

Ringgit Weekly Outlook

Renewed Hormuz flare-up and central bank week set to cap USDMYR upside

Overview

- Performance:** The MYR weakened to 3.97/USD on Thursday after holding near 3.95/USD level earlier in the week.
- Market Dynamics:** Iranian vessel seizures in the Strait of Hormuz despite the ceasefire extension triggered fresh USD safe-haven demand. USDMYR moved higher Thursday as risk appetite faded, heightening concerns over prolonged oil-price pressure and inflation pass-through. Consequently, investors rotated into the USD while reducing exposure to pro-growth EM currencies.
- Data Impact:** Next week brings a high-stakes sequence of policy decisions from the BoJ, Fed, ECB and BoE. Markets will dissect forward guidance for signals on managing the oil shock and inflation risks. The BoJ could lean hawkish on normalisation while the Fed is expected to hold rates with measured commentary. The ECB and BoE will grapple with persistent inflation that may constrain easing. These outcomes will shape sentiment toward Asian EM currencies.
- Outlook:** A permanent ceasefire by end-2Q26 forms our baseline assumption. While this would reverse most oil gains, significant lagged pressures from energy and fertiliser would delay inflation relief and near-term easing. We maintain that the Fed will pause before cutting only in 4Q26. Investors will adopt cautious EM positioning awaiting diplomatic breakthroughs and central bank clarity. We expect USDMYR to consolidate in the 3.94-3.98 range with mild downside bias on any sustained de-escalation progress.
- Technical:** USDMYR remains neutral near the 3.96 level with immediate resistance at 3.98 and support at 3.96.

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	53.954	3.962	3.977	3.984	3.958	3.944	—

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

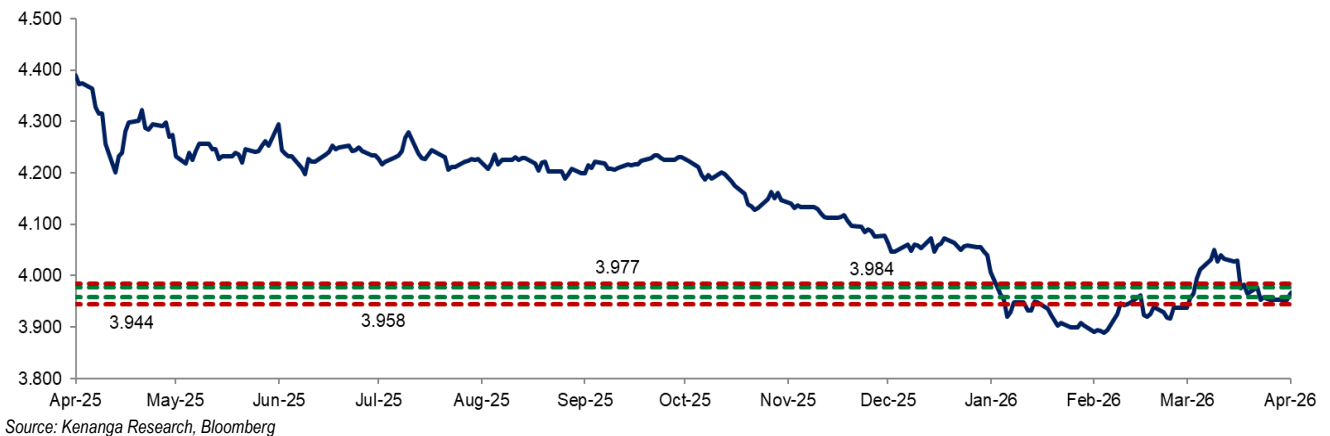
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

EMA (5): 5-day Exponential Moving Average

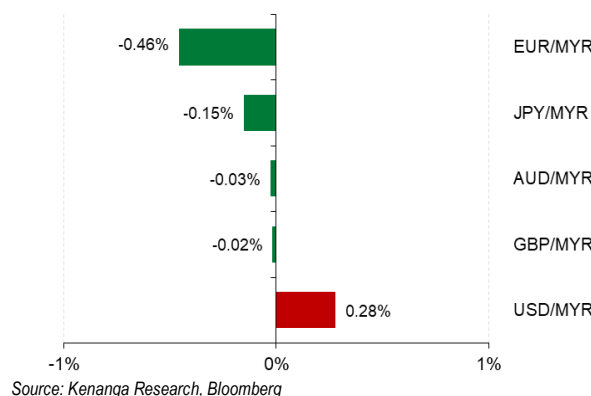
EMA gives more weight to the most recent periods, places more emphasis on what has been happening lately. Old data points retain a multiplier even if they are outside of the selected data series length.

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

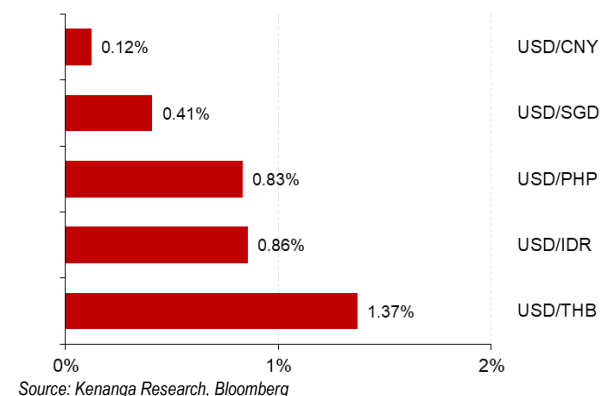
Graph 1: USDMYR Trend



Graph 2: Weekly Core Pairs' Performance



Graph 3: Weekly Regional Peers' Performance



24 Apr 2026

Table 2: Performance of Core Pairs

Currencies	02/01/26 YTD	23/04/25 Last Year	23/03/26 Last Month	16/04/26 Last Week	23/04/26 Yesterday	ytd (%)	yoy (%)	mom (%)	wow (%)
MYR									
USDMYR	4.054	4.390	3.937	3.954	3.965	-2.19%	-9.69%	0.70%	0.28%
AUDMYR	2.716	2.816	2.733	2.835	2.834	4.36%	0.65%	3.70%	-0.03%
GBPMYR	5.455	5.847	5.223	5.354	5.353	-1.86%	-8.44%	2.49%	-0.02%
EURMYR	4.752	5.013	4.526	4.658	4.637	-2.42%	-7.51%	2.44%	-0.46%
JPYMYR	2.585	3.092	2.467	2.487	2.483	-3.95%	-19.70%	0.64%	-0.15%
SGDMYR	3.152	3.349	3.063	3.109	3.106	-1.48%	-7.25%	1.39%	-0.09%
ASEAN 5 + CNY + JPY									
USDIDR	16725	16872	16997	17139	17286	3.35%	2.45%	1.70%	0.86%
USDTHB	31.524	33.395	33.028	32.014	32.453	2.95%	-2.82%	-1.74%	1.37%
USDSGD	1.286	1.312	1.286	1.272	1.277	-0.68%	-2.61%	-0.71%	0.41%
USDPHP	58.862	56.57	60.298	59.995	60.495	2.77%	6.94%	0.33%	0.83%
USDCNY	6.989	7.287	6.883	6.823	6.831	-2.26%	-6.26%	-0.76%	0.12%
USDJPY	156.840	142.000	159.630	159.020	159.720	1.84%	12.48%	0.06%	0.44%
USD									
EURUSD	1.172	1.140	1.149	1.178	1.168	-0.32%	2.46%	1.71%	-0.83%
GBPUSD	1.346	1.330	1.326	1.354	1.348	0.21%	1.38%	1.67%	-0.44%
AUDUSD	0.669	0.641	0.692	0.717	0.714	6.62%	11.34%	3.08%	-0.43%

Source: Kenanga Research, Bloomberg

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

Date	Country	Indicator	Previous	Consensus/Forecast
27/4/2026	MY	PPI (MAR)	-3.4% YoY	N/A
28/4/2026	JP	BoJ Interest Rate Decision	0.75%	0.75%* (status quo)
28/4/2026	US	ADP Employment Change Weekly	54.75k	N/A
30/4/2026	US	Fed Interest Rate Decision	3.75%	3.75%* (status quo)
30/4/2026	CN	NBS Manufacturing PMI (APR)	50.4	50.1
30/4/2026	UK	BoE Interest Rate Decision	3.75%	3.75% (status quo)
30/4/2026	EA	ECB Interest Rate Decision	2.00%	2.00% (status quo)
30/4/2026	US	GDP Growth Rate Advance (Q1)	0.5% QoQ	2.0% QoQ

Source: Kenanga Research, Trading Economics, Bloomberg

*KIBB

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