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TIMING OF FED RATE CUTS COME UNDER SCRUTINY AMID ROBUST 2Q2025 U.S. GDP DATA

Markets recalibrated their policy expectations following surprise strength of the U.S. economy. While the broader trajectory of the Federal Funds Rate (FFR) appears clear, recent data have cast doubt on the appropriate pace of easing. U.S. GDP growth for 2Q2025 was revised sharply higher to 3.8% y-o-y, a strong rebound from the 0.6% contraction in 1Q and the fastest expansion since 3Q2023. This marked the third consecutive upgrade (1st Est: 3.0%, 2nd Est: 3.3%), highlighting the economy's remarkable resilience in navigating both domestic and external headwinds. The details revealed stronger consumer spending (3rd Est: 2.5%, 2nd Est: 1.6%) and an acceleration in fixed investment (3rd Est: 4.4%, 2nd Est: 3.3%), underscoring solid underlying demand. Even so, the labor market backdrop looked less robust. The Bureau of Labor Statistics' preliminary benchmark revision showed just 847K jobs were added in the twelve months to March, less than half of the initially reported 1.76 million. Furthermore, U.S. Personal Consumption Expenditure (PCE) inflation posted a slight increase to 2.7% y-o-y in August from 2.6% y-o-y in July, recording the fastest pace in six months. Meanwhile, it rose by 0.3% on a monthly basis (July: 0.2% m-o-m), in line with estimates. Annualised core PCE inflation increased by 2.9% y-o-y in August, as reported in July, matching the trend of the m-o-m reading (August: 0.2% vs. July: 0.2%). These dynamics of weaker job growth, persistent inflation, and resilient demand have prompted markets to recalibrate their policy outlook. The softer labor market appears to be exerting less drag on activity than feared, while strong domestic demand continues to anchor 2025 growth prospects. At the same time, this momentum risks feeding demand-driven price pressures, complicating the case for rapid monetary easing. The shifting balance of risks has only reinforced the Fed's data-dependent stance, with markets now assigning just above a 65% probability to a cumulative 50bp cut by year-end, down from around 78% previously.

Meanwhile, Trump announced a slew of fresh tariffs last Thursday, ranging from 25% to 100% on selected imports. This had sparked a new wave of jitters surrounding global supply chain disruptions and potential drags on demand, causing investors to flee towards safe-haven assets. The tariffs include a 100% levy on patented drugs, 25% levy on heavy-duty trucks, 50% levy on kitchen cabinets and bathroom vanities as well as 30% levy on upholstered furniture, among others. Furthermore, while a White House official had reassured that the Trump administration will honour previously agreed upon trade deals, this does not lift the pessimistic cloud over sentiments as agreements that do not explicitly specify provisions remain subject to steeper goods-specific duties. Reportedly, no trading partner thus far had underlined specific provisions to cap tariffs on their heavy-duty trucks nor furniture exports, placing them directly in the line of fire. Additionally, the UK is at risk of being imposed with the 100% patented drug tariff given that its bilateral deal with the U.S. did not exempt pharmaceuticals from Trump's trade policies. Looking at Malaysia, full details of the agreement with the U.S. has not yet been unveiled to the public although officials reassured that they hope to finalise it by Trump's October visit.

Upcoming Events: Key Economic Data Release

Monday	Malaysia & Singapore Producer Price Index (August)
Tuesday	Reserve Bank of Australia Policy Decision, Japan Industrial Production & Retail Sales (August), UK 2Q2025 GDP
Wednesday	Euro Area Inflation Rates (September), Global Purchasing Managers' Index
Thursday	Euro Area Unemployment Rate (August)
Friday	U.S. Nonfarm Payrolls (September), Japan Unemployment Rate (August), Singapore Retail Sales (August)

Table 1: Selected Currencies Overview

	12-Sep	19-Sep	26-Sep	WoW	YTD
DXY Index	97.64	97.64	98.15	0.5%	-9.5%
USDMYR	4.21	4.21	4.22	0.4%	-5.6%
XAUUSD	3,685.30	3,685.30	3,759.98	2.0%	43.3%
EURUSD	1.17	1.17	1.17	-0.4%	13.0%
GBPUSD	1.35	1.35	1.34	-0.5%	7.1%
AUDUSD	0.66	0.66	0.65	-0.8%	-5.4%
USDSGD	1.28	1.28	1.29	0.6%	-4.9%
USDJPY	147.95	147.95	149.49	1.0%	5.7%
USDCNY	7.12	7.12	7.13	0.2%	-2.3%

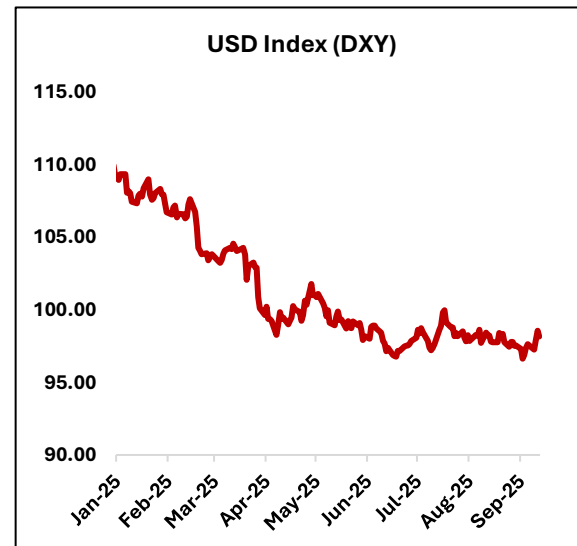
Sources: Bloomberg, Bank Islam

Commentaries

DXY: USD strengthened following robust 2Q2025 GDP growth

The USD index appreciated by 0.5% w-o-w for the week ending September 26 following an upward revision to the 2Q2025 GDP growth to 3.8% q-o-q from 3.3% q-o-q reported previously. The upward revision primarily reflected a stronger than expected expansion in consumer spending, increasing by 2.5% q-o-q (2nd Est: 1.6%, 1st Est: 1.4%), underscoring the remarkable resilience of domestic demand despite the volatile policy shifts, rocky trade environment, and a rapidly cooling labour market. Such performance reinforced expectations that the economy will weather through the stormy seas to achieve a soft landing in 2025, lifting investor confidence and supporting the USD's appreciation. The growing optimism however casted some doubt over the need for an aggressive pace of Fed rate cuts, causing markets to pare back their rate cut bets with the probability of another 50 bp reduction by year end slipping to just above 65.0% from around 78.0% a week prior. Incoming data on Friday showed that the core PCE price index had maintained its gradual climb, ticking up by 0.2% m-o-m in August (July: 0.2% m-o-m), in line with expectations. On an annual basis, it increased by 2.9% y-o-y in August, matching consensus estimates. As such, the timing of the central bank's grew increasingly uncertain, although the dovish view over its policy path remains largely intact.

Short-term outlook: The USD rebounded over the week, with the DXY edging higher toward the 98.50 resistance level. Uncertainty over the Federal Reserve's policy trajectory persists as the balance of risks continues to shift amid mixed signals from the U.S. economy. Earlier concerns that Trump's tariffs would trigger an inflationary shock have partly materialized, with price pressures rising gradually. At the same time, fears of a rapid economic slowdown were tempered by stronger-than-expected growth data, leaving markets weighing the Fed's dual mandate with less urgency than previously feared. This fluid backdrop underscores the volatility of the current cycle, where expectations can quickly reverse and tilt the case either toward faster easing or a more cautious stance.



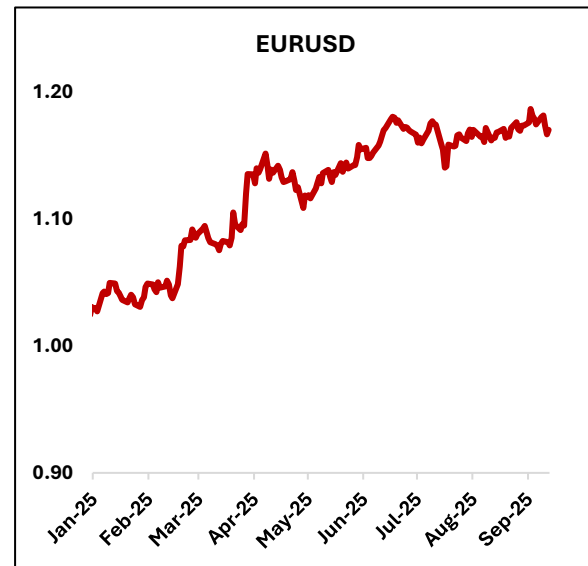
Source: Bloomberg

Investors are now closely watching upcoming JOLTS job openings and nonfarm payrolls releases for clearer direction on the Fed's policy path. In the near term, we expect the USD to remain choppy, and we maintain a slightly bearish bias, projecting a trading range between 96.87 and 98.60.

EURUSD: Euro weakened amid early signs of a manufacturing slowdown

The Euro slipped by 0.4% w-o-w, pressured by the stronger USD while it was a relatively light calendar week on the home front. Additionally, incoming data was disappointing with the preliminary manufacturing Purchasing Managers' Index (PMI) slipping to 49.5 points in September, missing estimates of 50.7 points. Such performance was underpinned by a drop in new orders volume, marking the sharpest decline since February, while employment continued its downtrend since June 2023. Furthermore, business confidence reportedly fell further to mark the lowest level this year. This suggested that the sector is beginning to lose steam as prolonged weakness in external demand and slowing frontloading activities resulted in lower production levels. As such, the early signs of a manufacturing downturn eroded investor confidence on the region's outlook, exacerbating cautiousness which was already dominating sentiments following the fiscal and political uncertainty in the region, causing the EUR to retreat. Additionally, while markets are almost fully certain that the European Central Bank (ECB) is at the end of its policy easing cycle, the renewed concerns would fuel expectations of a few last cuts. This view was supported by remarks by several ECB Governing Council members, echoing that prolonged uncertainties and downside risks to inflation ensures that the central bank places utmost focus on taking a data-dependent approach, rather than predetermining a set course of action.

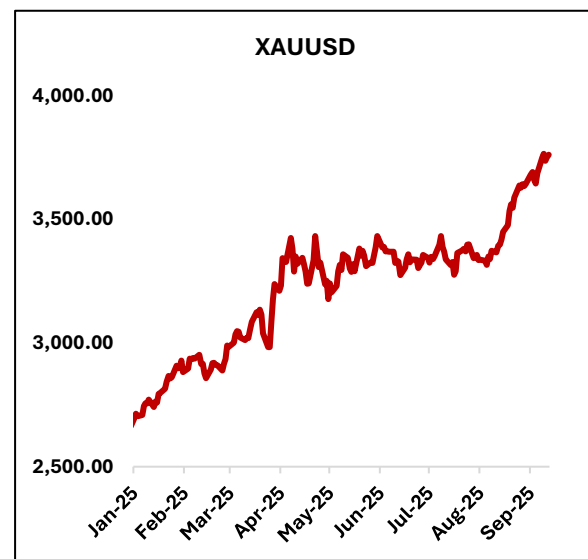
Short-term Outlook: As such, markets are eyeing the release of key consumer and producer prices data, on Wednesday and Friday respectively, for further clues on the underlying risks to inflation that would shed crucial light on the ECB's next move at the current crossroad. Furthermore, the EU unemployment rate is slated to be released on Thursday, which would provide some insights on the job market and how it would play into domestic demand, especially as flagging external demand started to drag on factory activities. We hold a mildly bearish outlook on the EURUSD and foresee the pair to trade between the range of 1.1620 and 1.1830.



Source: Bloomberg

XAUUSD: Gold price continued its winning streak as it surged past the USD3,750-level

Gold prices surged by 2.0% w-o-w for the week ending September 26, breaching a record high of USD3,764.01 on Tuesday before easing slightly towards the end of the week. The XAU's rapid acceleration was propelled by heightened bets of further rate cuts by the Fed, taking cues from its median dot plot projections which signalled another 50 bps reduction to the FFR by year-end, bringing it to settle at a range of 3.5-3.75%. Nevertheless, stronger than expected U.S. economic growth had casted some doubt over the pace of the central bank's policy easing, causing the XAU to erase its gains. On a different note, demand for the safe haven asset also surged on the back of renewed global trade concerns following a new round of tariff announcement. Among the new Trump tariffs were a whopping 100% levy on patented drugs, 25% levy on heavy-duty trucks, 50% levy on kitchen cabinets and bathroom vanities as well as 30% levy on upholstered furniture. While the global trade landscape had eased into a relative calm following the apparent conclusion to his reciprocal tariff agenda, this announcement suggested that Trump is far from over, placing the threat of significantly steep rates as high as 100% back on the table while expanding the reach of his policies to seemingly innocuous household items. Most worryingly, even trade partners who had finalised trade deals with the U.S. may be subject to these rates, depending on each individual agreement. A White House official had reported that the administration would honour the caps on tariffs under trade deals that specified such reductions such as the EU and Japan which both have



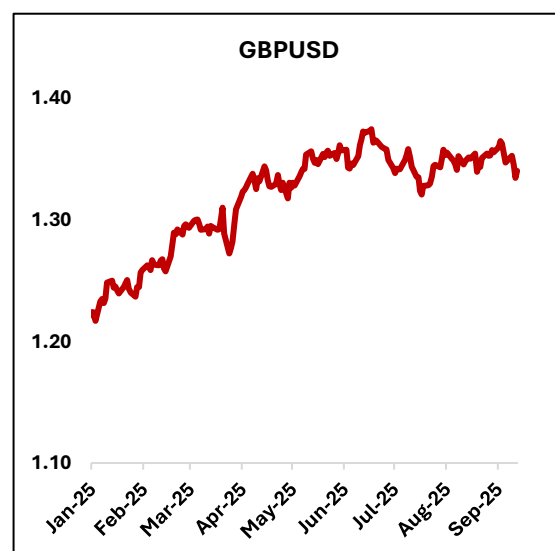
been specified exceptions to duties on pharmaceuticals, semiconductors and autos. However, the UK-U.S. deal did not specify pharmaceuticals, potentially exposing imported drugs from the UK to the full 100% tariff.

Short-term Outlook: This announcement shattered through the calm over U.S. trade partners as their trade agreements came under review once again, posed with threats of more tariffs unless their deals specified otherwise. Looking ahead, the fresh wave of uncertainties looming over the global trade landscape will trigger further safe haven flight to the XAU, supporting its rise. However, the door remains open for the tariffs to be reduced or exempted completely for selected countries, should Trump's stance be swayed or successful renegotiations take place. We maintain a bullish outlook on XAUUSD, expecting further inflows to the bullion. Support is at \$3,750 and resistance is seen around \$3,825.

GBPUSD: British Pound depreciated as manufacturing PMI declined to five-month low

The British pound (GBP) depreciated by 0.5% w-o-w following weaker than expected services and manufacturing PMI, suggesting slowing demand reverberating through the economy. Latest figures showed that the preliminary manufacturing PMI slipped to 46.2 points in September from 47.0 points in August, missing consensus estimates of 47.1 points. Looking closer, output decelerated at the fastest pace since March while employment extended its decline. Furthermore, businesses reported that both domestic and export orders had slowed, signalling that prolonged global uncertainties are weighing on consumer sentiments and causing households to dial back their spending. The preliminary services PMI also painted the same picture, falling more than expected to 51.9 points in September (August: 54.2 points, Est: 53.5 points). While businesses indicated that spending momentum was positive, it remained constrained by weak consumer sentiments. Furthermore, service providers reported higher operating expenses, citing elevated wage pressures, rising energy bills as well as food and energy costs. This weighed further on business sentiments, adding to concerns of elevated price pressures on the consumers' end as businesses pass through their costs, finding it unsustainable to bear the higher expenses for a longer period. As such, the brewing signs of weaker momentum on two highly crucial sectors had exerted pressure on the GBP while the U.S.' relatively stronger economy makes the USD more appealing in turn.

Short-term Outlook: Nevertheless, the measures are not indicative of the overall health of the economy. As such, markets are gearing up for a wider perspective and its implications on the Bank of England (BOE)'s policy cycle, keeping their eyes trained on the final 2Q2025 GDP figures. Previously, the central bank had voted 7-2 to maintain its bank rate at 4%. The dissent follows on the heel of a previous 5-4 vote, hinting that the BOE's path is far from over. Given that underlying price pressures appear to be heating up while consumer spending had started to pull back, the growth figures may be pivotal in shaping further policy expectations. We remain neutral to slightly bearish on GBPUSD and foresee a possible trading range of 1.3340–1.3580.



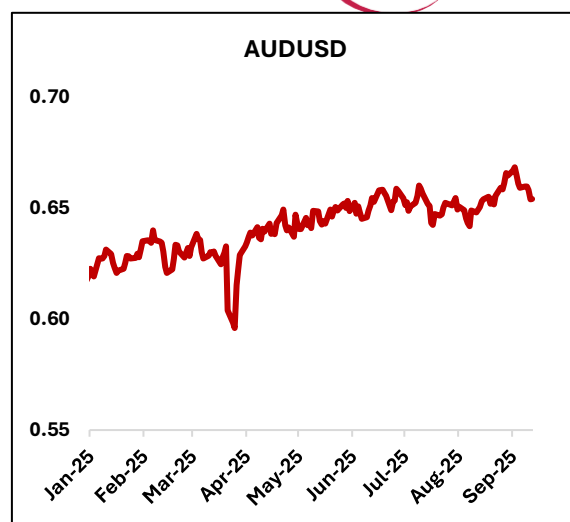
Source: Bloomberg

AUDUSD: Australian Dollar slipped despite surprise inflation hike

The Australian dollar plummeted by 0.8% w-o-w, dragged by the strength of the USD, although faster than expected inflation uptick provided underlying support. Headline inflation increased by 3.0% y-o-y in August (July: 2.8% y-o-y), marking the highest level in more than twelve months and driven by a 14-month high expansion in housing costs (August: 4.5% y-o-y vs. July: 3.6% y-o-y). The rise was underpinned by elevated electricity prices amid declining state government rebates. Meanwhile, core inflation trended above the Reserve Bank of Australia (RBA)'s target range of 2-3%, accelerating by 3.4% y-o-y in the same month (July: 3.2% y-o-y) and marking the fastest pace in thirteen months. With headline inflation now at the upper end of the RBA's target range, it is highly likely that the

central bank will keep its cash rate unchanged at 3.6% at the upcoming meeting. However, this outcome appears largely priced in, limiting any upside for the AUD. On the labour front, the unemployment rate held steady at 4.2% in August, though employment unexpectedly declined. This mix of a cooling jobs market and persistent price pressures underscores the RBA's delicate balancing act: containing inflation without unduly stifling economic growth.

Short-term Outlook: The policy decision on 30th September will be closely watched as well as the accompanying press conference for further hints on the central bank's policy trajectory. Previously, the RBA had acted on incoming data underscoring the cooling job market conditions, concerns of which remain prevalent still. However, the inflation uptick recalibrated the scales, suggesting that the easing cycle thus far had only freed up space for price pressures to heat up. Ahead of the meeting, we are slightly bullish on the AUDUSD and expect the pair to trade within the 0.6500 – 0.6625 range.

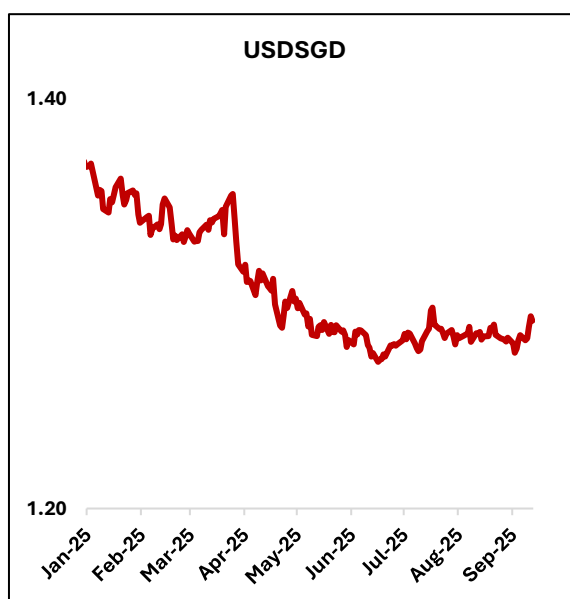


Source: Bloomberg

USDSGD: Singaporean Dollar strengthened despite cooler inflation figures

The Singaporean dollar ended by 0.6% w-o-w amidst inflation in August unexpectedly coming in cooler than expected. Latest figures showed that the disinflationary trend continued with headline inflation moderating to 0.5% y-o-y in August (July: 0.6% y-o-y, Est: 0.6% y-o-y), marking the softest pace since January 2021. Such performance was due to a softer health inflation print (August: 2.3% vs. July: 2.4%) as well as declining costs for household durables & services (August: -0.9% vs. July: -0.5%), recreation, sports & culture (August: -3.0% vs. July: -1.2%) and miscellaneous goods & services (August: -0.8% vs. July: -0.4%). On the flip side, prices for transport (August: 2.3% vs. July: 2.1%) and education (August: 0.8% vs. July: 0.7%) posted increases while prices for food (August: 1.1% vs. July: 1.1%) and housing & utilities (August: 0.3% vs. July: 0.3%) remained steady. On a monthly basis, it rebounded sharply by 0.5% compared to a 0.4% decline in July. Meanwhile, core inflation rose by a marginal 0.3% y-o-y in the same month, down from 0.5% in July and missing expectations of 0.4%. This figure breached the softest level since February 2021, fuelling concerns of persistently sluggish domestic demand and dampened spending patterns. On top of that, Singapore's industrial production declined significantly by 7.8% y-o-y in August (July: 7.7% y-o-y) well below estimates of a smaller contraction (-2.5% y-o-y). This performance is the weakest since March 2024, suggesting that the lagged impact from Trump's tariffs has finally hit its factory activities and thus, exerting some downward pressure on the SGD.

Short-term Outlook: Moving forward, Singapore's retail sales data, set to be released on Friday, will shed much needed light over the current landscape of domestic demand. This will be crucial, especially in the face of a potential manufacturing sector downturn which is exacerbated by Trump's latest tariff announcement. Singapore's Deputy Prime Minister Gan Kim Yong remarked that the economy exports around USD3.1 billion of pharmaceutical products to the U.S., which is now under threat of 100% tariffs. Given that these goods constitute up to 13% of its overall export to the U.S., the levy would be a heavy blow on its export-oriented sectors. Looking ahead, we remain neutral to slightly bullish on USDSGD, with the pair likely to trade within a 1.2825–1.2965 range.



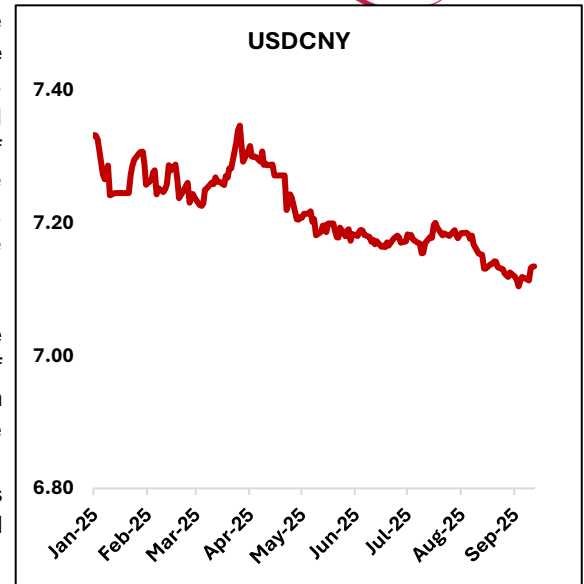
Source: Bloomberg

USDCNY: Chinese Yuan lost some ground amid fresh Trump tariffs

The Chinese yuan dipped by 0.2% w-o-w last week as markets had priced in the probabilities of the People's Bank of China (PBOC) maintaining its 1-Year and 5-Year Loan Prime Rates (LPR) at 3.0% and 3.5%, respectively. Additionally, the central bank noted that its commitment to keep monetary settings moderately loose and accommodative, signalling a shift from its neutral stance previously. This opened up the door for further easing, exerting some pressure on the CNY. Furthermore, investor confidence took a hit towards the latter half of the week amid growing concerns of the implications of Trump's latest tariffs on China's

exports, taking cues from a publication that reported about 60% of U.S.' furniture imports came from Vietnam and China. As such, the fresh levies would translate into weaker demand for Chinese furniture, causing a decline in volume of orders and production levels. Nevertheless, its exposure to the U.S. pharmaceutical market is low, making the impact from Trump's 100% patented drug tariff relatively minimal. Furthermore, Chinese and U.S. officials are currently in the midst of discussions while most of their goods are still shielded by their truce, enabling China to bring any dissention regarding the latest tariffs to the negotiating table.

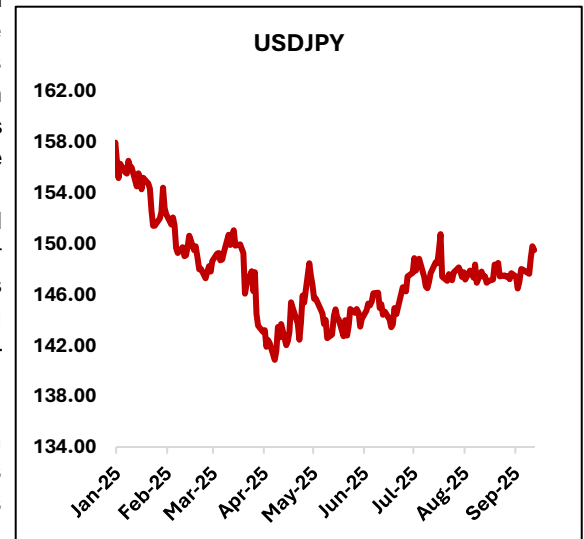
Short-term Outlook: While there appear to be minor snags in the trade negotiations, especially with the U.S. aiming to encourage more purchases of soybean to China, the situation remained under control. Meanwhile, dovish signals from the PBOC are expected to drive bets of further easing although the pace will likely be more measured to avoid rapid depreciation of the CNY, considering the central bank's recent push to gradually strengthen the note. As such, we remain neutral to slightly bullish on USDCNY in the near term and foresee the pair to trade between 7.1205-7.1551.



USDJPY: Japanese Yen plunged amid easing expectations of BOJ hike

The Japanese Yen depreciated strongly by 1.0% w-o-w as Tokyo's inflation surprising to the downside, causing markets to pare back expectations of the Bank of Japan (BOJ)'s policy normalisation cycle. On the surface, Tokyo's headline inflation remained steady at 2.5% y-o-y in September, as recorded in August, and similarly, core inflation plateaued at 2.5% y-o-y, missing estimates of a 2.8% increase. However, core-core inflation moderated by 2.5% y-o-y in the same month from 3.0% y-o-y in August, marking the lowest level in five months. As such, the disinflationary trend suggested that the current monetary policy level remains sufficiently restrictive in curbing price pressures, offering the BOJ greater flexibility in navigating its policy path. Furthermore, the latest meeting minutes revealed that the central bank remained concerned of risks to Japan's political outlook as well as implications from U.S. tariffs, implying a cautious data-dependent approach to guide the BOJ's hand.

Short-term Outlook: There will be a slew of economic data coming from Japan this week as markets shape their policy expectations, spreading their focus across figures on retail sales and the job market to understand the drivers supporting domestic consumption as well as industrial production data to glean insights to the health of the economy behind the scenes. As such, we are slightly bullish on USDJPY and foresee a possible trading range of 147.90 – 149.85.

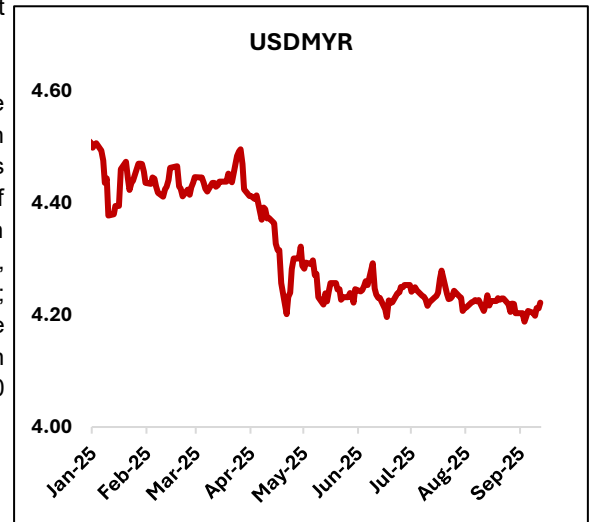


USDMYR: The Ringgit dipped ahead of the rollout of BUDI95 programme

The ringgit posted a 0.3% w-o-w decline ahead of the implementation of the Budi Madani RON95 (BUDI95) program, which will begin as soon as 27th September for selected groups and 30th September for all eligible Malaysians. The initiative will reduce RON95 pump prices to RM1.99 from RM2.05 previously, aiming to ease the financial burden on consumers while addressing the issue of subsidy leakages by utilising a targeted system accessible only to Malaysians with a MyKad and active driving licenses. This measure is also expected to spur on consumer spending as households will have more disposable income, which in turn supports the domestic economy. However, ahead of the launch of the program, cautious sentiments permeated through consumers as many debated the possible hiccups in the initial phase. Nevertheless, buying interest in the local equity market, especially centered around energy and consumer stocks, remained robust amid rapid bargain-hunting activities in anticipation of positive spillover from the initiative. On a different note, Malaysia's headline inflation rose to a four-month high of 1.3% y-o-y in August (July: 1.2%) amid materialising impact from the 1st July Sales and Service Tax (SST) expansion. Meanwhile, core inflation accelerated by 2.0% y-o-y in the same month from July's 1.8% y-o-y.

The inflationary trends provided much needed support to the MYR; however, it still ended in the red amid the USD's appreciation.

Short-term Outlook: Moving forward, the MYR is on a clear track to appreciate further as the Fed policy easing cycle should narrow interest rate differentials with Malaysia's steady Overnight Policy Rate (OPR). Nevertheless, caution is warranted on the trade front as Trump is seemingly gearing for a fresh round of levies, with semiconductor tariffs posing as the largest threat to Malaysian exports. Currently, the Investment, Trade and Industry Minister, Tengku Zafrul, stated that the Reciprocal Trade Agreement with the U.S. is nearly completed; with the aim of finalising the agreement by Trump's visit in conjunction with the 47th ASEAN Summit in October. Accordingly, we maintain a bearish view on USDMYR in the near term, with the pair likely to trade in the 4.1880–4.2420 range.



Source: Bloomberg

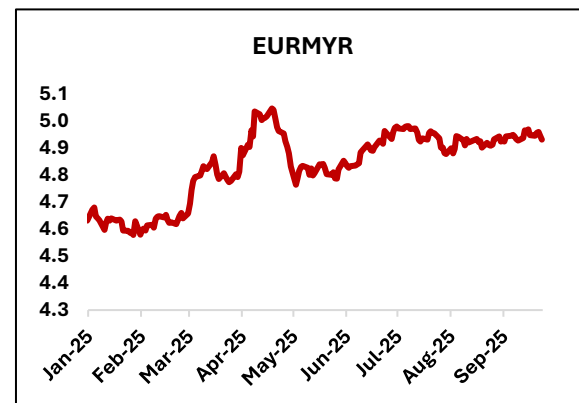
Table 2: Selected Currencies Overview (MYR Crosses)

	12-Sep	19-Sep	26-Sep	WoW	YTD
USDMYR	4.2032	4.207	4.2222	0.4%	-5.6%
EURMYR	4.9274	4.9481	4.9311	-0.3%	5.8%
GBPMYR	5.694	5.6814	5.6378	-0.8%	0.4%
SGDMYR	3.2766	3.2772	3.2651	-0.4%	-0.6%
JPYMYR	2.8464	2.8431	2.8243	-0.7%	-0.8%
AUDMYR	2.7955	2.7781	2.7561	-0.8%	-0.9%
CNYMYR	0.5902	0.5915	0.5918	0.1%	-3.4%

Sources: Bloomberg, Bank Islam

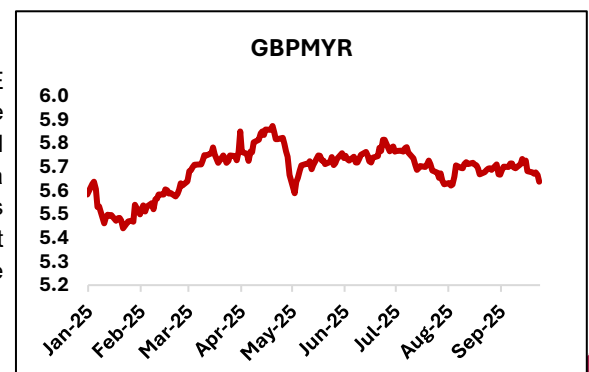
Short Term Outlook for Ringgit Pairs

The outlook for EUR/MYR remains neutral to slightly bearish amid early signs of a manufacturing sector slowdown in the EU. Comparatively, Malaysia's factory activities still displayed solid momentum, underpinned by accelerations across the manufacturing (July: 4.4% vs. June: 3.6%) and mining (July: 4.3% vs. June: -0.01%) sectors. This would shed a rosier light over the MYR compared to the EUR in the near term. Nevertheless, the print does not reflect impacts from the finalised 19% U.S. tariff in August, which would potentially post as drag to Malaysia's production sector.

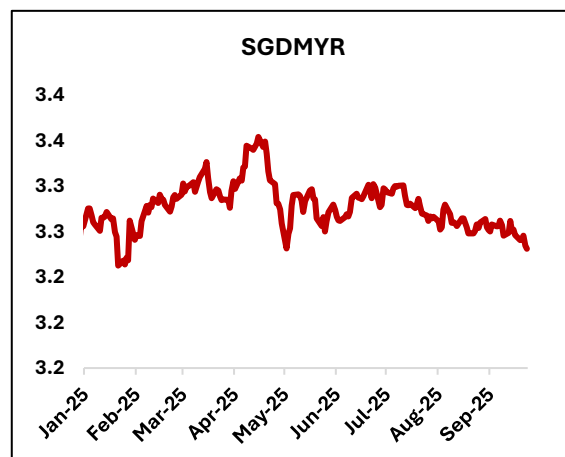


Source: Bloomberg

The outlook for GBP/MYR remains mildly bearish as markets reprice their BOE rate cut bets following the surprise downside to UK's manufacturing PMI. While inflationary pressures are heating up on one end of the scale, the potential slowdown weighs on the growth outlook, extending concerns stemming from a cooler job market. As such, markets will remain cautious as they await UK's 2Q2025 growth figures for further hints on the central bank's next move. In light of this, we expect the MYR to gain some grounds, bolstered by a more stable monetary policy outlook.

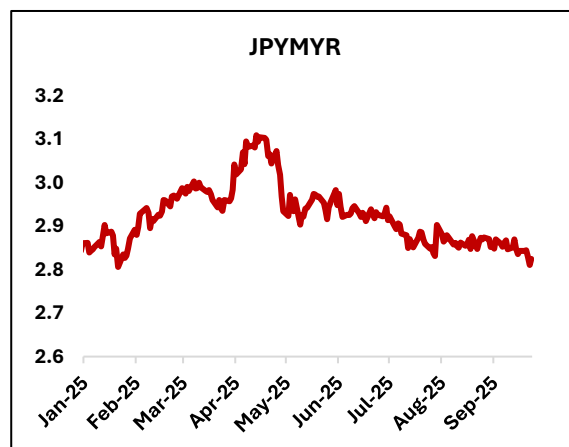


The outlook for SGD/MYR is bearish as softer inflation points to subdued domestic demand in Singapore. In contrast, Malaysia's headline inflation ticked up slightly while continuous government measures such as the BUDI95 program is anticipated to boost consumer spending. As such, prospects of accelerating spending momentum will provide some push to the MYR ahead of the SGD.



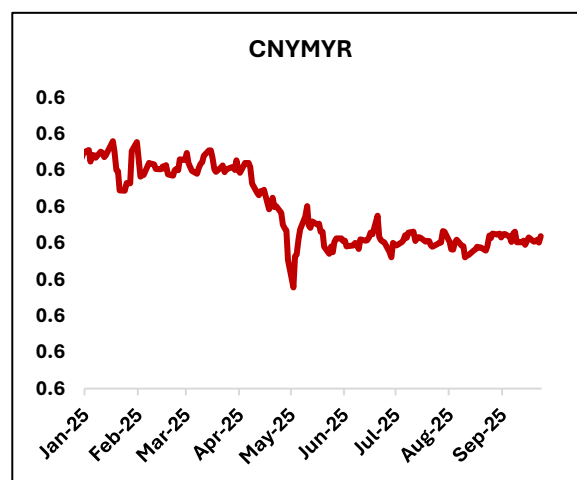
Source: Bloomberg

The outlook for JPY/MYR is slightly bearish as markets scaled back their BOJ rate hike bets following moderating inflation, offering more space for the central bank to employ a cautious approach against a backdrop of prolonged global trade and domestic political uncertainty. As such, the interest rate differentials amid BNM's steady outlook favors the MYR, guiding its appreciation against the JPY.



Source: Bloomberg

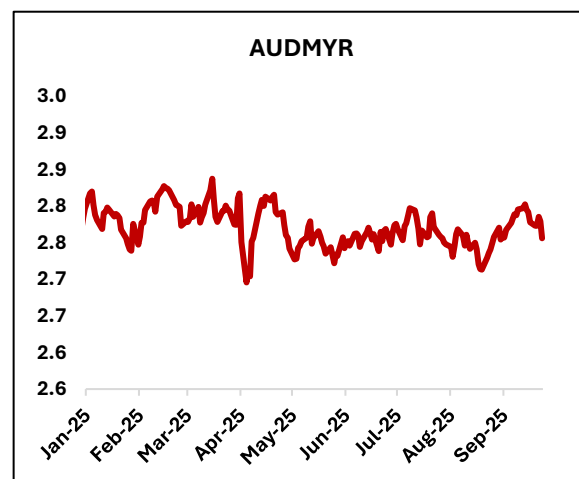
The outlook for CNY/MYR remains slightly bearish following dovish signals from the PBOC, reshaping expectations for more policy easing down the road. However, the balance of risks stemming from Trump's trade agenda currently appeared to be relatively balanced as both countries grapple to finalise their agreements. Thus, we remain cautious on the CNY/MYR pair with steady OPR outlook giving MYR the slightest edge over the CNY in the near term.



Source: Bloomberg

Source: Bloomberg

The AUD/MYR outlook is bullish as Australia's hotter than expected inflation solidified the case for a slower pace of RBA cuts moving forward. Given that the headline inflation has touched the upper end of the RBA's 2-3% inflation target, the central bank is likely to hold its benchmark rate steady, championing a sufficiently restrictive level despite softer signs of a cooling job market. As such, this will exert upward pressure on the pair.



Source: Bloomberg

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