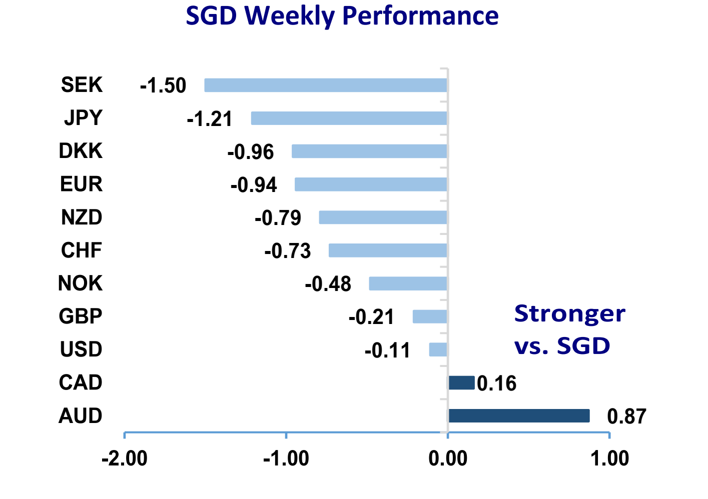
13 March 2026

Global Markets Research

Currency Outlook for the Week Ahead



Source: Bloomberg

1-Week Outlook – USD/ SGD Neutral

SGD gained against the USD in trading this week, inching higher by 0.1% (prior: -1.3%) to 1.2791 from 1.2805 the week before, amidst a quiet week domestically with no Tier-1 economic data releases. Against other G10 currencies and major regional currencies, the SGD was mixed for the week, gaining ground against the SEK (+1.5%) and PHP (+1.4%) but declining versus the AUD (-0.9%) and MYR (-0.4%). We are ***Neutral*** on the USD/SGD for the coming week, looking at a likely trading range of 1.2675 – 1.2900 for the currency pair. The week ahead brings the release of the export figures for February, which may shed more information on the state of the economy thus far this year.

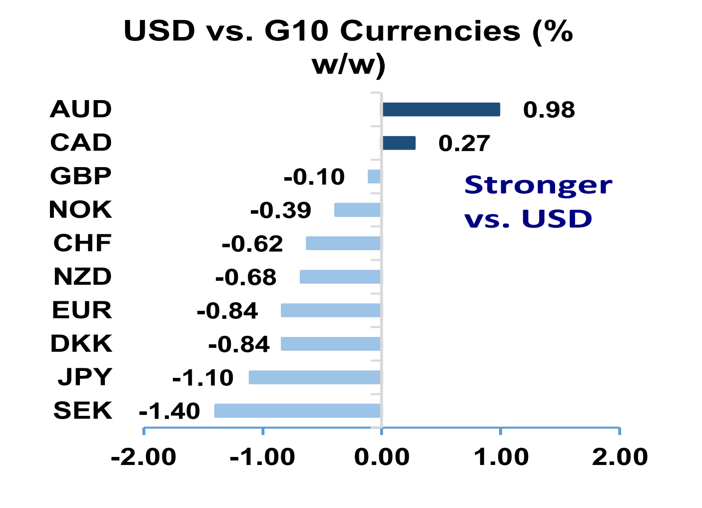
1-Month Outlook – USD/ SGD Neutral-to-Slightly Bearish

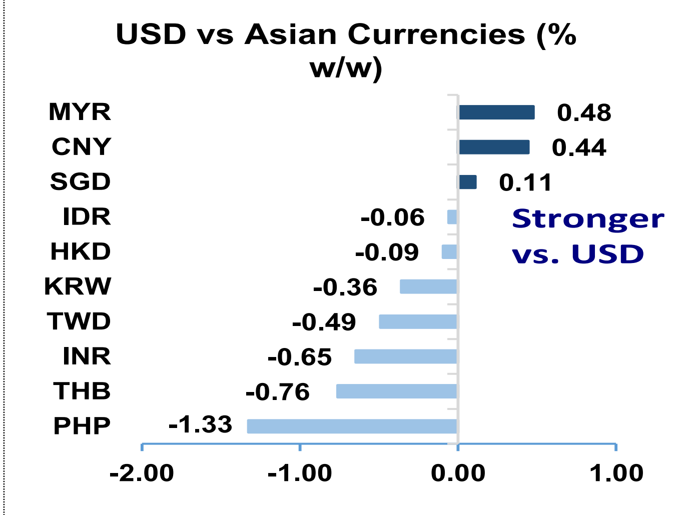
The USD/SGD outlook is neutral-to-slightly bearish in our view. The USD has been firming as of late, with the conflict in the Middle East at the turn of the month resulting in safe-haven flows into the greenback with no end of the conflict in sight and a resultant surge in oil prices and dialling back of Fed rate cut expectations for the year on fears of a resurgence in inflation. Advanced 4Q growth numbers fell short of expectations, and recent inflation numbers have been muted, with the core CPI and the core PCE for January coming in as anticipated. 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. 2025 annual GDP came in north of expectations in the final release, but retail sales and exports for January were both weaker than anticipated. The latest inflation numbers for January saw the headline rising slightly as anticipated, but core CPI unexpectedly cooled for the month. We expect MAS to continue to keep policy unchanged for the first half of 2026.

	S2	S1	Prev. Close	R1	R2
USD/SGD	1.2660	1.2735	1.2791	1.2860	1.2925

Weekly Look Ahead

USD: USD continued to climb in trading this week, with the DXY rising by 0.4% w/w to 99.74 (prior: +1.6%) from 99.32 the prior week, amidst the conflict in the Middle East extending for a further week, overshadowing the weak monthly jobs report and tame CPI figures for February. The monthly jobs report showed that the economy unexpectedly shed 92k jobs in February versus expectations of 55k of jobs being added, with the unemployment rate also unexpectedly rising to 4.4%. We remain ***Neutral-to Slightly Bullish*** on the USD for the week ahead, foreseeing a possible trading range of 98.50 – 101.25 for the DXY. The coming week sees the FOMC decide on policy where they are expected to hold rates steady, and also brings the release of the Fed dot plot, second reading of 4Q GDP, the core PCE index and JOLTS job openings for January as well as producer prices for February and the preliminary Michigan consumer sentiment for March.





Source: Bloomberg, HL Bank

EUR: EUR was softer in trading this week for a second straight week, depreciating against the greenback by 0.8% w/w (prior: -1.6%) to 1.1512 from 1.1609 the week before, amidst Eurozone 4Q growth being revised down slightly in the third reading. We are ***Neutral*** on the EUR/USD for the coming week, eyeing a probable trading range of 1.1375 – 1.1650 for the currency pair. The week ahead sees the ECB meet to decide on policy, where they are expected to hold their ground, but what they say will be keenly watched amidst futures markets recently building in potential rate hikes for the year, and we are also due to get the labour costs for 4Q, industrial production figures for January, and the final CPI numbers for February during the week.

GBP: GBP declined in trading this week for a second consecutive week, inching lower against the USD by 0.1% w/w (prior: -0.9%) to 1.3343 from 1.3357 the prior week, amidst the RICS House Price balance unexpectedly deteriorating in February. We are ***Neutral-to-Slightly Bearish*** on the Cable for the week ahead, looking at a likely trading range of 1.3175 – 1.3475. Plenty on the calendar for the coming week, with the monthly GDP, manufacturing production and trade figures for January all due, as well as the latest monthly UK employment report, as the Bank of England also meets to decide on policy, where expectations have shifted from a cut to hold instead over the last few weeks.

JPY: JPY fell against the USD in trading this week for a fourth week running, depreciating by 1.1% to 159.35 (prior: -0.9%) from 157.59 the week before, amidst an upward revision to 4Q GDP numbers in the final release, and a mixed picture on labour earnings data for January. We are ***Neutral-to-Slightly Bearish*** on USD/ JPY for the coming week, foreseeing a possible trading range of 156.50 – 161.25 for the pair. The week ahead sees the Bank of Japan decide on policy, where no change in policy is expected this time around, and also brings the release of core machine orders for January and the trade figures for February.

AUD: AUD advanced against the USD in trading this week, climbing by 1.0% to 0.7077 (prior: -1.4%) from 0.7008 the prior week, amidst consumer inflation expectations rising further in March versus the month before. We are ***Neutral-to-Slightly Bearish*** on AUD/USD for the week ahead, eyeing a probable trading range of 0.6925 – 0.7200. The RBA meets to decide on policy in the coming week with the markets expecting a hike in the cash rate, and the monthly employment report for February is also scheduled for release.

MYR: MYR was firmer against the USD in trading this week, advancing by 0.5% to 3.9260 (prior: -1.4%) from 3.9447 the week before, amidst industrial production figures for January surpassing expectations, indicating that the positive growth momentum carried on into the new year. Against the rest of the G10 currencies and versus major regional currencies, the MYR was firmer for the week except against the AUD (-0.8%), and gained the most ground versus the JPY (+1.5%) and THB (+1.2%). We are ***Neutral-to-Slightly Bullish*** on USD/MYR for the coming week, looking at a likely trading range of 3.8950 – 3.9650. The week ahead features the release of the CPI numbers for February, as well as trade and exports data for the month, with the developments in the conflict in the Middle East likely to continue to drive the price action.

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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