

30 April 2024

Global Markets Research

Daily Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral

USD/MYR opened flat at 4.7673 before trending up to 4.7690 at the point of writing. Daily outlook is neutral, eyeing trading range between 4.7635-4.7732 as we expect investors to largely stay cautious ahead of the highly anticipated FOMC meeting as well as the slew of 1st tier data like the ISM-Manufacturing and Conference Board’s consumer confidence indices over the next couple of days.

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

The USD/MYR outlook is neutral-to-slightly bearish in our view as the pair hovers near the overbought territory with the recent rise in the Dollar. This comes after the market dialled back expectations of the magnitude and timing of Fed rate reductions to 1-2 cuts this year after a slew of still solid economic data and amidst an uneven disinflation path. Domestically, MYR will be supported by expectations for an extended pause in 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	4.7587	4.7635	4.7690	4.7732	4.7780

USD/SGD

USD/SGD Neutral-to-Slightly Bullish



USD/SGD opened flat at 1.3597 before trending up to 1.3608 at the point of writing. Daily outlook is neutral-to-slightly bullish, hit by double whammy of USD strength and SGD weakness, but again, gains capped at 1.3611 (R1) and 1.3619 (R2) given the lack of major catalyst until the FOMC meeting.

	S2	S1	Indicative	R1	R2
USD/SGD	1.3583	1.3593	1.3608	1.3618	1.3627

MYR Crosses

SGD/MYR

SGD/MYR Neutral

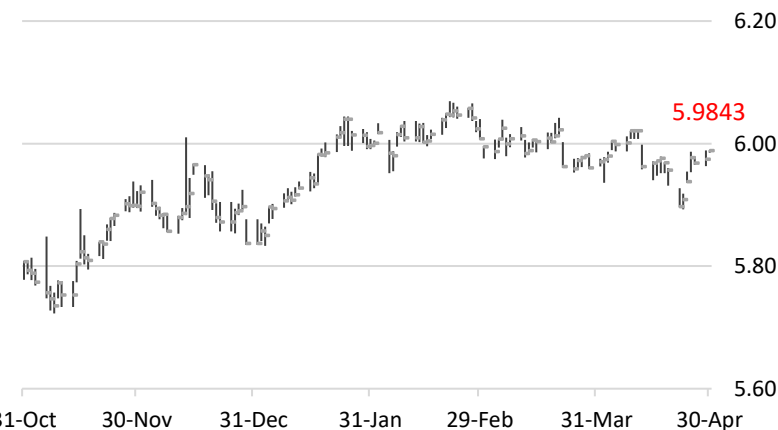


SGD/MYR opened 0.03% lower at 3.5050 and slid to 3.5043 at the point of writing. Daily outlook is neutral amidst cautious trading ahead of the FOMC meeting and amidst a shortened trading week, eyeing trading range between 3.5021-3.5077.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.4993	3.5021	3.5043	3.5077	3.5105

GBP/MYR

GBP/MYR Neutral-to-Slightly Bullish



GBP/MYR opened 0.19% higher at 5.9854 but pared its gains to trade at 5.9843 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening, facing resistance levels at 5.9926 (R1) and 5.9976 (R2) respectively. There is not much catalyst on the both fronts, with only the final revision to UK's S&P Manufacturing PMI due to be released. This morning, we saw business sentiment holding steady for the third month.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.9776	5.9826	5.9843	5.9926	5.9976

AUD/MYR
AUD/MYR Neutral-to-Slightly Bearish


AUD/MYR opened 0.09% lower at 3.1265 and slid to 3.1203 at the point of writing. Daily outlook is neutral-to-slightly bearish on AUD weakness, as the AUD/USD pair trended down to 0.6541 at the point of writing after Australia's retail sales unexpectedly contracted for the month of March.

Cess	S2	S1	Indicative	R1	R2
AUD/MYR	3.1134	3.1170	3.1203	3.1274	3.1343

Source: Bloomberg, HLBB Global Markets Research

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