

KERATAN AKHBAR

TARIKH : 3 JULAI 2023
AKHBAR : NEW STRAITS TIMES
MUKA SURAT : 18

Ringgit seen to trade cautiously this week

4.66-4.68 AGAINST THE US DOLLAR

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KUALA LUMPUR: The ringgit will likely trade in a cautious mode this week, with investors eyeing updates on the global economic performance.

SPI Asset Management managing director Stephen Innes said: "The local currency is expected to trade between 4.66 and 4.68 against the US dollar this week."

Hong Leong Investment Bank Bhd (HLIB Research) said growth in the US economy and labour market have largely stayed resilient despite tentative signs of softening while core and inflationary expectations have remained elevated, albeit moderating inflation.

It said in view of this, the US Federal Reserve has revised its gross domestic product growth and core personal consumption expenditures price index upwards

for this year, spurring the odds of a stronger US dollar.

On the domestic front, HLIB Research said a less hawkish tone in Bank Negara Malaysia's latest monetary policy statement and slightly accommodative policy stance implied that the Overnight Policy Rate (OPR) is near the neutral level.

"While there could still be room for a 25 basis points hike, moderating growth and inflation prospects will support our view for the OPR to stay unchanged at three per cent for the remaining of 2023, capping excessive gains in the ringgit," it said.

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The ringgit went up against the yen to 3.2220/2273 from



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3.2645/2680 the previous Friday, appreciated vis-a-vis the British pound to 5.8923/9012 from 5.9469/9527 and improved versus the euro to 5.0571/0647 from 5.0781/0830.

Similarly, the ringgit traded

mostly higher against its Asean peers. It strengthened against the Indonesian rupiah to 309.5/310.1 from 311.7/312.2 previously, was higher against the Singapore dollar to 3.4376/4431 from 3.4568/4604 a week earlier and

gained versus the Thai baht to 13.1529/1786 from 13.2765/2950 previously.

However, the ringgit eased vis-a-vis the Philippine peso to 8.44/8.46 from 8.38/8.40. Bernama