

Ringgit opens lower against US dollar

KUALA LUMPUR, Oct 20 — The ringgit opened lower against the US dollar today as investors awaited further rate actions by the United States Federal Reserve (Fed), dealers said.

At 9am, the local note eased to 4.7250/7265 from Wednesday's close of 4.7180/7220.

The dealers said lack of market-moving catalysts, along with the stronger greenback due to higher US Treasury yields as well as falling crude oil prices, dragged down the local note's performance in early trade.

At the time of writing, Brent crude oil fell 0.17 per cent to US\$92.25 per barrel.

However, CGS-CIMB said in a note that the weak ringgit may support Malaysia's exports, as both tend to have a positive correlation.

The brokerage said the performance of Malaysia's electrical and electronics (E&E) sector had defied downward global trends as shipments continued to outperform global sales in September 2022.

According to the **Department of Statistics**, the country's exports of E&E products to China grew 36.5 per cent year-on-year in September 2022, in contrast with the moderation in shipments of regional peers.

"We suspect that part of the strength could be due to the attractive costs given ringgit's weaker performance," it added.

Malaysia recorded a trade surplus of RM31.71 billion in September 2022, a new record high for the country, beating the previous high of RM31.5 billion in December last year.

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

It rose versus the British pound to 5.2948/2965 from 5.3233/3278 yesterday and increased against the Singapore dollar to 3.3146/3161 from 3.3176/3207 previously.

The local currency also improved against the euro to 4.6135/6150 from 4.6326/6365 on Wednesday and gained vis-a-vis the Japanese yen to 3.1515/1527 from 3.1611/1642 at the close yesterday.

— Bernama

<https://selangorjournal.my/2022/10/ringgit-opens-lower-against-us-dollar-25/>