

07 Nov 2025

Ringgit Weekly Outlook

Likely to firm further as domestic momentum to outweigh Fed uncertainty

Overview

- Performance:** The ringgit strengthened to around 4.18/USD on Thursday, even as the USD index traded firmer near the 100 level.
- Market Dynamics:** The ringgit gained against most major currencies, supported by firm domestic sentiment. Foreign investors added RM1.6b to Malaysian bonds last week as expectations of a BNM rate cut faded and growth optimism returned. BNM's continued pause has bolstered confidence, while fiscal discipline and political stability have helped Malaysia stand out among regional peers. The USD remained moderately supported as markets debated the scale of the Fed's easing cycle amid mixed policymaker signals and limited data. Futures still price about a 70.0% chance of a December cut.
- Data Impact:** Domestic data will drive the ringgit performance next week, particularly as the ongoing US government shutdown clouds global market direction. Investors will focus on today's IPI and next week's 3Q25 GDP, labour, and retail data. Stronger-than-expected readings could extend the ringgit's rally. With limited US data releases, attention will centre on ADP employment numbers and Fed speeches for clues ahead of December's meeting. Clear signs that the Fed is hesitant to cut in December could lift the USD, especially if the shutdown drags into mid-November.
- Outlook:** We maintain our view of three additional Fed cuts over the next year, given lingering weakness in the US labour market. Even if the Fed delays easing in December, the broader trend still favours a softer USD and a firmer ringgit. Sustained foreign inflows, coupled with potential repatriation of foreign earnings should continue to support the ringgit. We expect the local note to appreciate further and trade within 4.15–4.20/USD in the coming weeks.
- Technical:** USDMYR shows a mildly bullish bias. The pair is likely to test its 5-day EMA of 4.19 within a 4.17–4.21 trading range.

Table 1: Currency Outlook

Long Term*							
	Q3-25	Q4-25F	Q1-26F	Q2-26F	Q3-26F	Q4-26F	Trend
USDMYR	4.21	4.08	4.05	4.02	3.99	3.95	▼

Short Term (Technical)							
	RSI (7)	EMA (5)	R1	R2	S1	S2	Trend
USDMYR	25.58	4.19	4.19	4.21	4.17	4.17	▲

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

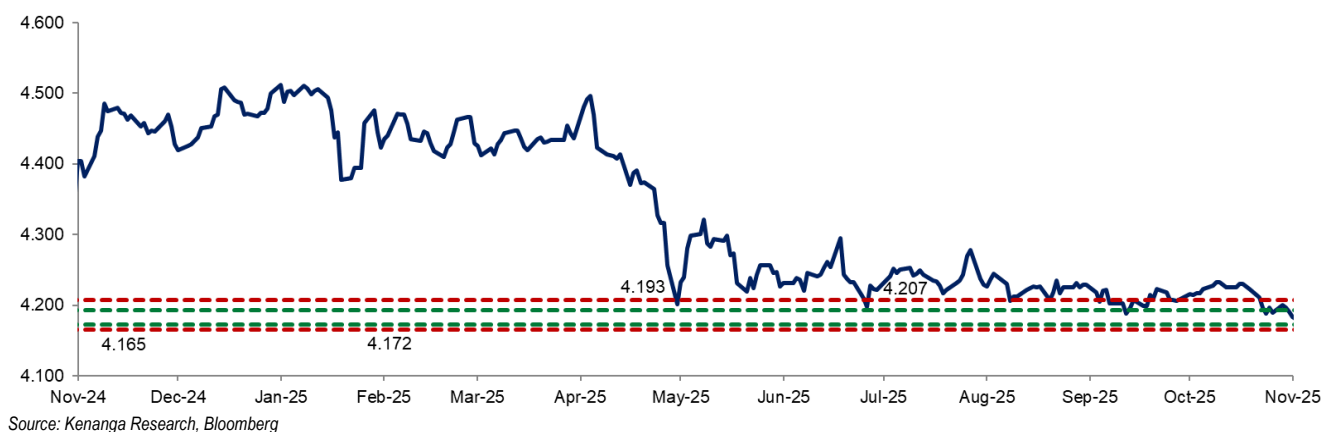
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

EMA (5): 5-day Exponential Moving Average

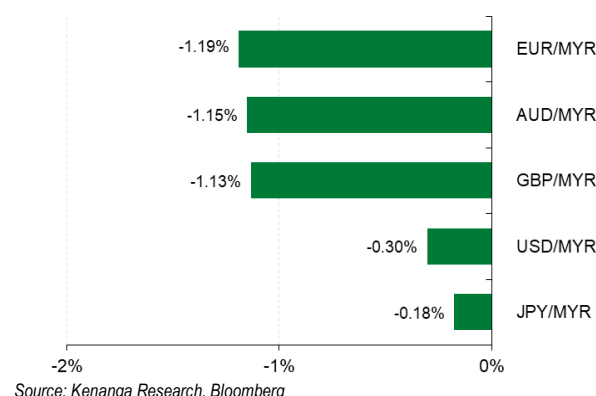
EMA gives more weight to the most recent periods, places more emphasis on what has been happening lately. Old data points retain a multiplier even if they are outside of the selected data series length.

$$EMA = (P \times \alpha) + [Previous EMA \times (1 - \alpha)]$$

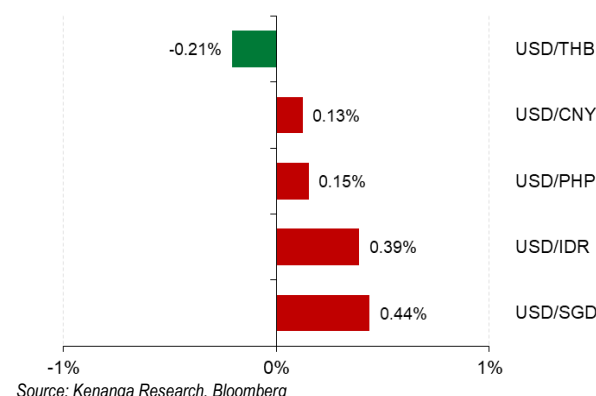
Graph 1: USDMYR Trend



Graph 2: Weekly Core Pairs' Performance



Graph 3: Weekly Regional Peers' Performance



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Table 2: Performance of Core Pairs

Currencies	02/01/25 YTD	06/11/24 Last Year	06/10/25 Last Month	30/10/25 Last Week	06/11/25 Yesterday	ytd (%)	yoy (%)	mom (%)	wow (%)
MYR									
USDMYR	4.479	4.404	4.216	4.196	4.183	-6.59%	-5.00%	-0.77%	-0.30%
AUDMYR	2.785	2.900	2.781	2.756	2.725	-2.15%	-6.05%	-2.03%	-1.15%
GBPMYR	5.590	5.681	5.664	5.534	5.472	-2.12%	-3.69%	-3.40%	-1.13%
EURMYR	4.636	4.736	4.918	4.874	4.816	3.88%	1.70%	-2.07%	-1.19%
JPYMYR	2.850	2.859	2.805	2.726	2.721	-4.53%	-4.84%	-3.01%	-0.18%
SGDMYR	3.288	3.311	3.258	3.231	3.204	-2.53%	-3.21%	-1.65%	-0.81%
ASEAN 5 + CNY + JPY									
USIDR	16198	15833	16583	16636	16701	3.11%	5.48%	0.71%	0.39%
USDTHB	34.276	34.199	32.46	32.435	32.368	-5.57%	-5.35%	-0.28%	-0.21%
USDSGD	1.365	1.332	1.294	1.300	1.305	-4.35%	-1.97%	0.87%	0.44%
USDPHP	57.884	58.682	58.35	58.885	58.975	1.88%	0.50%	1.07%	0.15%
USDCNY	7.299	7.175	7.121	7.110	7.119	-2.47%	-0.78%	-0.03%	0.13%
USDJPY	157.140	154.000	150.290	153.960	153.750	-2.16%	-0.16%	2.30%	-0.14%
USD									
EURUSD	1.032	1.075	1.166	1.161	1.151	11.57%	7.11%	-1.30%	-0.83%
GBPUSD	1.245	1.289	1.342	1.318	1.308	5.08%	1.47%	-2.56%	-0.74%
AUDUSD	0.621	0.658	0.660	0.657	0.651	4.80%	-1.14%	-1.33%	-0.88%

Source: Kenanga Research, Bloomberg

Table 3: Upcoming Major Data Release And Policy Announcement for the Week

Date	Country	Indicator	Previous	Consensus/Forecast
10/11/2025	MY	Retail Sales (SEP)	5.0%	N/A
10/11/2025	MY	Unemployment Rate (SEP)	3.0%	N/A
11/11/2025	US	ADP Employment Change Weekly	14.25k	N/A
13/11/2025	UK	GDP Growth Rate Preliminary (Q3)	0.3% QoQ	N/A
13/11/2025	EA	Industrial Production (SEP)	-1.2% MoM	N/A
14/11/2025	CN	Industrial Production (OCT)	6.5% YoY	5.5% YoY
14/11/2025	CN	Retail Sales (OCT)	3.0% YoY	2.8% YoY
14/11/2025	MY	GDP Growth Rate (Q3)	4.4% YoY	5.0% YoY*

Source: Kenanga Research, Trading Economics, Bloomberg

*KIBB

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