

15 July 2025

Global Markets Research

Daily Market Highlights

15 Jul: Sanguine investors ahead of key economic data

All eyes on US CPI, China's 2Q GDP and quarterly earnings from major US banks
UST yields and DXY rose ahead US CPI; expect an acceleration in price pressures
US equities closed mixed; financial stocks amongst the notable gainers

- A quiet day on the tariff front save Trump's threat that he will impose a 100% tariff on Russia if no Ukraine peace deal is struck by September. In the equity markets, the three major US indices closed the day higher between 0.1-0.3% d/d, with investors largely shrugging off the latest round of tariff threats. Financial stocks were notable gainers ahead of the slew of major bank earnings, a sign that investors remained optimistic that bank earnings will remain strong and the economy remains resilient in 2Q. Of note, Wells Fargo, JP Morgan Chase and Blackrock are due to release their earnings today, and all three shares climbed ahead of their results.
- Elsewhere, Stoxx Eur 600 fell 0.1% d/d, paring some of its earlier losses after Trump's 30% tariff slap on EU imports over the weekend, but FTSE 100 gained 0.6% d/d with a milder 10% tariff already in the bag. Asian markets closed mixed, but are poised to close higher tracking Wall Street overnight and futures.
- In the bond space, Treasury yields were marginally higher in tune to 1-3bps (prior: +1 to +8bps) ahead of the CPI print due for release today. The benchmark 2Y- and 10Y UST yields inched up 2bps each to 3.90% and 4.43%. Trading in the 10Y European sovereign bonds were equally muted, with yields mostly higher between 0-2bps (prior: +1 to +3bps).
- In the forex space, the Dollar strengthened against all its G10 peers amid the escalating trade tension and ahead of US CPI print, where consensus is expecting a pick-up in inflationary pressure. The DXY closed 0.2% d/d up at 98.08, with NZD (-0.6% d/d), SEK (-0.6% d/d) and AUD (-0.5% d/d to 0.6545) underperforming all their regional peers. CAD and EUR weakened, albeit at a narrower pace of 0.1% d/d and 0.2% d/d to (1.1664) respectively.
- With the exception of THB (+0.4% d/d), regional currencies mostly depreciated against USD. MYR closed flat at 4.2535, while SGD closed 0.1% d/d weaker at 1.2821. The latter strengthened to as high of 1.2797 following the upward surprise in its

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	44,459.65	0.20
S&P 500	6,268.56	0.14
NASDAQ	20,640.33	0.27
Stoxx Eur 600	546.99	-0.06
FTSE 100	8,998.06	0.64
Nikkei 225	39,459.62	-0.28
CSI 300	4,017.67	0.07
Hang Seng	24,203.32	0.26
Straits Times	4,109.21	0.52
KLCI 30	1,537.51	0.09
FX		
Dollar Index	98.08	0.23
EUR/USD	1.1664	-0.21
GBP/USD	1.3427	-0.49
USD/JPY	147.72	0.20
AUD/USD	0.6545	-0.50
USD/CNH	7.1723	0.01
USD/MYR	4.2535	0.00
USD/SGD	1.2821	0.14
USD/KHR	4,008.00	-0.05
USD/THB	32.39	-0.35
Commodities		
WTI (\$/bbl)	66.98	-2.15
Brent (\$/bbl)	69.21	-1.63
Gold (\$/oz)	3,359.10	-0.15
Copper (\$\$/MT)	9,619.00	-0.43
Aluminum (\$/MT)	2,592.00	-0.42
CPO (RM/tonne)	4,114.00	0.12

Source: Bloomberg, HLBB Global Markets Research

* Closing as of 11 July for CPO

advanced 2Q GDP growth, before paring its gains later in the day.

- In the commodity space, crude oil prices fell more than 1% after Trump's ultimatum to Russia. The WTI closed the day at \$66.98/barrel, and Brent at \$69.21/barrel.

Better than expected, steady economic data from China

- Better than expected June numbers from China. Aggregate financing totalled 22.8tn yuan in 1H, with June data showing signs of acceleration in credit expansion, suggesting that impact from the recent fiscal and monetary stimulus is slowly feeding into domestic demand. The credit expansion was driven by government financing, while lending to household and corporate loans stabilized.
- Imports also registered its first growth in the year at +1.1% y/y (May: -3.4% y/y), while on the external demand front, exports accelerated more than expected to +5.8% y/y following May's +4.8% y/y. The temporary reduction in US tariffs saw exports to the US clawing back some lost ground (around -16% y/y), while exports to other key export markets remained robust. We maintain our view that export growth could likely soften in 2H of the year amid unwinding of trade front-loading, higher China tariff vis-à-vis regional countries and amid escalating trade tension at the point of writing.

House View and Forecasts

FX	This Week	3Q-25	4Q-25	1Q-26	2Q-26
DX	96.25-99.25	98.32	96.29	94.99	93.77
EUR/USD	1.15-1.19	1.16	1.19	1.20	1.22
GBP/USD	1.34-1.38	1.36	1.38	1.39	1.40
USD/CHF	0.78-0.81	0.81	0.80	0.79	0.78
USD/JPY	144-149	147	144	140	137
AUD/USD	0.64-0.67	0.63	0.65	0.67	0.68
NZD/USD	0.59-0.62	0.59	0.60	0.61	0.61
USD/CNY	7.15-7.19	7.20	7.16	7.12	7.10
USD/MYR	4.22-4.29	4.28	4.25	4.22	4.18
USD/SGD	1.26-1.30	1.29	1.26	1.24	1.22
USD/THB	32.10-33.10	32.70	32.50	32.30	32.30

Rates, %	Current	3Q-25	4Q25	1Q26	2Q26
Fed	4.25-4.50	4.00-4.25	3.75-4.00	3.50-3.75	3.25-3.50
ECB	2.00	2.00	2.00	2.00	2.00
BOE	4.25	4.00	3.75	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.50	0.50	0.50	0.75	0.75
RBA	3.85	3.60	3.35	3.10	3.10
RBNZ	3.25	3.00	2.75	2.75	2.75
BNM	2.75	2.75	2.75	2.75	2.75

Source: HLBB Global Markets Research

Up Next

Date	Events	Prior
15-Jul	AU Westpac Consumer Conf SA MoM (Jul)	0.50%
	CH New Home Prices MoM (Jun)	-0.22%
	CH Used Home Prices MoM (Jun)	-0.50%
	CH GDP YoY (2Q)	5.40%
	CH Retail Sales YoY (Jun)	6.40%
	CH Industrial Production YoY (Jun)	5.80%
	CH Surveyed Jobless Rate (Jun)	5.00%
	CH Property Investment YTD YoY (Jun)	-10.70%
	EC ZEW Survey Expectations (Jul)	35.3
	EC Industrial Production SA MoM (May)	-2.40%
	US Real Avg Weekly Earnings YoY (Jun)	1.50%
	US Empire Manufacturing (Jul)	-16
	US CPI Ex Food and Energy YoY (Jun)	2.80%
	UK CPI Core YoY (Jun)	3.50%
	UK House Price Index YoY (May)	3.50%
16-Jul	EC Trade Balance NSA (May)	9.9b
	US MBA Mortgage Applications	9.40%
	US PPI Final Demand YoY (Jun)	2.60%
	US New York Fed Services Business Activity (Jul)	-13.2
	US Industrial Production MoM (Jun)	-0.20%
	US Fed Releases Beige Book	

Source: Bloomberg

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