

19 August 2025

Global Markets Research

Daily Market Highlights

19 Aug: Muted markets ahead of key events

Jackson Hole summit scheduled later in the week; Putin-Zelensky-Trump meeting in the work
Treasuries closed with modest losses; DXY rebounded above 98; Global equities closed mixed
Weaker US builders' confidence, exports for the Eurozone & Singapore

- Trading was quiet and volume thin, with investors largely waiting for Fed Chair Jerome Powell's speech at the Jackson Hole summit later in the week and in the more immediate term, the crunch talks between President Trump and European leaders.
- In the equity markets, the 3 US major averages closed mixed between +/-0.1% d/d, while the Stoxx Eur 600 closed up 0.1% d/d. In Asia, Nikkei 225 and CSI 300 rallied 0.8-0.9% d/d, but Hang Seng lost 0.4% d/d.
- In the bond space, treasuries closed with modest losses. The 2Y yield closed the day 1bps higher at 3.76%, while the 10Y yield rose 2bps to 4.33%. Save the UK and Norwegian sovereign bonds, 10Y European bond yields slid in tune to 1-3bps.
- Save CAD (+0.1% d/d) and NZD (flat), all G10 currencies weakened against the Dollar, and the DXY closed up 0.3% d/d at 98.17. JPY (-0.5% d/d to 147.89) underperformed all its G10 peers, closely followed by GBP (-0.4% d/d to 1.3504), DKK (-0.4% d/d) and EUR (-0.4% d/d to 1.1661). Regional currencies closed mixed against USD, with MYR and SGD depreciating 0.1-0.2% d/d to end the day at 4.2227 and 1.2844.
- In the commodity space, crude oil prices rallied 1.0-1.1% d/d after Trump's meeting with Ukrainian President Volodymyr Zelenskiy and his European counterparts. As it is, investors were watching for clues on potential ramifications for global oil supply. The WTI closed the day at \$63.42/barrel, and Brent at \$66.60/barrel.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	44,911.82	-0.08
S&P 500	6,449.15	-0.01
NASDAQ	21,629.77	0.03
Stoxx Eur 600	554.01	0.08
FTSE 100	9,157.74	0.21
Nikkei 225	43,714.31	0.77
CSI 300	4,239.41	0.88
Hang Seng	25,176.85	-0.37
Straits Times	4,187.38	-1.02
KLCI 30	1,584.96	0.55
FX		
Dollar Index	98.17	0.32
EUR/USD	1.1661	-0.36
GBP/USD	1.3504	-0.37
USD/JPY	147.89	0.48
AUD/USD	0.6491	-0.25
USD/CNH	7.1875	-0.02
USD/MYR	4.2227	0.22
USD/SGD	1.2844	0.11
USD/KHR	4,004.00	-0.06
USD/THB	32.46	0.11
Commodities		
WTI (\$/bbl)	63.42	0.99
Brent (\$/bbl)	66.60	1.14
Gold (\$/oz)	3,331.70	-0.13
Copper (\$\$/MT)	9,733.00	-0.41
Aluminum(\$/MT)	2,588.50	-0.71
CPO (RM/tonne)	4,378.50	0.69

Source: Bloomberg, HLBB Global Markets Research
 * Closing as of 15 Aug for CPO

Weaker US data, from builders' confidence to New York Fed services activities

- Elevated mortgage rates, weak buyer traffic and ongoing supply-side challenges continued to drag on builder confidence in August (NAHB Housing Market Index: -1ppts to 32). In further signs of a soft housing market, the accompanying survey also showed that 37% of builders reported cutting prices in August, while the use of sales incentives to boost sales rose to 66%, its highest since the post-Covid period.

- The New York Fed Services Activity index at -11.7 in August (July: -9.3) suggests that business activity continued to decline in the region. Driving the downtick was the worsening supply availability indicator, and firms also turned pessimistic over the outlook

Eurozone's exports fell, sending trade surplus narrowing sharply

- Eurozone exports dropped by 2.4% m/m in June (prior: -0.5% m/m), while imports grew 3.1% m/m (prior: +1.0% m/m), sending trade surplus narrowing sharply to €2.8bn from €15.6bn previously. Data also showed that exports to the US plunged m/m, giving us more insights on how European exports could fare post front-loading. As it is, stronger EUR, US tariffs and expectations of softer global trade activities will likely weigh on European exports in 2H.

Singapore's NODX fell more than expected due to pharmaceutical products

- In Singapore, non-oil domestic exports (NODX) fell more than expected by 4.6% y/y in July after June's +12.9% y/y. That said, the tumble was driven by non-electronic exports primarily due to volatile products like pharmaceuticals and its high base effect, while electronic exports continued to grow, albeit at a narrower pace of 2.8% y/y (prior: +8.0% y/y). Amongst its top 10 market destinations, NODX to China, Indonesia and US (-42.7% y/y vs -4.8% y/y) declined, the latter due to pharmaceuticals which remains tariff exempted for now, as well as specialised machinery and food preparations.

House View and Forecasts

FX	This Week	3Q-25	4Q-25	1Q-26	2Q-26
DX	96.75-99.75	98.32	96.29	94.99	93.77
EUR/USD	1.15-1.18	1.16	1.19	1.20	1.22
GBP/USD	1.33-1.37	1.36	1.38	1.39	1.40
USD/CHF	0.79-0.82	0.81	0.80	0.79	0.78
USD/JPY	145-150	147	144	140	137
AUD/USD	0.63-0.67	0.63	0.65	0.67	0.68
NZD/USD	0.58-0.61	0.59	0.60	0.61	0.61
USD/CNY	7.16-7.20	7.20	7.16	7.12	7.10
USD/MYR	4.18-4.24	4.28	4.25	4.22	4.18
USD/SGD	1.27-1.30	1.29	1.26	1.24	1.22
USD/THB	31.82-32.92	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	4.00	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	3.60	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
19-Aug	AU Westpac Consumer Conf Index (Aug)	93.1
	MA Exports YoY (Jul)	-3.50%
	MA Imports YoY (Jul)	1.20%
	MA Trade Balance MYR (Jul)	8.59b
	HK Unemployment Rate SA (Jul)	3.50%
	US Housing Starts MoM (Jul)	4.60%
	US Building Permits MoM (Jul P)	-0.10%
20-Aug	JN Trade Balance (Jul)	¥153.1b
	JN Imports YoY (Jul)	0.20%
	JN Exports YoY (Jul)	-0.50%
	JN Core Machine Orders MoM (Jun)	-0.60%
	CH 1-Year Loan Prime Rate	3.00%
	CH 5-Year Loan Prime Rate	3.50%
	NZ RBNZ Official Cash Rate	3.25%
	UK CPI Core YoY (Jul)	3.70%
	UK House Price Index YoY (Jun)	3.90%
	EC CPI Core YoY (Jul F)	2.30%
	US MBA Mortgage Applications	10.9%
	US FOMC Meeting Minutes	

Source: Bloomberg

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