

Pinay Chicken Heart Daily

Ringgit opens lower against US dollar as inflation spikes

KUALA LUMPUR, June 2 — The ringgit continued to trend easier against the US dollar today as sentiments weakened for the local note amid higher inflation reported in the country and lower oil prices, analysts said.

At 9am, the local currency declined to 4.3880/3910 versus the US dollar from Wednesday's close of 4.3805/385.

Besides, an analyst said the US dollar gained its strength as it supports havens amid worries over a further acceleration in global inflation.

The **Department of Statistics Malaysia** on Wednesday reported that the country's inflation rate increased by 2.5 per cent, mainly driven by rising food and fuel prices in 2021.

The increase was also higher compared with 0.7 per cent during the pre-pandemic year of 2019.

SPI Asset Management managing director Stephen Innes said there were reports that Saudi Arabia had indicated to its western allies of its readiness to raise oil production should Russia's output fall substantially under the agreement quota due to the weight of European Union (EU) sanctions.

As at time of writing, Brent crude was trading 2.1 per cent lower at US\$113.84 per barrel.

Meanwhile, the ringgit was traded mixed against a basket of major currencies.

The local note improved against the Singapore dollar to 3.1915/1942 from Tuesday's close of 3.1928/1965 and increased vis-a-vis the Japanese yen to 3.3728/3754 from 3.3865/3903.

The ringgit traded better versus the British pound at 5.4780/4817 from 5.5159/5216 yesterday and ticked up versus the euro to 4.6754/6786 from 4.6985/7034. — Bernama

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