

9 May 2024

**Global Markets Research**

**Daily Currency Outlook**

**USD/MYR**



Source: Bloomberg, HLBB Global Markets Research

**Intraday Thoughts – Neutral**

USD/MYR opened 0.01% higher at 4.7422, strengthened to 4.7465 before overturning all its gains to trade at 4.7415 at the point of writing. Daily outlook is neutral pending the BNM monetary policy decision today. While the consensus is expecting the central bank to maintain the OPR at 3.00%, investors will be watching out for any changes to the statement in light of the recent policy changes, namely salary hikes for civil servants as well as flexible withdrawal from the retirement fund. US economic data remains light, with jobless claims on deck tonight followed by the preliminary University of Michigan Consumer Sentiment Index on Friday.

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

The USD/MYR outlook is neutral-to-slightly bearish as the upside for the DXY appeared to have peaked with the recent rise in the Dollar, amidst cooling signs of a labour market and after Fed Chair Jerome Powell hit a less than expected hawkish tone. Powell downplayed prospects of rate hikes despite the lack of further progress towards the 2% inflation objective in recent months, and with this, markets are now expecting Fed rate reductions to 1-2 cuts this year. Data wise, meanwhile, remains solid while price print points to uneven disinflation path. Domestically, MYR will be supported by expectations for an extended pause in the OPR, as recovery in exports, sustained domestic demand and upside risk to inflation amid imminent subsidy cuts should shield BNM from any OPR cut. The ongoing tension between Israel and Iran could benefit both the USD and MYR, the latter benefitting from the higher oil prices, while the former benefitting from a safe-haven bid in the forex market.

	S2	S1	Indicative	R1	R2
USD/MYR	4.7332	4.7382	4.7415	4.7482	4.7532

### USD/SGD



### USD/SGD Neutral

USD/SGD opened flat at 1.3555, spiked to 1.3564 before retreating back to its opening level. We have a neutral outlook as the USD appears to be struggling to maintain its upward momentum despite expectations that US rates may remain elevated for longer.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3542	1.3550	1.3555	1.3566	1.3574

### MYR Crosses

#### SGD/MYR

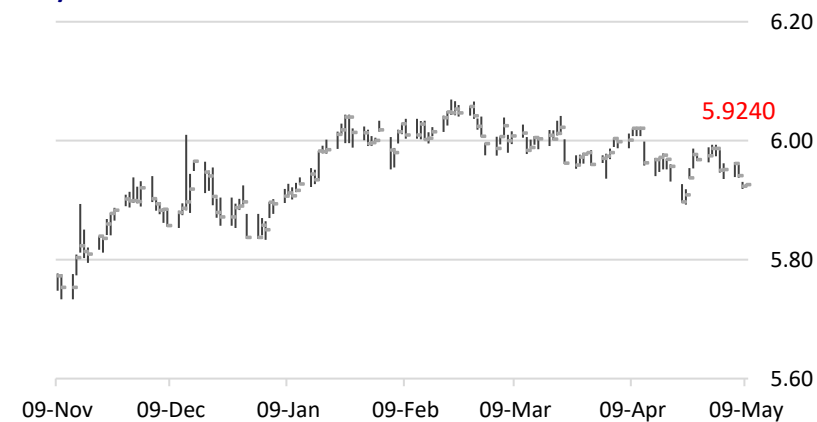


### SGD/MYR Neutral

SGD/MYR opened 0.02% higher at 3.4981 before trending up to 3.4987 at the point of writing. We expect investors to largely stay cautious ahead of the BNM meet today, and as such, we have a neutral outlook eyeing trading range between 3.4961-3.5028.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4925	3.4961	3.4987	3.5028	3.5064

#### GBP/MYR



### GBP/MYR Neutral

GBP/MYR opened 0.04% higher at 5.9257, spiked to as high at 5.9293 before losing its lustre to trade at 5.9240 at the point of writing. Daily outlook is neutral given both the BOE and BNM are set to decide on their monetary policy decisions today. We expect status quo for both, but focus on the BOE front will be on cue on when to start cutting rates, and on BNM front, its latest take on growth and inflation outlook.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.9157	5.9203	5.9240	5.9297	5.9342

**AUD/MYR**

**AUD/MYR Neutral-to-Slightly Bullish**

AUD/MYR opened 0.13% higher at 3.1197 but lost some shine to trade at 3.1188 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, but gains seen capped given AUD extended its losses against the Dollar to trade below 0.6600 at the point of writing.

Cess	S2	S1	Indicative	R1	R2
AUD/MYR	3.1132	3.1160	3.1188	3.1253	3.1313

Source: Bloomberg, HLBB Global Markets Research

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