

Ringgit Weekly Outlook

Resilient amid delayed tariffs and shifting risk sentiment

Overview

- Performance:** The ringgit traded softer-than-expected, hovering around 4.47–4.50/USD, but resisted a sustained break above the key 4.50 threshold. FX markets were thrown into disarray this week amid renewed trade tensions, driven by Trump’s tariff manoeuvres.
- Market Dynamics:** The ringgit briefly slipped past 4.50/USD intraday after Trump imposed sweeping tariffs on 75 countries—including a 104.0% rate on Chinese goods—prompting a knee-jerk selloff. The losses were short-lived, however, as markets recalibrated after a 90-day tariff pause for most countries. The DXY fell below 101.0, reflecting growing risk aversion toward US assets.
- Data Impact:** A softer-than-expected US core CPI print—slipping below 3.0% for the first time in four years, reinforced expectations of a possible Fed rate cut soon, despite the inflationary impact of tariffs. Attention now turns to upcoming PPI and consumer sentiment data for further confirmation. Next week, markets will focus on China’s key macro numbers, US retail sales, and the ECB’s rate decision. The US-China trade war remains a key risk.
- Outlook:** While the ringgit may gain some support from delayed tariffs and waning confidence in USD assets, the broader trade war narrative remains intact with a 145.0% tariff on China and a baseline 10.0% globally. We maintain our view that the ringgit will remain resilient, trading within 4.43–4.48/USD range next week.
- Technical:** The USDMYR remains neutral, anchored near its 5-day EMA at 4.463. Tariff headlines should keep the pair in check, with support at (S1) 4.421 and resistance at (R1) 4.478.

Table 1: Currency Outlook

Long Term*							
	Q1-25	Q2-25F	Q3-25F	Q4-25F	Q1-26F	Q2-26F	Trend
USDMYR	4.434	4.530	4.490	4.449	4.383	4.317	▲

Short Term (Technical)							
	RSI (7)	EMA (5)	R1	R2	S1	S2	Trend
USDMYR	41.548	4.463	4.478	4.515	4.421	4.402	—

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

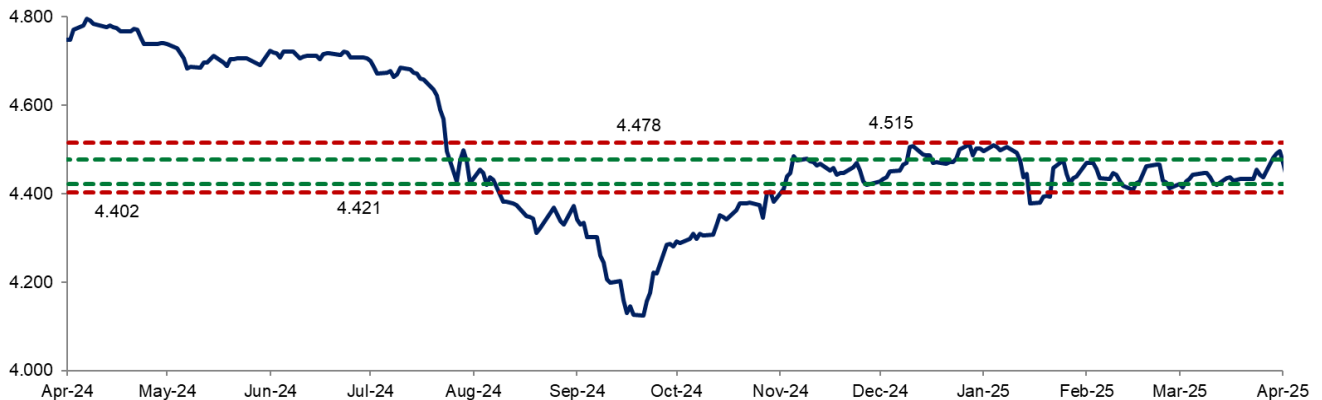
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

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.

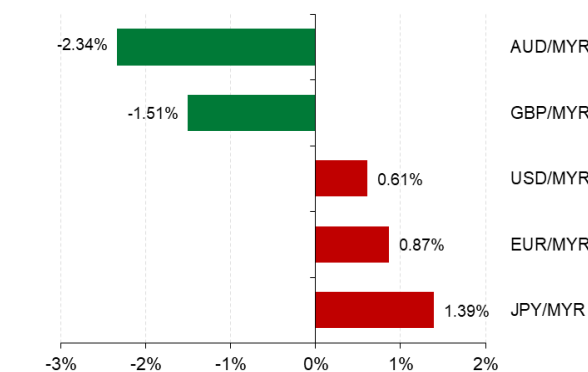
$$EMA = (P \times \alpha) + [Previous\ EMA \times (1 - \alpha)]$$

Graph 1: USDMYR Trend



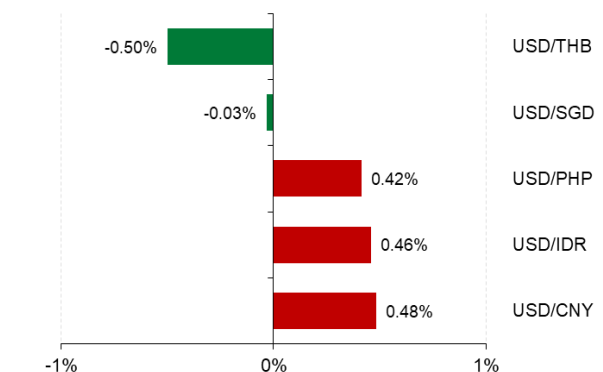
Source: Kenanga Research, Bloomberg

Graph 2: Weekly Core Pairs' Performance



Source: Kenanga Research, Bloomberg

Graph 3: Weekly Regional Peers' Performance



Source: Kenanga Research, Bloomberg

11 April 2025

Table 2: Performance of Core Pairs

Currencies	02/01/25 YTD	10/04/24 Last Year	10/03/25 Last Month	03/04/25 Last Week	10/04/25 Yesterday	ytd (%)	yoy (%)	mom (%)	wow (%)
MYR									
USDMYR	4.479	4.748	4.422	4.443	4.470	-0.19%	-5.85%	1.09%	0.61%
AUDMYR	2.785	3.147	2.799	2.817	2.752	-1.19%	-12.55%	-1.69%	-2.34%
GBPMYR	5.590	6.018	5.711	5.850	5.762	3.07%	-4.26%	0.89%	-1.51%
EURMYR	4.636	5.155	4.798	4.901	4.943	6.62%	-4.10%	3.02%	0.87%
JPYMYR	2.850	3.128	3.011	3.028	3.071	7.74%	-1.85%	1.97%	1.39%
SGDMYR	3.288	3.532	3.324	3.325	3.337	1.51%	-5.51%	0.42%	0.39%
ASEAN 5 + CNY + JPY									
USDIDR	16198	15848	16367	16746	16823	3.86%	6.15%	2.79%	0.46%
USDTHB	34.276	36.369	33.809	34.271	34.101	-0.51%	-6.24%	0.86%	-0.50%
USDSGD	1.365	1.344	1.331	1.337	1.336	-2.10%	-0.61%	0.38%	-0.03%
USDPHP	57.884	56.215	57.4	57.095	57.332	-0.95%	1.99%	-0.12%	0.42%
USDCNY	7.299	7.234	7.260	7.282	7.318	0.25%	1.15%	0.79%	0.48%
USDJPY	157.140	151.830	146.920	146.710	145.560	-7.37%	-4.13%	-0.93%	-0.78%
USD									
EURUSD	1.032	1.087	1.086	1.105	1.108	7.40%	1.98%	2.02%	0.25%
GBPUSD	1.245	1.270	1.292	1.315	1.291	3.74%	1.69%	-0.06%	-1.79%
AUDUSD	0.621	0.662	0.632	0.634	0.618	-0.47%	-6.69%	-2.26%	-2.48%

Source: Kenanga Research, Bloomberg

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

Date	Country	Indicator	Previous	Consensus/Forecast
16/4/2025	CN	GDP Growth Rate (Q1)	5.4% YoY	5.2% YoY
16/4/2025	US	Retail Sales (MAR)	0.2% MoM	1.4% MoM
16/4/2025	US	Industrial Production (MAR)	0.7% MoM	-0.3% MoM
17/4/2025	EA	ECB Interest Rate Decision	2.50%	2.25% (25 bps cut)
17/4/2025	US	Building Permits Preliminary (MAR)	1.459m	1.450m
17/4/2025	US	Housing Starts (MAR)	1.501m	1.410m
18/4/2025	JP	Inflation Rate (MAR)	3.7% YoY	N/A
18/4/2025	MY	Exports (MAR)	6.2% YoY	N/A

Source: Kenanga Research, Trading Economics, Bloomberg

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