

# Ringgit Weekly Outlook

Set for another cautious week near 4.05/USD as geopolitical fog and supply risks linger

## Overview

- Performance:** The MYR weakened toward 4.05/USD as volatile geopolitical rhetoric and supply risks weighed on local sentiment.
- Market Dynamics:** Conflicting ceasefire reports followed by renewed escalations triggered sharp swings in risk appetite. The ringgit reversing earlier mid-week gains after President Trump again conditioned de-escalation on maritime access. Brent price holding above USD100.0/barrel continues to stoke global inflation concerns and support the greenback. Consequently, investors maintained defensive USD positions while awaiting clarity on Iranian guarantees for regional shipping lanes.
- Data Impact:** Tonight's NFP print will be scrutinised for signs of slowing labour momentum despite a potential headline rebound. Energy costs have hawkishly repriced the Fed curve, though Chair Powell confirmed medium-term inflation expectations remain well-anchored, suggesting recent volatility has not entrenched a tightening bias. Malaysia's position as a net oil importer (but a net energy exporter) remains a localised vulnerability. The broader question is whether geopolitical pressure materially shifts the Fed's long-term easing trajectory or merely causes short-term repricing.
- Outlook:** We assume the conflict de-escalates by 3Q26 to align with the US mid-term election cycle. A partial reopening of the Strait of Hormuz to friendly nations would improve Malaysia's energy supply constraints and support the ringgit. Markets are likely to resume pricing for 4Q26 Fed cuts as Powell holds a relaxed stance on anchored inflation. We expect USDMYR to trade broadly around the 4.05 level next week as conflicting signals are digested.
- Technical:** USDMYR is approaching overbought territory, with resistance at 4.05 and immediate support near 4.03.

Table 1: Currency Outlook

Long Term*							
	Q1-26	Q2-26F	Q3-26F	Q4-26F	Q1-27F	Q2-27F	Trend
USDMYR	4.05	4.05	4.00	3.95	4.00	4.01	—
Short Term (Technical)							
	RSI (7)	EMA (5)	R1	R2	S1	S2	Trend
USDMYR	75.230	4.030	4.051	4.062	4.028	4.016	▼

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

\*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

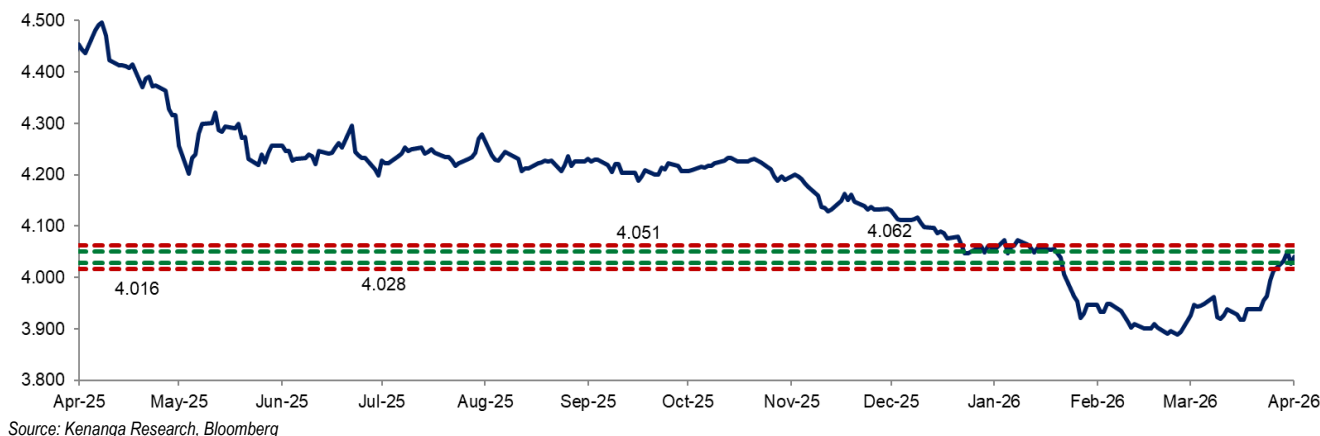
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

EMA (5): 5-day Exponential Moving Average

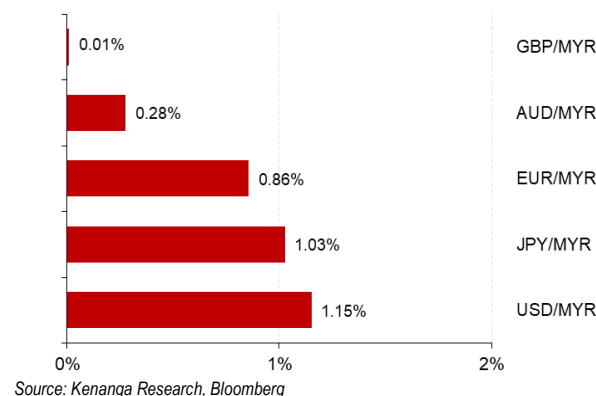
EMA gives more weight to the most recent periods, places more emphasis on what has been happening lately. Old data points retain a multiplier even if they are outside of the selected data series length.

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

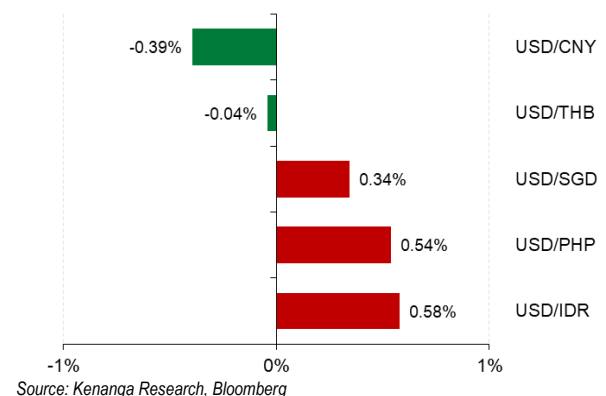
Graph 1: USDMYR Trend



Graph 2: Weekly Core Pairs' Performance



Graph 3: Weekly Regional Peers' Performance



03 Apr 2026

Table 2: Performance of Core Pairs

Currencies	02/01/26 YTD	02/04/25 Last Year	02/03/26 Last Month	26/03/26 Last Week	02/04/26 Yesterday	ytd (%)	yoy (%)	mom (%)	wow (%)
<b>MYR</b>									
USDMYR	4.054	4.454	3.926	3.994	4.040	-9.80%	-9.30%	2.90%	1.15%
AUDMYR	2.716	2.811	2.780	2.770	2.778	-0.24%	-1.18%	-0.07%	0.28%
GBPMYR	5.455	5.765	5.251	5.333	5.333	-4.59%	-7.49%	1.56%	0.01%
EURMYR	4.752	4.813	4.607	4.617	4.656	0.43%	-3.25%	1.08%	0.86%
JPYMYR	2.585	2.981	2.502	2.504	2.530	-11.24%	-15.14%	1.12%	1.03%
SGDMYR	3.152	3.316	3.088	3.112	3.139	-4.53%	-5.34%	1.64%	0.87%
<b>ASEAN 5 + CNY + JPY</b>									
USDIDR	16725	16713	16868	16904	17002	4.96%	1.73%	0.79%	0.58%
USDTHB	31.524	34.178	31.453	32.804	32.791	-4.33%	-4.06%	4.25%	-0.04%
USDSGD	1.286	1.344	1.271	1.284	1.288	-5.63%	-4.15%	1.32%	0.34%
USDPHP	58.862	57.219	58.195	60.255	60.580	4.66%	5.87%	4.10%	0.54%
USDCNY	6.989	7.268	6.905	6.913	6.886	-5.66%	-5.25%	-0.28%	-0.39%
USDJPY	156.840	149.410	156.920	159.490	159.680	1.62%	6.87%	1.76%	0.12%
<b>USD</b>									
EURUSD	1.172	1.080	1.174	1.156	1.151	11.58%	6.64%	-1.93%	-0.39%
GBPUSD	1.346	1.294	1.341	1.335	1.319	5.94%	1.92%	-1.64%	-1.26%
AUDUSD	0.669	0.630	0.709	0.693	0.686	10.53%	8.90%	-3.19%	-1.02%

Source: Kenanga Research, Bloomberg

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

Date	Country	Indicator	Previous	Consensus/Forecast
6/4/2026	US	ISM Services PMI (MAR)	56.1	54.9
7/4/2026	US	Durable Goods Orders (FEB)	0.0% MoM	-1.0% MoM
9/4/2026	US	FOMC Minutes	N/A	N/A
9/4/2026	MY	Industrial Production (FEB)	5.9% YoY	4.9% YoY
9/4/2026	US	Core PCE Price Index (FEB)	0.4% MoM	0.4% MoM
9/4/2026	US	Personal Spending (FEB)	0.4% MoM	0.5% MoM
10/4/2026	MY	Retail Sales (FEB)	6.1% YoY	N/A
10/4/2026	US	Core Inflation (MAR)	0.2% MoM	0.3% MoM

Source: Kenanga Research, Trading Economics, Bloomberg

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