

9 October 2025

Global Markets Research

Daily Market Highlights

9 Oct: Haven demand saw gold topping US\$4000/oz

Mild trading for USTs; US Dollar strengthened against G10 peers; JPY underperformed Kiwi tumbled after the RBNZ surprised market with a bumper 50bps rate cut
EU steel stocks rallied after EC proposed protectionist measures to support the sector

- A renewed wave of dip buying powered a rebound in Wall Street overnight. The Nasdaq led the way on tech with lingering AI optimism, climbing 1.1% d/d and outpacing the S&P 500 at 0.6% d/d. The Dow was the outlier and closed just below its flatline.
- Stocks, meanwhile, showed little reaction to the release of minutes from the FOMC meeting given that there were little surprises. Essentially, it showed a **divided and cautious Fed over how much further to lower rates, with a narrow majority of 19 members pencilling in at least 2 additional cuts this year, a tentative base for consecutive cuts this month and December**. Support for a larger 50bps cut was limited to 1 participant, while 7 pencilled no further easing for the rest of 2025. Officials largely agreed that the recent slowdown in job growth outweighed sticky inflation concerns, and noted that the low level of job gains over recent months likely reflected declines in growth of both demand and supply, the latter partly due to low net immigration.
- Elsewhere, Stoxx Eur 600 ended the session up 0.8% d/d with steel producers outperforming while auto lagged after **the European Commission presented a proposal to shield its ailing steel sector. The plan includes measures like limiting tariff-free import volumes to 18.3m tonnes/year (-47%) and doubling the level of out-of-quota duty to 50%**. Asian markets traded mixed but are set to climb higher today following the futures. CSI 300 will also reopen after the Golden Week break.
- Global bond markets largely limped through their sessions. Treasuries closed mixed between +/-2bps, with the benchmark 2Y and 10Y yields closing the day at 3.58% and 4.12% respectively. 10Y European yields fell between -1 to -6bps.
- In the forex space, the DXY jumped to as high as 99.06 though settled at 98.92 (0.3% d/d). JPY (-0.5% d/d to 152.69) continued to slump from the LDP's election of a fiscal dove to lead the party. NZD also tumbled 0.2% d/d after the **Reserve Bank of New Zealand surprised with a larger than expected rate cut of 50bps to 2.50%**. IDR (-0.1% d/d) and SGD (-0.2% d/d to 1.2957)

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	46,601.78	0.00
S&P 500	6,753.72	0.58
NASDAQ	23,043.38	1.12
Stoxx Eur 600	573.79	0.79
FTSE 100	9,548.87	0.69
Nikkei 225	47,734.99	-0.45
CSI 300	4,640.69	0.45
Hang Seng	26,829.46	-0.48
Straits Times	4,456.30	-0.36
KLCI 30	1,627.50	-0.16
FX		
Dollar Index	98.92	0.34
EUR/USD	1.1628	-0.25
GBP/USD	1.3404	-0.16
USD/JPY	152.69	0.52
AUD/USD	0.6586	0.08
USD/CNH	7.1501	0.06
USD/MYR	4.2155	0.03
USD/SGD	1.2957	0.19
USD/KHR	4,014.00	-0.04
USD/THB	32.53	0.06
Commodities		
WTI (\$/bbl)	62.55	1.33
Brent (\$/bbl)	66.25	1.22
Gold (\$/oz)	4,043.30	1.68
Copper (\$/MT)	10,669.00	-0.85
Aluminum(\$/MT)	2,753.50	0.44
CPO (RM/tonne)	4,405.50	0.61

Source: Bloomberg, HLBB Global Markets Research
 * Closing as of 7 Oct for CPO, 30 Sep for CSI 300

were the biggest losers amongst regional currencies, while MYR closed just below its flatline at 4.2155.

- In the commodity space, haven demand saw gold prices surging 1.7% d/d and topping \$4000/oz, while crude oil price also gained 1.2-1.3% d/d to close the day at \$62.55/barrel for the WTI and \$66.25/barrel for Brent. Supporting prices was the Energy Information Administration (EIA) report of a weekly drop in inventories at the Cushing hub.

US mortgage applications continued to decline

- Mortgage applications fell at a narrower pace of 4.7% w/w for the week ended October 3 (prior: -12.7% w/w). With mortgage rates on fixed-rate loans little changed, both refinance and purchase activities fell during the week.

Japan's eco watchers improved, suggesting that the economic momentum will likely be sustained

- Eco watchers current and outlook indices improved more than expected to 47.1 and 48.5 in September (prior: 46.7 and 47.5). The household-, corporate- and employment-related sub-indices all rose, suggesting that the economic momentum is picking up and will likely be sustained going forward.

House View and Forecasts

FX	This Week	4Q-25	1Q-26	2Q-26	3Q-26
DX	96.50-99.25	96.45	95.57	94.24	92.99
EUR/USD	1.15-1.19	1.19	1.20	1.22	1.24
GBP/USD	1.32-1.36	1.36	1.37	1.38	1.39
USD/CHF	0.78-0.82	0.78	0.78	0.77	0.76
USD/JPY	145-149	146	145	142	140
AUD/USD	0.64-0.67	0.67	0.67	0.68	0.68
NZD/USD	0.56-0.60	0.59	0.60	0.60	0.60
USD/CNY	7.10-7.15	7.08	7.06	6.99	6.94
USD/MYR	4.18-4.23	4.20	4.15	4.10	4.10
USD/SGD	1.27-1.30	1.28	1.26	1.24	1.23
USD/THB	31.55-33.10	32.25	32.30	32.20	32.00

Rates, %	Current	4Q25	1Q26	2Q26	3Q26
Fed	4.00-4.25	3.50-3.75	3.25-3.50	3.00-3.25	3.00-3.25
ECB	2.00	2.00	2.00	2.00	2.00
BOE	4.00	3.75	3.50	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.50	0.50	0.75	0.75	0.75
RBA	3.60	3.35	3.10	3.10	3.10
RBNZ	2.50	2.25	2.25	2.25	2.25
BNM	2.75	2.75	2.75	2.75	2.75

Source: HLBB Global Markets Research

Up Next

Date	Events	Prior
9-Oct	US Initial Jobless Claims **	228k

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9-15 Oct	CH New Yuan Loans CNY YTD (Sep)	13460.0b
10-Oct	JN PPI YoY (Sep)	2.70%
	MA Industrial Production YoY (Aug)	4.20%
	MA Manufacturing Sales Value YoY (Aug)	3.50%
	US U. of Mich. Sentiment (Oct P)	55.1

Source: Bloomberg

*** Releases likely delayed by the US government shutdown*

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