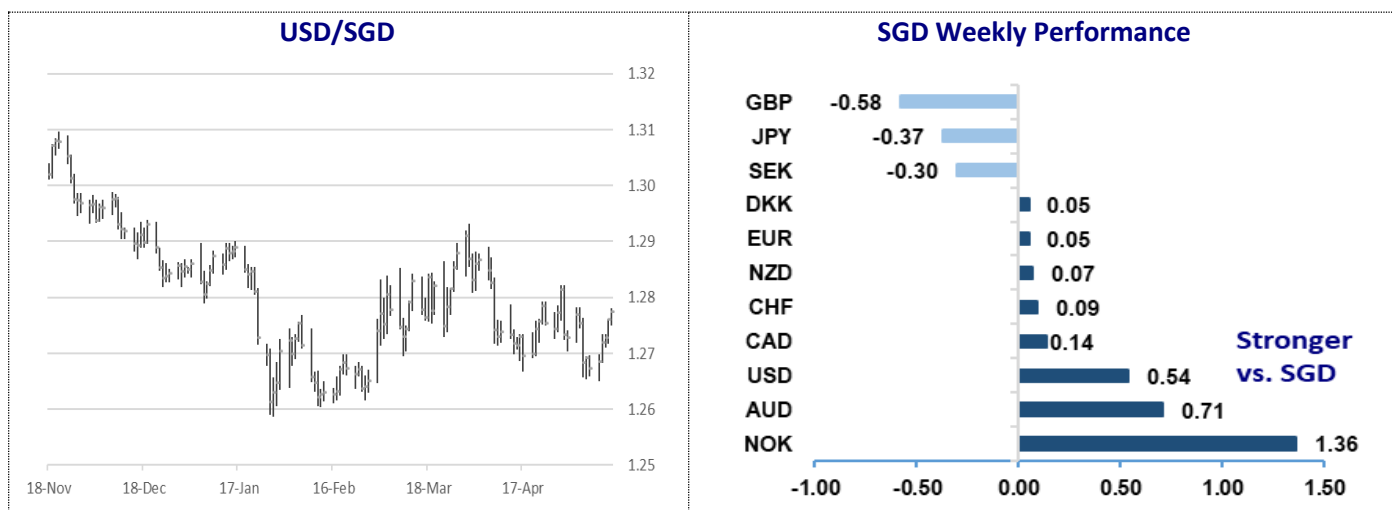


15 May 2026

Global Markets Research

Currency Outlook for the Week Ahead



Source: Bloomberg

1-Week Outlook – USD/SGD Neutral-to-Slightly Bullish

SGD was softer against the greenback in trading this week for the first week in three, declining by 0.5% (prior: +0.3%) to 1.2760 from 1.2691 the prior week, amidst an empty economic data calendar domestically. Against other G10 currencies and major regional currencies, the SGD was mixed for the week, appreciating against the KRW (+2.0%) and GBP (+0.6%), but losing ground versus the NOK (-1.4%) and CNY (+0.8%). We are **Neutral-to-Slightly Bullish** on the USD/SGD for the week ahead, foreseeing a possible trading range of 1.2650 – 1.2875. The coming week will see the release of the export figures for April which will give an indication as to how the external sector and growth was doing as 2Q began.

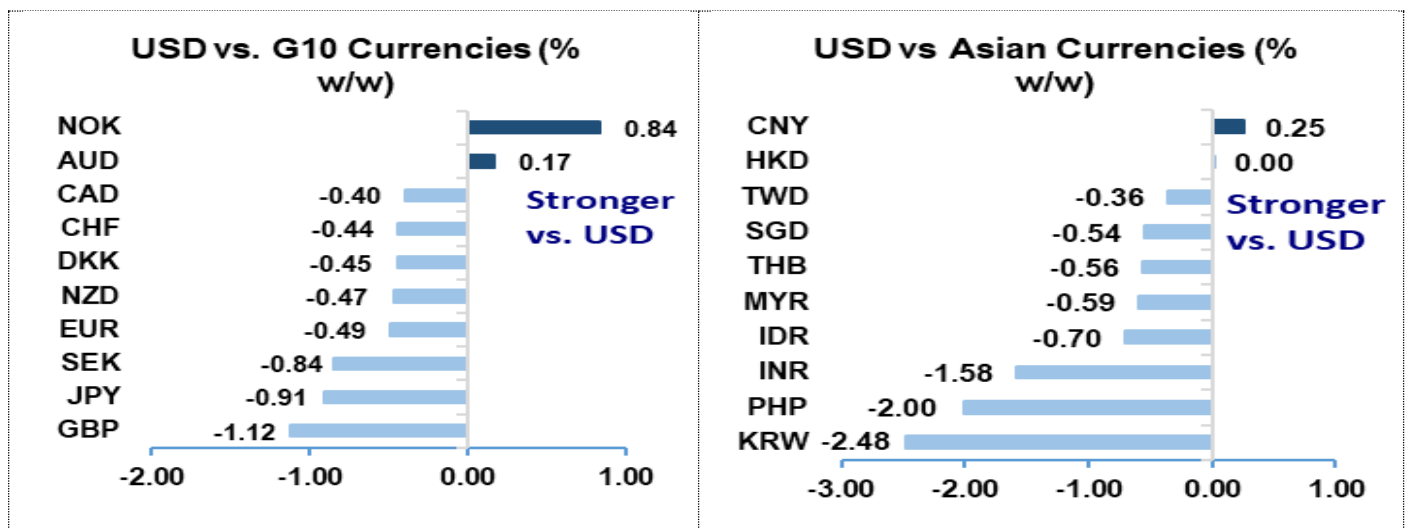
1-Month Outlook – USD/SGD Neutral-to-Slightly Bearish

The USD/SGD outlook is neutral-to-slightly bearish in our view. The USD has been trading in a range as of late, with the conflict in the Middle East persisting for a third month, resulting in elevated energy prices and a complete dialling back of Fed rate cut expectations for the year on fears of a resurgence in inflation. US growth rebounded on the advanced release of 1Q GDP albeit coming in slightly lower than anticipated, and recent inflation numbers have risen but been within expectations, while the labour market has been firmer than expected, with larger than anticipated job gains for April. The Fed maintained the Fed Funds Rate in April in a 11-1 majority vote for the decision, but with an additional three members objecting to the statement, preferring to state more explicitly that the next move need not necessarily be a reduction. 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 advanced reading of Singapore 1Q GDP moderated and came in lower than anticipated, but retail sales for March and exports for month were both stronger than expected, while the latest inflation numbers for March saw a quickening of price gains as expected.

	S2	S1	Prev. Close	R1	R2
USD/SGD	1.2635	1.2695	1.2760	1.2825	1.2890

Weekly Look Ahead

USD: The USD advanced in trading this week, with the DXY climbing by 0.8% to 98.82 (prior: 0.0%) from 98.07 the week before, amidst President Trump beginning his state visit to China and surging consumer and producer prices in April which were driven by elevated energy prices. Nonfarm job growth for the month came in north of expectations and the retail sales report was firm as expected. We are **Neutral-to-Slightly Bullish** on the USD for the coming week, eyeing a probable trading range of 97.75 – 100.25 for the DXY. The week ahead brings the release of the preliminary S&P Global US PMIs for May, as well as the NAHB Housing market index and the minutes of the April 29 FOMC meeting, which could shed further light on the divisions within the Fed and offer clues as to monetary policy going forward in what was Jerome Powell's last meeting as Fed chair.



Source: Bloomberg, HL Bank

EUR: EUR was lower in trading this week, falling against the USD by 0.5% to 1.1669 (prior: +0.0%) from 1.1726 the prior week, amidst the second reading of 1Q GDP coming in little changed from the previous advanced release and industrial production figures for March that were softer than anticipated. We are **Neutral-to-Slightly Bearish** on the EUR/USD for the week ahead, looking at a likely trading range of 1.1525 – 1.1775 for the pair. The coming week sees the release of the trade balance for March, the final CPI figures for April and the preliminary Eurozone PMIs for May, with the ECB also set to publish their latest Economic Bulletin.

GBP: GBP was weaker in trading this week for a second week running, depreciating against the greenback by 1.1% w/w (prior: -0.4%) to 1.3403 from 1.3555 the week before, amidst poor results for the ruling Labour party in the local elections which resulted in calls for the Prime Minister to step down. Economic data for the week was mixed with preliminary 1Q GDP as expected, with the monthly GDP and manufacturing production for March both topping estimates, but the RICS House Price balance for April declined by more than expected. We remain **Neutral-to-Slightly Bearish** on the Cable for the coming week, foreseeing a possible trading range of 1.3250 – 1.3525. The week ahead brings the latest monthly employment report, the price indices (CPI, RPI and PPI) for April as well as the preliminary UK PMIs for May.

JPY: JPY lost ground against the USD in trading this week for a second straight week, declining by 0.9% to 158.37 (prior: -0.2%) from 156.93 the previous week, after softer than expected labour earnings data for March cast some doubt that the Bank of Japan would be raising rates imminently. We are **Neutral-to-Slightly Bearish** on USD/JPY for the week ahead, eyeing a probable trading range of 155.75 – 160.00 for the pair. The coming week sees the scheduled release of preliminary 1Q Japan GDP, core machine orders for March, trade figures for April as well as the preliminary Japan PMIs for May.

AUD: AUD advanced against the USD in trading this week for a third week on the trot, inching up by 0.2% to 0.7221 (prior: +0.1%) from 0.7209 the week before, amidst the wage price index for 1Q coming in as per expected. We are **Neutral-to-Slightly Bearish** on AUD/USD for the coming week, looking at a likely trading range of 0.7075 – 0.7325. The week ahead brings the release of the monthly employment report for April, as well as the consumer confidence index and preliminary Australian PMIs for May, with the RBA also set to release the minutes from their May policy meeting.

MYR: MYR was weaker against the USD in trading this week, losing ground by 0.6% to 3.9310 (prior: +1.6%) from 3.9078 the prior week, amidst a lack of progress during the week of any resolution to the Gulf conflict, and industrial production growth for March holding steady versus expectations of a slight pickup. Against the rest of the G10 currencies and major regional currencies, the MYR was mixed, gaining ground against the KRW (+1.9%) and JPY (+0.4%), but was weaker versus the CNY (-0.8%) and AUD (-0.4%). We are **Neutral-to-Slightly Bullish** on USD/MYR for the week ahead, foreseeing a possible trading range of 3.90 – 3.97. The coming week sees the release of the final 1Q GDP figures later today, and also brings the export numbers and CPI for April.

House View and Forecasts

FX	2Q-26	3Q-26	4Q-26	1Q-27
DXY	100.63	99.80	97.96	96.48
USD/CAD	1.39	1.38	1.37	1.35
EUR/USD	1.14	1.15	1.17	1.19
GBP/USD	1.31	1.32	1.34	1.35
AUD/USD	0.68	0.69	0.70	0.71
NZD/USD	0.57	0.58	0.58	0.59
USD/JPY	159	155	152	152
USD/MYR	3.98	3.96	3.93	3.90
USD/SGD	1.29	1.28	1.27	1.25
USD/CNY	6.93	6.88	6.84	6.77

Policy Rate (%)	2Q-26	3Q-26	4Q-26	1Q-27
Fed	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50
BOC	2.25	2.25	2.25	2.25
ECB	2.25	2.50	2.50	2.50
BOE	4.00	4.25	4.25	4.25
RBA	4.35	4.35	4.35	4.35
RBNZ	2.25	2.25	2.25	2.25
BOJ	1.00	1.00	1.00	1.00
BNM	2.75	2.75	2.75	2.75
MAS	Tighten	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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