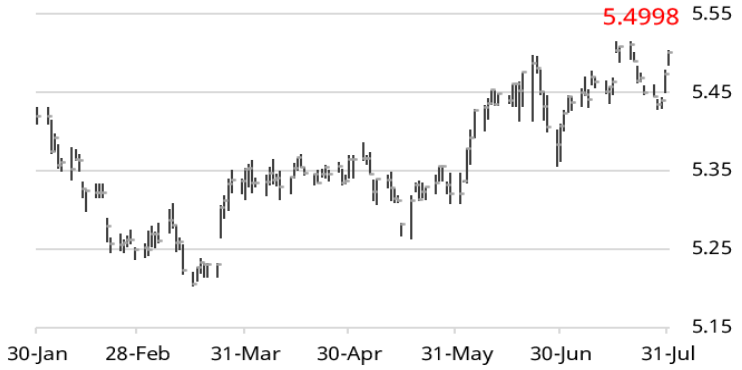


SGD/MYR Neutral-to-Slightly Bullish

SGD/MYR opened 0.57% higher at 3.1902 and shed some of its gains in early Asian trading to settle at 3.1852 at the point of writing. Daily outlook for the cross is neutral-to-slightly bullish for today, and with strong resistance expected at the 3.1875/3.1900 level, we think that gains in the cross will continue recede as the day goes by.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.1699	3.1785	3.1852	3.1900	3.1966

GBP/MYR



GBP/MYR Slightly Bullish

GBP/MYR opened 0.48% higher at 5.4990 before inching up further to trade at 5.4998 at the point of writing. Daily outlook for the cross is slightly bullish for the day, with the Bank of England holding rates in a 6-3 majority vote overnight and Nationwide Building Society reporting on their house price index for July later today.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.4791	5.4906	5.4998	5.5102	5.5235

AUD/MYR

AUD/MYR Slightly Bullish

AUD/MYR opened 0.64% higher at 2.8700 before trading up further to 2.8723 at the point of writing. Daily outlook for the cross is slightly bullish for the day, with Australian PPI for 2Q gaining further ground versus the previous quarter and private sector credit for June grew by more than expected this morning.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.8565	2.8646	2.8723	2.8799	2.8888

Source: Bloomberg, HLBB Global Markets Research

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