

13 Feb 2026

Ringgit Weekly Outlook

USD rally fatigue anchors MYR near 3.90

Overview

- Performance:** The MYR strengthened towards 3.90/USD, tracking broad USD softness despite resilient US labour data.
- Market Dynamics:** USD weakness remained the primary driver of MYR gains. The DXY slipped below 97.0 as markets chose to sell rallies rather than extend them. December retail sales disappointed, signalling softer real consumption. January payrolls beat at 130.0k with unemployment at 4.3%, yet heavy downward revisions diluted momentum. The DXY could not hold gains despite firmer front-end yields. Reports that Chinese regulators urged banks to limit US Treasury concentration reinforced diversification themes, while options markets continue to demand for USD downside hedges.
- Data Impact:** Focus turns to US inflation cross-checks. Investors will parse the FOMC minutes for signals on labour cooling, while inflation numbers remain pivotal for rate repricing. Malaysia's CPI and export data will test whether external softness is feeding through trade. Although we shifted our Fed cut call from March to June, softer consumption data has reopened debate at the margin. Still, solid payrolls reading increase raise the bar for markets to bring forward rate cut expectations absent softer core CPI prints.
- Outlook:** Asymmetry defines the environment. Solid US data no longer guarantees sustained USD strength. Strategic diversification flows and recalibrated growth expectations have increased the market's tendency to monetise rallies. For MYR, external USD path remains dominant while domestic stability plays supporting role. We expect the MYR to trade broadly around 3.90/USD. A sustained USD recovery would require firmer inflation and higher real yields.
- Technical:** USDMYR appears due for a minor technical correction, with scope for a drift towards the 5-day EMA around 3.92.

Table 1: Currency Outlook

| Long Term* | | | | | | |
|------------------------|---------|---------|--------|--------|--------|--------|
| | Q4-25 | Q1-26F | Q2-26F | Q3-26F | Q4-26F | Q1-27F |
| USDMYR | 4.06 | 4.05 | 4.02 | 3.99 | 3.95 | 4.00 |
| | | | | | | ▼ |
| Short Term (Technical) | | | | | | |
| | RSI (7) | EMA (5) | R1 | R2 | S1 | S2 |
| USDMYR | 22.756 | 3.915 | 3.926 | 3.947 | 3.894 | 3.882 |
| | | | | | | ▲ |

Signal for USD Trend = ▲ Bullish — Neutral ▼ Bearish

*F=Forecasts for end of period

Source: Kenanga Research, Bloomberg

RSI (7): 7-day Relative Strength Index

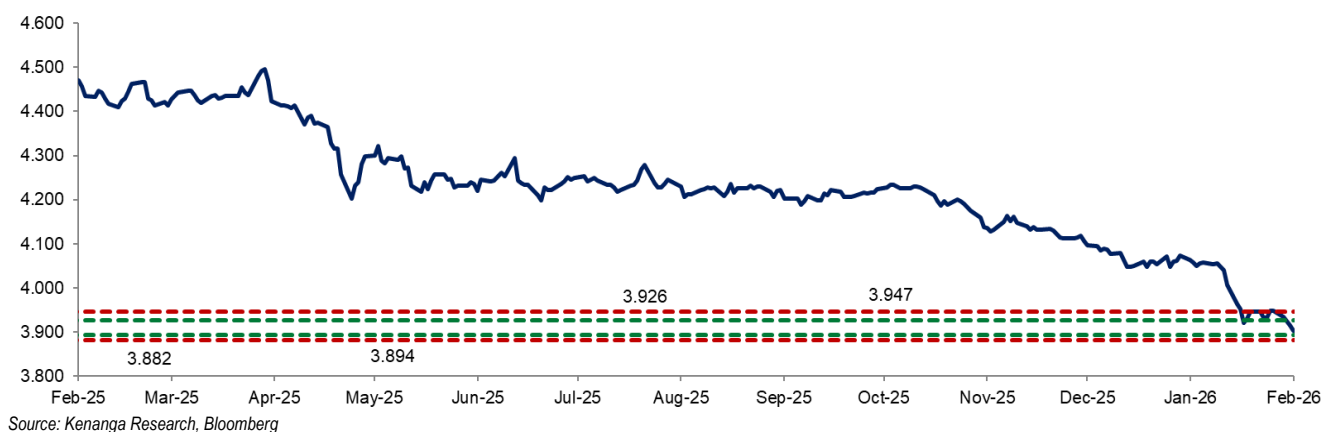
Measures the speed and magnitude of a security's recent price changes to evaluate overvalued or undervalued conditions. A reading of 80 or above indicates an overbought situation while a reading of 20 or below indicates an oversold condition.

EMA (5): 5-day Exponential Moving Average

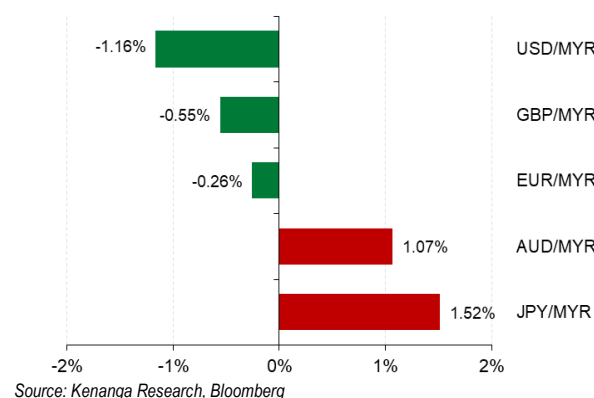
EMA gives more weight to the most recent periods, places more emphasis on what has been happening lately. Old data points retain a multiplier even if they are outside of the selected data series length.

$$EMA = (P \times \alpha) + [Previous EMA \times (1 - \alpha)]$$

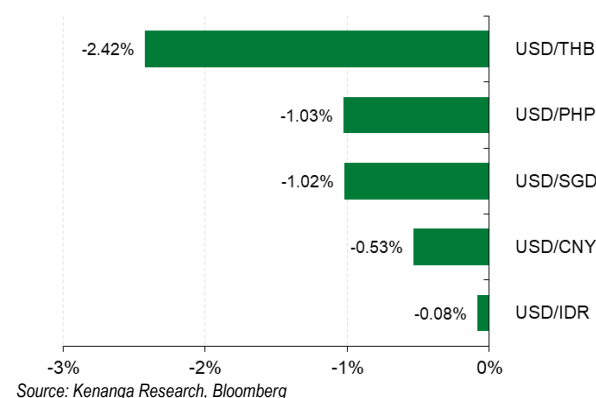
Graph 1: USDMYR Trend



Graph 2: Weekly Core Pairs' Performance



Graph 3: Weekly Regional Peers' Performance



13 Feb 2026

Table 2: Performance of Core Pairs

| Currencies | 02/01/26 YTD | 12/02/25 Last Year | 12/01/26 Last Month | 05/02/26 Last Week | 12/02/26 Yesterday | ytd (%) | yoy (%) | mom (%) | wow (%) |
|---------------------|-----------------|-----------------------|------------------------|-----------------------|-----------------------|---------|---------|---------|---------|
| MYR | | | | | | | | | |
| USDMYR | 4.054 | 4.470 | 4.063 | 3.949 | 3.903 | -12.85% | -12.69% | -3.95% | -1.16% |
| AUDMYR | 2.716 | 2.806 | 2.725 | 2.751 | 2.780 | -0.17% | -0.92% | 2.00% | 1.07% |
| GBPMYR | 5.455 | 5.563 | 5.467 | 5.356 | 5.327 | -4.71% | -4.25% | -2.56% | -0.55% |
| EURMYR | 4.752 | 4.638 | 4.747 | 4.652 | 4.640 | 0.08% | 0.04% | -2.25% | -0.26% |
| JPYMYR | 2.585 | 2.911 | 2.574 | 2.511 | 2.549 | -10.55% | -12.42% | -0.96% | 1.52% |
| SGDMYR | 3.152 | 3.304 | 3.159 | 3.098 | 3.096 | -5.82% | -6.27% | -1.98% | -0.04% |
| ASEAN 5 + CNY + JPY | | | | | | | | | |
| USIDR | 16725 | 16376 | 16855 | 16842 | 16828 | 3.89% | 2.76% | -0.16% | -0.08% |
| USDTHB | 31.524 | 34.147 | 31.252 | 31.74 | 30.971 | -9.64% | -9.30% | -0.90% | -2.42% |
| USDSGD | 1.286 | 1.353 | 1.286 | 1.274 | 1.261 | -7.60% | -6.81% | -1.94% | -1.02% |
| USDPHP | 58.862 | 58.19 | 59.255 | 58.711 | 58.108 | 0.39% | -0.14% | -1.94% | -1.03% |
| USDCNY | 6.989 | 7.307 | 6.973 | 6.938 | 6.901 | -5.46% | -5.55% | -1.03% | -0.53% |
| USDJPY | 156.840 | 153.580 | 157.850 | 157.240 | 153.120 | -2.56% | -0.30% | -3.00% | -2.62% |
| USD | | | | | | | | | |
| EURUSD | 1.172 | 1.038 | 1.169 | 1.179 | 1.188 | 15.12% | 14.47% | 1.63% | 0.76% |
| GBPUSD | 1.346 | 1.244 | 1.347 | 1.359 | 1.364 | 9.58% | 9.62% | 1.25% | 0.38% |
| AUDUSD | 0.669 | 0.628 | 0.671 | 0.698 | 0.712 | 14.72% | 13.46% | 6.12% | 2.12% |

Source: Kenanga Research, Bloomberg

Table 3: Upcoming Major Data Release And Policy Announcement for the Week

| Date | Country | Indicator | Previous | Consensus/Forecast |
|-----------|---------|----------------------------------|-----------|--------------------|
| 16/2/2026 | JP | GDP Growth Rate Preliminary (Q4) | -0.6% QoQ | 0.4% QoQ |
| 17/2/2026 | US | ADP Employment Change Weekly | 6.5k | N/A |
| 18/2/2026 | US | Durable Goods Orders (DEC) | 5.3% MoM | -1.7% MoM |
| 19/2/2026 | US | FOMC Minutes | N/A | N/A |
| 19/2/2026 | MY | Inflation Rate (JAN) | 1.6% YoY | 1.5% YoY* |
| 20/2/2026 | MY | Exports (JAN) | 10.4% YoY | N/A |
| 20/2/2026 | US | Core PCE Price Index (DEC) | 0.2% MoM | 0.3% MoM |
| 20/2/2026 | US | GDP Growth Rate Advance (Q4) | 4.4% QoQ | 2.8% QoQ |

Source: Kenanga Research, Trading Economics, Bloomberg

*KIBB

For further information, please contact:

Wan Suhaimie Wan Mohd Saidie
Head of Economic Research
wansuhaimi@kenanga.com.my

Muhammad Saifuddin Sapuan
Economist
saifuddin.sapuan@kenanga.com.my

Afiq Asyraf Syazwan Abd. Rahim
Economist
afiqasyraf@kenanga.com.my

Nurul Hanees Hairulkama
Economist
nurulhanees@kenanga.com.my

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KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my