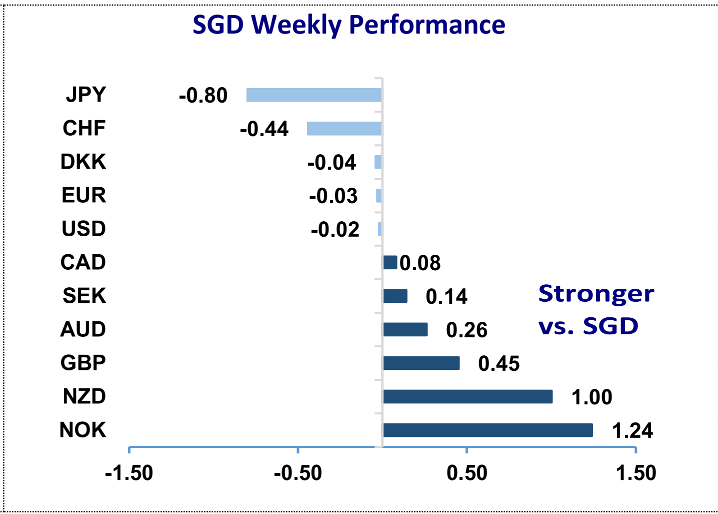
10 July 2026

Global Markets Research
Currency Outlook for the Week Ahead



Source: Bloomberg

1-Week Outlook – USD/ SGD Neutral

SGD was little changed against the greenback in trading this week (prior: 0.3%), settling at 1.2925 from 1.2927 the week before, amidst a softer than expected retail sales report for May. Against other G10 currencies, the SGD was mixed for the week, gaining the most ground against JPY (+0.8%) and depreciating most versus the NOK (-1.2%), but against major regional currencies, it was mostly firmer except against the KRW (-2.0%). We are ***Neutral*** on USD/SGD for the week ahead, foreseeing a possible trading range of 1.2800 – 1.3050. The coming week brings the release of the advanced 2Q GDP growth figures, before next Friday's export numbers for June.

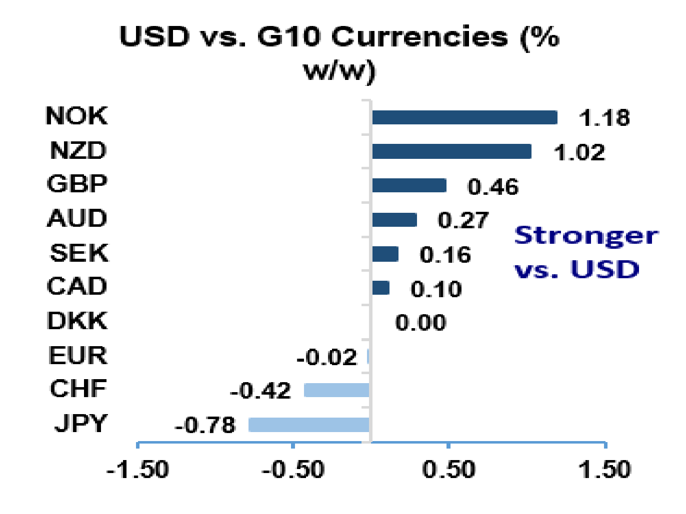
1-Month Outlook – USD/ SGD Neutral

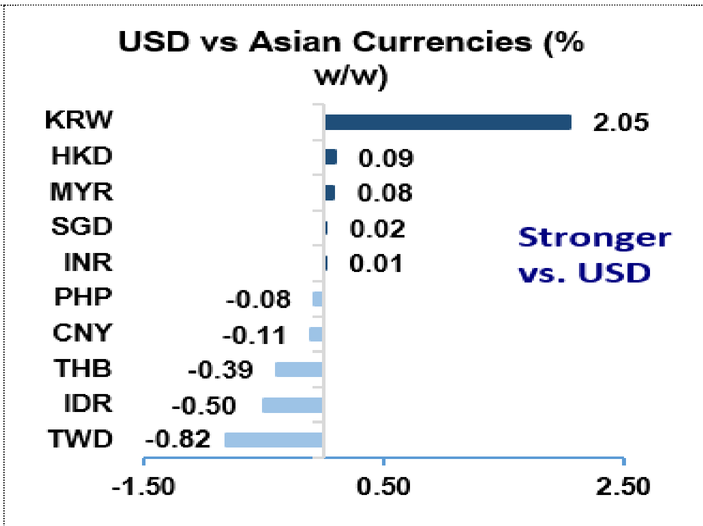
The USD/SGD one-month outlook is neutral in our view. The USD has been trading at the upper end of a range as of late as a memorandum of understanding was finally inked between the US and Iran to end the conflict with both sides now working towards the signing of a peace accord. The FOMC saw a hawkish twist in Kevin Warsh' first meeting as the new Fed Chair, with the policymakers revising their forecasts for Fed Funds higher even as they left rates unchanged. This further added fuel to the chance of rate hikes priced into the futures markets, with a first full hike now priced in by October. On the fundamental front, US economic conditions continue to remain firm, with the monthly employment report and retail sales for May both beating expectations, while recent inflation numbers have risen but have been softer than expected. On the domestic front, MAS tightened policy during the April monetary policy decision with a slight steepening of the S$NEER curve while revising their inflation forecasts higher. The final reading of Singapore 2Q GDP was also stronger than expected and consequently, saw officials maintained their growth forecast of 2-4% this year despite looming downside risks ahead.

	S2	S1	Prev. Close	R1	R2
USD/SGD	1.2800	1.2865	1.2925	1.2985	1.3050

Weekly Look Ahead

USD: The DXY was a touch firmer in trading this week, inching by 0.1% w/w (prior: -0.6%) to 100.90 from 100.86 the prior week, amidst a breakdown in the Middle East ceasefire with both sides trading blows, with maritime traffic grinding to a halt again at the Straits of Hormuz and oil prices heading higher. The minutes of the June 17 FOMC meeting revealed that some committee members were leaning to a hike before voting to keep rates unchanged. We are ***Neutral*** on the USD for the coming week, eyeing a probable trading range of 99.75 - 102.25 for the DXY. The week ahead sees the release of the CPI figures and the retail sales report for June, with the Fed also set to release its latest Beige Book, while developments in the Gulf likely to drive the price action amidst the ratcheting up on tensions.





Source: Bloomberg, HL Bank

EUR: EUR was little changed in trading this week (prior: 0.6%), settling against the USD at 1.1430 from 1.1432 the week before, amidst Eurozone PPI and retail sales for May both coming in roughly as anticipated and a slight revision higher to the final Eurozone composite PMI for June. We are ***Neutral*** on the EUR/USD for the week ahead, looking at a likely trading range of 1.1300 – 1.1575. The coming week brings the release of the industrial production numbers and trade balance figures for May, before the final CPI for June is published on Friday, with the ECB set to decide on policy in a fortnight's time.

GBP: The GBP was firmer against the greenback in trading this week for a second straight week, rising by 0.5% w/w (prior: 1.2% w/w) to 1.3408 from 1.3346 the prior week, amidst the RICS House Price Balance for Jun improving by less than expected and the Bank of England announcing plans to loosen capital requirements for major UK banks. We are ***Neutral-to-Slightly Bearish*** on the Cable for the coming week, foreseeing a possible trading range of 1.3250 – 1.3525. The week ahead will see the release of the monthly GDP, manufacturing production and trade balance figures for the month of May, with Bank of England Governor Andrew Bailey also due to deliver some comments.

JPY: The Japanese Yen retreated against the USD in trading this week, declining by 0.8% w/w (prior: 0.4%) to 162.38 from 161.11 the week before, amidst Japanese wage growth for May slowing down by more than expected, in part due to fewer working days compared with a year earlier. We are ***Slightly Bearish*** on USD/JPY for the week ahead with the pair trading at where the Japanese authorities reportedly intervened previously, eyeing a probable trading range of 159.50 – 163.50. After producer prices for June came out slightly higher than expected on backward revisions this morning, the rest of the coming week sees the release of the final industrial production figures for May and the core machine orders for the month.

AUD: AUD advanced against the USD in trading for a second straight week, appreciating by 0.3% (prior: 0.2%) to 0.6941 from 0.6922 the prior week, amidst the Melbourne Institute reporting that its measure of inflation showed an easing of prices in June. RBA Assistant Governor Sarah Hunter mentioned during the week that Australia may need a period of low inflation and higher unemployment to ease inflation expectations back down if they start to drift higher. We are ***Neutral-to-Slightly Bearish*** on AUD/USD for the coming week, looking at a likely trading range of 0.6825 – 0.7050. The week ahead sees the release of the latest monthly consumer and business confidence numbers, as well as consumer inflation expectations for July.

MYR: MYR was slightly stronger against the USD in trading this week for a second week running, inching up by 0.1% w/w (prior: 0.9%) to 4.0773 from 4.0805 the week before, amidst BNM holding policy steady for a sixth straight MPC meet and continuing to espouse a neutral tone in the monetary policy statement. Data for the week saw industrial production climb in May but by less than anticipated. Against the rest of the G10 currencies, the MYR was mixed, firming against the JPY (-0.8%) and losing ground against the NZD (-0.8%), but versus major regional currencies, the MYR was mostly stronger save against the KRW (-2.0%). We are ***Neutral-to-Slightly Bullish*** on USD/MYR for the week ahead, foreseeing a possible trading range of 4.05 – 4.12. The coming week brings the Johor state election over the weekend, with advanced 2Q GDP and CPI for June due next Friday.

House View and Forecasts

FX	3Q-26	4Q-26	1Q-27	2Q-27
DXY	102.28	100.86	99.42	98.07
USD/CAD	1.43	1.41	1.40	1.38
EUR/USD	1.13	1.14	1.16	1.18
GBP/USD	1.29	1.30	1.32	1.33
AUD/USD	0.68	0.70	0.71	0.72
NZD/USD	0.56	0.56	0.57	0.57
USD/JPY	162	159	155	153
USD/MYR	4.15	4.11	4.07	4.03
USD/SGD	1.31	1.30	1.28	1.27
USD/CNY	6.85	6.78	6.72	6.65

Policy Rate (%)	3Q-26	4Q-26	1Q-27	2Q-27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75
BOC	2.25	2.25	2.50	2.50
ECB	2.50	2.50	2.50	2.50
BOE	3.75	3.75	3.75	3.75
RBA	4.35	4.35	4.35	4.35
RBNZ	2.50	2.50	2.50	2.50
BOJ	1.00	1.25	1.25	1.25
BNM	2.75	2.75	2.75	2.75
MAS	Hold	Hold	Hold	Hold
PBOC	3.00	3.00	3.00	3.00

2026 Central Bank Meetings/Announcements

Central Bank	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Federal Reserve (FOMC)	28		18	29		17	29		16	28		9
Bank of Canada (BOC)	28		18	29		10	15		2	28		9
European Central Bank (ECB)		5	19	30		11	23		10	29		17
Bank of England (BOE)		5	19	30		18	30		17		5	17
Reserve Bank of Australia (RBA)		3	17		5	16		11	29		3	8
Reserve Bank of New Zealand (RBNZ)		18		8	27		8		2	28		9
Bank of Japan (BOJ)	23		19	28		16	31		18	30		18
Bank Negara Malaysia (BNM)	22		5		7		9		3		5	
Monetary Authority of Singapore (MAS)	Jan			Apr			Jul			Oct		

Source: Bloomberg, HL Bank

General Disclaimer by the Bank

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained in this report does not constitute the provision of investment advice and is not to be regarded as an offer to sell or a solicitation of an offer to buy with respect to the purchase or sale of any of the financial instruments mentioned in this report and/or to participate in any trading strategy.   This report will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by HL Bank to be reliable and in good faith, but no warranties or guarantees, representations are made by HL Bank with regard to the accuracy, completeness, correctness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HL Bank or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected in this report may change without notice and the opinions do not necessarily correspond to the opinions of HL Bank. HL Bank does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient in the event that any matter stated in this report, or any opinion, projection, forecast, valuation or estimate in this report, changes or subsequently becomes inaccurate. The information contained in this report may be incomplete, condensed and it may not contain all material information concerning the company or currency referred to in this report.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter nor will any liability be accepted for any loss whatsoever that may arise from any use and/or reliance on this report. HL Bank may, to the extent permitted by law, buy, sell or hold significantly long or short positions; act as investment and/or commercial bankers; be represented on the board of the issuers; and/or engage in 'market making' of securities or currencies mentioned in this report. The past performance of financial instruments is not indicative of future results. The value of and the income that is produced by the financial instruments mentioned in this report may fluctuate so that an investor may get back less than originally invested. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described in this report would yield favourable investment results. Recipients should seek the advice of their independent financial advisor before taking any investment decision based on any recommendations that may be contained in this report. Any recommendation that may be contained in this report does not consider the specific investment objectives, financial situation, suitability and the particular needs of a particular customer.   This report is for the information of the addressee only and is not to be taken in substitution for the exercise of judgment by the addressee who should obtain separate independent legal or financial advice.

Past performance does not always indicate future performance or future results.   The value of any investment or income from any investment may go up as well as down. All investments involve an element of risk including the potential to lose the entire amount that is invested.

HL Bank may provide hyperlinks to websites of entities mentioned in this report; however, the inclusion of a link does not imply that HL Bank endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HL Bank does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced, copied, duplicated or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HL Bank. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient agrees to be bound by all limitations contained in this report.

This report is being distributed in Singapore by HL Bank (Company registration number S56FC1182L) to Accredited Investors, Expert Investors or Institutional Investors, as defined in the Securities and Futures Act (Chapter 289 of Singapore). HL Bank is an Exempt Financial Adviser, as defined in the Financial Advisers Act (Chapter 110 of Singapore), and regulated by the Monetary Authority of Singapore. HL Bank is a branch of Hong Leong Bank Berhad, a limited liability company incorporated in Malaysia. HL Bank holds a full bank license in Singapore. Hong Leong Bank Berhad is also a member of the Hong Leong Group Malaysia.