

21 Nov 2025

Ringgit Weekly Outlook

Likely consolidating near 4.15/USD as Fed stays cautious into December meeting

Overview

- Performance:** We anticipated some technical correction, but the ringgit weakened more than expected, slipping towards 4.15–4.16/USD as the DXY moved above the 100.0 level.
- Market Dynamics:** The ringgit eased from 4.13/USD last Friday to 4.15/USD on Monday and briefly touched 4.16/USD on Tuesday after markets abandoned the view that the US reopening would deliver softer data and a dovish Fed. Expectations for a December rate cut fell below 50.0% as risk-off sentiment revived safe-haven demand for the USD. Hawkish Fed minutes and the BLS decision to delay payroll revisions until after the FOMC meeting reinforced this shift.
- Data Impact:** September payroll gains exceeded expectations, though the unemployment rate also edged higher. With the Fed's tone turning more hawkish and no major official releases between now and the 10 December meeting, markets now assign less than a 40.0% chance of a December cut. Even if upcoming releases such as weekly jobless claims, the ADP report, retail sales, and PPI soften, they are unlikely to trigger the degree of deterioration needed to dislodge the prevailing Fed "pause" narrative.
- Outlook:** Our medium-term call remains unchanged: we expect three additional rate cuts from the Fed over the next year. A December pause would not alter our bearish view on the US; it would merely shift the timing. We still think US weakness will become clearer in mid-December, once fresh labour-market data arrive. For Malaysia, steady foreign inflows into local bonds, continued repatriation of export earnings, and a broadly stable macro backdrop should keep the ringgit relatively firm into year-end. We expect USDMYR to trade in the 4.14–4.16 range next week.
- Technical:** USDMYR is likely to hover around its 5-day EMA at 4.15. Momentum remains range-bound, with R1 at 4.16 and S1 at 4.14.

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	41.26	4.15	4.16	4.17	4.14	4.14	▲

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

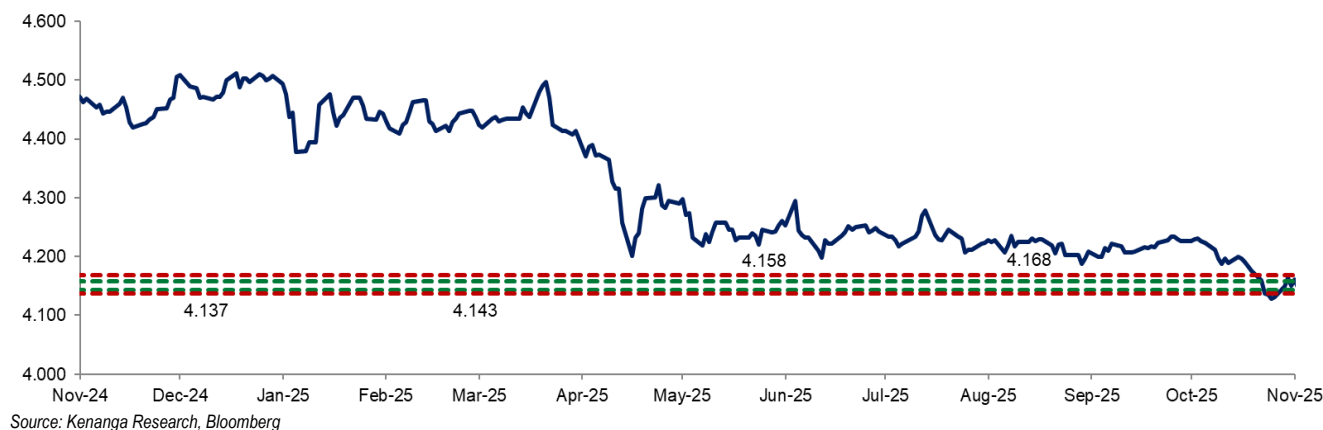
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

EMA (5): 5-day Exponential Moving Average

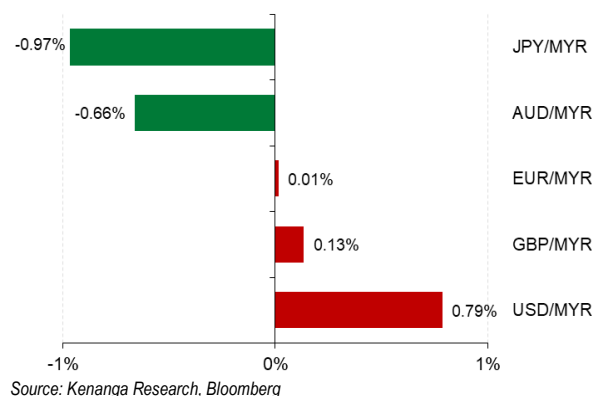
EMA gives more weight to the most recent periods, places more emphasis on what has been happening lately. Old data points retain a multiplier even if they are outside of the selected data series length.

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

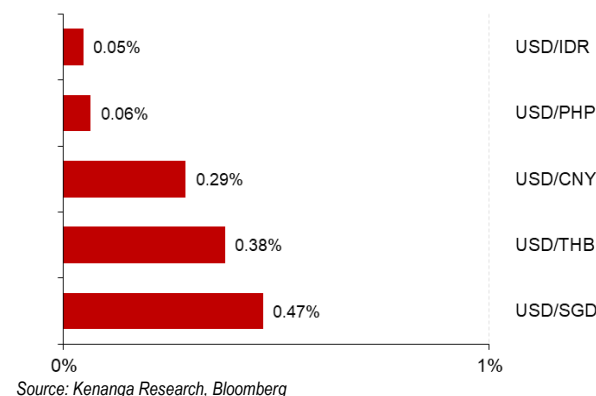
Graph 1: USDMYR Trend



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	20/11/24 Last Year	20/10/25 Last Month	13/11/25 Last Week	20/11/25 Yesterday	ytd (%)	yoy (%)	mom (%)	wow (%)
MYR									
USDMYR	4.479	4.471	4.226	4.128	4.161	-7.10%	-6.95%	-1.54%	0.79%
AUDMYR	2.785	2.911	2.745	2.713	2.695	-3.20%	-7.42%	-1.82%	-0.66%
GBPMYR	5.590	5.665	5.677	5.431	5.438	-2.72%	-4.00%	-4.20%	0.13%
EURMYR	4.636	4.720	4.928	4.795	4.796	3.45%	1.62%	-2.68%	0.01%
JPYMYR	2.850	2.871	2.804	2.669	2.643	-7.26%	-7.93%	-5.73%	-0.97%
SGDMYR	3.288	3.330	3.264	3.175	3.184	-3.16%	-4.40%	-2.44%	0.29%
ASEAN 5 + CNY + JPY									
USIDR	16198	15871	16575	16728	16736	3.32%	5.45%	0.97%	0.05%
USDTHB	34.276	34.708	32.727	32.326	32.449	-5.33%	-6.51%	-0.85%	0.38%
USDSGD	1.365	1.343	1.295	1.301	1.307	-4.24%	-2.72%	0.94%	0.47%
USDPHP	57.884	58.925	58.166	59.015	59.053	2.02%	0.22%	1.52%	0.06%
USDCNY	7.299	7.246	7.122	7.096	7.117	-2.51%	-1.78%	-0.07%	0.29%
USDJPY	157.140	155.750	150.710	154.660	157.380	0.15%	1.05%	4.43%	1.76%
USD									
EURUSD	1.032	1.055	1.165	1.162	1.153	11.73%	9.27%	-1.08%	-0.77%
GBPUSD	1.245	1.266	1.341	1.316	1.307	5.03%	3.26%	-2.51%	-0.64%
AUDUSD	0.621	0.650	0.649	0.657	0.648	4.43%	-0.31%	-0.09%	-1.29%

Source: Kenanga Research, Bloomberg

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

Date	Country	Indicator	Previous	Consensus/Forecast
25/11/2025	US	ADP Employment Change Weekly	-2.5k	N/A
25/11/2025	US	PPI (SEP)	-0.1% MoM	0.3% MoM
25/11/2025	US	Retail Sales (SEP)	0.6% MoM	0.4% MoM
26/11/2025	US	Durable Goods Orders (SEP)	2.9% MoM	0.3% MoM
26/11/2025	US	Initial Jobless Claims (NOV/22)	220.0k	N/A
26/11/2025	US	GDP Growth Rate (Q3)	3.8% QoQ	N/A
27/11/2025	MY	PPI (OCT)	-0.8% YoY	N/A
28/11/2025	MY	M3 Money Supply (OCT)	4.4% YoY	N/A

Source: Kenanga Research, Trading Economics, Bloomberg

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