

13 February 2026

Global Markets Research

Currency Outlook for the Week Ahead



Source: Bloomberg

1-Week Outlook – USD/ SGD Neutral

SGD rose against the USD in trading this week, rising by 1.0% (prior: -0.9%) to 1.2626 from 1.2754 the week before, amidst a larger than expected upward revision to 4Q GDP and 2025 annual GDP in the final release and the tabling of a smaller than expected budget surplus for 2026 versus the year before. Against other G10 currencies and major regional currencies, the SGD was mixed for the week, gaining ground against the INR (+1.3%) and GBP (+0.3%), but declining versus the NOK (-1.9%) and THB (-1.8%). We are **Neutral** on the USD/SGD for the coming week, eyeing a probable trading range of 1.2500 – 1.2750. The week ahead brings the release of the export figures for January, which are expected to grow at a faster pace.

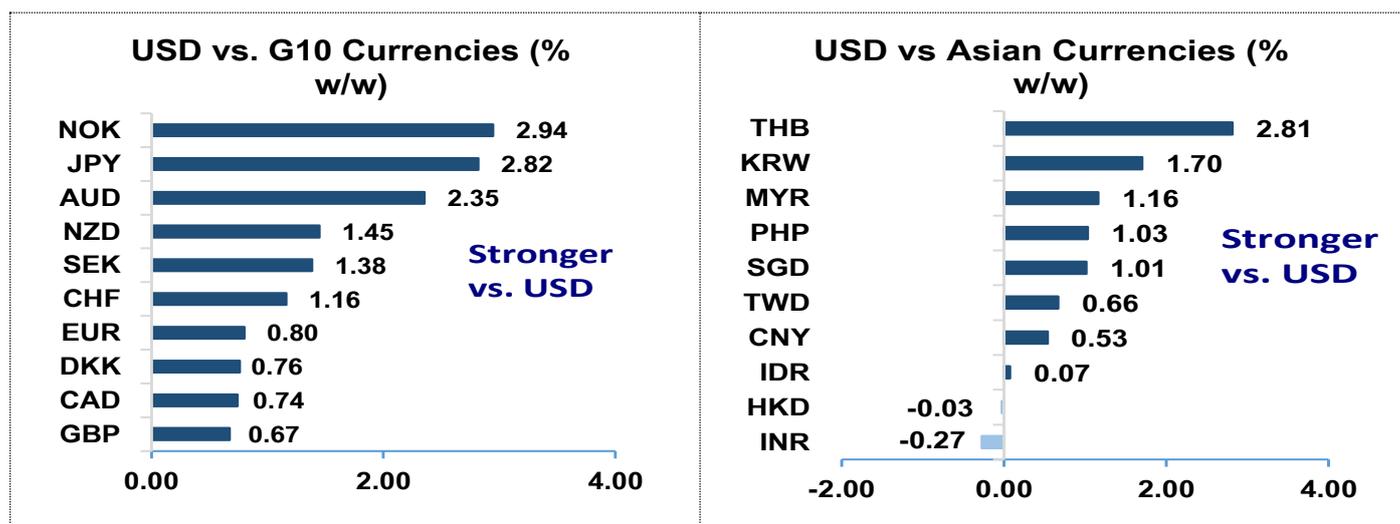
1-Month Outlook – USD/ SGD Neutral-to-Slightly Bearish

The USD/SGD outlook is neutral-to-slightly bearish in our view. The USD has been weakening as of late and the move was exacerbated by President Trump's comment on being comfortable with the decline. The longest running federal government shutdown has come to an end, and the economic data we have got since then revealing a US economy that is still rather robust. Although there are continued fears over tariff-related inflation, the recent numbers have showed a cooling, with core PCE for November coming in as anticipated and core CPI for December slightly cooler than expected. The Fed maintained the Fed Funds Rate in January after three consecutive reductions in a 10-2 majority vote, referencing the stabilization in the unemployment rate. On the domestic front, MAS held steady on policy again at its quarterly January policy statement amidst inflation that is expected to remain well behaved in 2026. Economic data has been surprising on the upside of late, with 2025 annual GDP coming in north of expectations in its advanced release and retail sales for November also surpassing expectations. Exports for December were a tad weaker than anticipated, driven by a pullback in the strong exports of pharmaceutical products the month before. The latest inflation numbers for December were as anticipated, holding steady from the previous month levels. We expect MAS to continue to keep policy unchanged for the first half of 2026.

	S2	S1	Prev. Close	R1	R2
USD/SGD	1.2505	1.2575	1.2624	1.2680	1.2755

Weekly Look Ahead

USD: USD depreciated in trading this week, with the DXY falling by 0.9% w/w to 96.93 (prior: +1.9%) from 97.82 the prior week amidst mixed economic data for the week, with retail sales for December coming in softer than anticipated, but the monthly employment report for January was stronger than expected, with the unemployment rate unexpectedly declining for the month. We are **Neutral-to Slightly Bullish** on the USD for the week ahead, looking at a likely trading range of 95.50 – 98.50 for the DXY. The coming week brings the CPI, leading index and industrial production numbers for January as well as the trade balance from December and FOMC minutes of the Jan 28 meeting, before the advanced 4Q GDP figures and core PCE for January next Friday.



Source: Bloomberg, HL Bank

EUR: EUR was firmer in trading this week, advancing against the greenback by 0.8% w/w (prior: -1.6%) to 1.1871 from 1.1777 the week before, amidst a quiet week with no key economic releases domestically and a weaker USD backdrop. ECB speakers during the week continued to signal a neutral outlook on policy going forward. We are **Neutral** on the EUR/USD for the coming week, foreseeing a possible trading range of 1.1750 – 1.2000. The week ahead brings the second reading of Eurozone 4Q GDP and preliminary quarterly employment figures, as well as the industrial production and trade figures for December, with the ECB also due to release their latest Economic Bulletin.

GBP: GBP gained ground in trading this week, rising by 0.7% w/w (prior: -2.0%) to 1.3622 against the USD from 1.3531 the prior week, amidst preliminary UK 4Q GDP coming in slightly softer than anticipated and manufacturing production for December that was weaker than expected. We are **Neutral-to-Slightly Bearish** on the Cable for the week ahead, eyeing a probable trading range of 1.3475 – 1.3750 for the currency pair. The coming week sees the release of the price indices for January, with CPI, RPI and PPI all due, as well the house price index for December and the latest monthly UK employment report.

JPY: JPY rallied against the USD in trading this week, surging by 2.8% to 152.74 (prior: -2.5%) from 157.04 the week before, amidst Prime Minister Sanae Takaichi securing a strong mandate from elections held over the weekend, and labour earnings data for December that was softer than anticipated. We are **Neutral-to-Slightly Bearish** on USD/JPY for the coming week, looking at a likely trading range of 149.25 – 155.25. The week ahead brings the release of the preliminary 4Q GDP figures, core machine orders for December and trade numbers for January before next Friday's January CPI numbers.

AUD: AUD rose markedly against the USD in trading this week, appreciating by 2.4% to 0.7090 (prior: -1.7%) from 0.6927 the prior week, amidst household spending for December that was softer than anticipated and a rise in consumer inflation expectations for February. We are **Neutral-to-Slightly Bearish** on AUD/USD for the week ahead with the pair now in overbought territory, foreseeing a possible trading range of 0.6950 – 0.7225. The coming week sees the release of the RBA minutes of the February policy meeting where they raised rates, as well as the wage price index for 4Q and the monthly employment report for January.

MYR: MYR was firmer against the USD in trading this week, strengthening by 1.2% to 3.9025 (prior: -0.5%) from 3.9478 the week before, amidst industrial production for December coming out stronger than anticipated, buoyed by manufacturing and electricity. Against the rest of the G10 currencies and major regional currencies, the MYR was a mixed bag for the week, gaining versus the INR (+1.4%) and GBP (+0.6%) but losing ground against the JPY (-1.7%) and THB (-1.7%). We are **Neutral-to-Slightly Bullish** on USD/MYR for the coming week with the pair now in oversold territory, eyeing a probable trading range of 3.8750 – 3.9400. The week ahead sees the release of the final 4Q25 and 2025 GDP numbers, as well as the CPI and external trade figures for January.

House View and Forecasts

FX	1Q-26	2Q-26	3Q-26	4Q-26
DXY	96.71	95.13	94.70	95.49
USD/CAD	1.36	1.35	1.35	1.35
EUR/USD	1.20	1.22	1.22	1.21
GBP/USD	1.36	1.37	1.37	1.35
AUD/USD	0.68	0.69	0.70	0.69
NZD/USD	0.58	0.59	0.59	0.58
USD/JPY	153	149	147	147
USD/MYR	4.00	3.97	3.97	4.00
USD/SGD	1.26	1.23	1.23	1.24
USD/CNY	6.90	6.83	6.85	6.90

Policy Rate (%)	1Q-26	2Q-26	3Q-26	4Q-26
Fed	3.50-3.75	3.25-3.50	3.25-3.50	3.00-3.25
BOC	2.25	2.25	2.25	2.25
ECB	2.00	2.00	2.00	2.00
BOE	3.50	3.50	3.50	3.50
RBA	3.85	4.10	4.10	4.10
RBNZ	2.25	2.25	2.25	2.25
BOJ	0.75	0.75	1.00	1.00
BNM	2.75	2.75	2.75	2.75
MAS	Hold	Hold	Hold	Hold
PBOC	Hold	Hold	Hold	Hold

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

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