HongLeong Bank

20 November 2025

Global Markets Research
Daily Market Highlights

20 Nov: All eyes on US labour data today

Sep's NFP and jobless claims in focus today; Oct and Nov NFP due after FOMC meeting
Delay in data and a divided Fed dampened Dec rate cut bets; UST yields and DXY rose
Nvidia's earnings beat expectations; Walmart earnings due today; UK's inflation eased

- Wall Street snapped its 4-day losing streak in the run-up to Nvidia results. Nvidia was amongst the big-tech stocks leading gains, accompanied by its fellow Magnificent Seven peers, pushing the 3 major stock indices into the green in tune to 0.1-0.6% d/d. The result, scheduled after the bell, not only beat street forecasts, but the AI giant also guided for strong 4Q sales.
- The Bureau of Labour Statistics (BLS), meanwhile, said that it will not publish a standalone October employment report, but will incorporate it into the November report instead and will be due for release on December 16th after the FOMC meeting. The delay in official data is likely to keep the Fed divided on the December path, as already seen in the FOMC minutes and consequently, saw traders further paring their rate cut bets to below 30% following the announcement.
- In the treasury space, treasury yields rose 2bps across the curve and the benchmark 2Y- and 10Y yields closing the day at 3.59% and 4.14% respectively.
- In the FX space, pared rate cut bets saw DXY jumping 0.7% d/d to 100.23. JPY (-1.1% d/d to 157.16) led G10 losses against the greenback and with this, BOJ Governor Ueda is poised to meet with key cabinet ministers to discuss market movements, as well as policies toward stable inflation and sustainable growth. GBP weakened 0.7% d/d to 1.3059 after UK's inflation eased for the first time in seven months.
- Regional currencies traded mixed against the greenback with MYR strengthening 0.3% d/d to 4.1495 vs the USD, outperforming all Asian peers again after Malaysia's exports beat forecasts. SGD depreciated 0.4% d/d to 1.3070.
- Crude oil prices dipped more than 2.0% d/d with the EIA reporting stockpile gains in the US, and signs of easing geopolitical tension, the latter with the Ukrainian President arriving in Turkey to "reinvigorate negotiation" to end the war with Russia. WTI closed the day at $59.44/barrel and Brent at $63.51/barrel.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	46,138.77	0.10
S&P 500	6,642.16	0.38
NASDAQ	22,564.23	0.59
Stoxx Eur 600	561.71	-0.03
FTSE 100	9,507.41	-0.47
Nikkei 225	48,537.70	-0.34
CSI 300	4,588.29	0.44
Hang Seng	25,830.65	-0.38
Straits Times	4,505.22	0.01
KLCI 30	1,623.89	0.61
FX		
Dollar Index	100.23	0.68
EUR/USD	1.1538	-0.37
GBP/USD	1.3059	-0.65
USD/JPY	157.16	1.06
AUD/USD	0.6478	-0.45
USD/CNH	7.1176	0.10
USD/MYR	4.1495	-0.33
USD/SGD	1.3070	0.39
USD/KHR	4,011.00	0.02
USD/THB	32.41	-0.09
Commodities		
WTI ($/bbl)	59.44	-2.14
Brent ($/bbl)	63.51	-2.13
Gold ($/oz)	4,082.80	0.40
Copper ($/MT)	10,752.50	0.31
Aluminum($/MT)	2,801.00	0.76
CPO (RM/tonne)	4,132.50	0.71

Source: Bloomberg, HLBB Global Markets Research
** Closing as of 18 Nov for CPO*

FOMC meeting minutes showed divided views amongst participants, further casting doubt about December

- No surprises from the FOMC meeting minutes but in short, Fed officials were divided on the December outlook. Most participants judged that further downward adjustments to the fed funds rate would likely be appropriate, although several of these participants indicated that they did not necessarily view another 25bps cut as likely to be appropriate at the December meeting. Several participants assessed that a further rate cut could well be appropriate, but many opined that it is likely to be appropriate to keep the target range unchanged for the rest of the year.
- In Fed parlance, "many" is more than "several," indicating a tilt against a December cut. However, "participants" does not denote voters and despite the data vacuum, available data suggests that the labour market has continued to ease and inflation still contained. ***While our house view calls for a rate cut in the December FOMC meeting, we see increasing likelihood that this may be delayed amid poor data visibility.***
- On the data front, higher mortgage rates pushed mortgage applications down 5.2% w/w for the week ended November 14 (prior: 0.6% w/w), a 4-week low, while delayed data showed that trade deficit narrowed sharply to $59.6bn in August (prior: -$78.2bn). Imports fell 5.1% m/m (prior: 5.9% m/m) with businesses cautious and kept inventories lean amid the tariff risks and policy uncertainty, while export growth grew at a slower pace of 0.1% m/m (prior: 0.3% m/m). Trade deficit with China notably narrowed sharply to $128.5bn YTD from $185.2bn the prior year.

Softer UK inflation likely to support a December rate cut

- Softest CPI since June, lower producer prices (input: 0.5% y/y vs 0.7% y/y) and easing wage growth bode well with our call for a 25bps rate cut in the next BOE meeting in December.
- Although higher than expected, headline CPI eased to 3.6% y/y from 3.8% y/y previously, with the largest downward contribution to inflation from housing & household services, notably from energy costs, while food and non-alcoholic beverages inflation took a step up during the month. Core matched expectations and eased to 3.4% y/y from 3.5% y/y previously, while services slowed to 4.5% y/y (Prior: 4.7% y/y) on account of air fares. The latter remains elevated at this level and coupled with uncertainty in the Autumn budget, these are the two risk factors that could potentially derail our rate cut case.
- The House Price Index moderated for the third month to 2.6% y/y in September from 3.1% y/y previously with prices in London contracting 1.8% y/y during the month.

Australia's wage growth held steady and elevated

- Matching expectations, wage growth held steady at 3.4% y/y and 0.8% q/q in 3Q. Growth in public sector wages outpaced those from the private sector, the latter easing to 3.2% y/y from 3.5% y/y previously in line with the Fair Work Commission Annual Wage Review decision. With labour costs, one measure of price indicator, still high, reiterates our base case for a prolonged pause for the RBA going forward.

Surprised pick-up in Malaysia's exports growth to 15.7% y/y in October; its best in 6 months

- Exports growth defied expectation for a pullback and grew at a faster than expected pace of 15.7% y/y in October (Sept: +12.5% y/y upwardly revised), its fastest growth in six months. This surpassed both ours as well as market expectations, and even beat the most bullish forecast from the list of contributors to Bloomberg consensus estimate. We noted broad-based pickup across all the three key sectors, namely manufacturing (+15.7% vs +12.5% y/y), agriculture (+20.3% vs +6.5% y/y) and mining (+8.0% vs +4.3% y/y). Exports to all major markets also improved on an absolute and m/m basis, except for the US. Mirroring exports, imports also surprised on the upside by growing 11.2% y/y in October (Sept: +7.2% y/y), also at its best in six months. Trade surplus tapered off a tad but remained sizeable at RM19.0bn (Sept: RM20.2bn). *Please refer to Research Alert "Another strong export print for October" dated 19th November for details.*

House View and Forecasts

FX	This Week	1Q-26	2Q-26	3Q-26	4Q-26
DXY	97-101	97.33	95.92	94.52	93.15
EUR/USD	1.15-1.18	1.17	1.19	1.21	1.23
GBP/USD	1.30-1.34	1.32	1.34	1.35	1.37
USD/CHF	0.78-0.82	0.80	0.79	0.78	0.77
USD/JPY	151-157	151	148	145	142
AUD/USD	0.64-0.67	0.66	0.67	0.68	0.68
NZD/USD	0.55-0.58	0.57	0.57	0.58	0.59
USD/CNY	7.08-7.13	7.03	6.94	6.86	6.77
USD/MYR	4.10-4.17	4.12	4.08	4.05	4.05
USD/SGD	1.28-1.32	1.28	1.26	1.25	1.24
USD/THB	32.14-32.73	32.30	32.20	32.10	32.00

FX	Last close	1Q-26	2Q-26	3Q-26	4Q-26
EUR/MYR	4.8036	4.83	4.86	4.89	4.97
GBP/MYR	5.4468	5.44	5.45	5.48	5.55
AUD/MYR	2.6918	2.72	2.73	2.74	2.77
CNY/MYR	0.5836	0.59	0.59	0.59	0.60
SGD/MYR	3.1829	3.21	3.23	3.24	3.27

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Rates, %	Current	1Q26	2Q26	3Q26	4Q26
Fed	3.75-4.00	3.25-3.50	3.00-3.25	3.00-3.25	3.00-3.25
ECB	2.00	2.00	2.00	2.00	2.00
BOE	4.00	3.50	3.50	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.50	0.75	0.75	0.75	0.75
RBA	3.60	3.60	3.60	3.60	3.60
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
20-Nov	CH 1-Year Loan Prime Rate	3.00%
	CH 5-Year Loan Prime Rate	3.50%
	HK CPI Composite YoY (Oct)	1.10%
	US Initial Jobless Claims	219k
	US Philadelphia Fed Business Outlook (Nov)	-12.8
	US Leading Index (Oct)	-0.50%
	EC Consumer Confidence (Nov P)	-14.2
	US Existing Home Sales MoM (Oct)	1.50%
	US Kansas City Fed Manf. Activity (Nov)	6
	US Change in Nonfarm Payrolls (Sep)	22k
21-Nov	SI GDP YOY (3Q)	2.90%
	AU S&P Global Australia PMI Mfg (Nov P)	49.7
	AU S&P Global Australia PMI Services (Nov P)	52.5
	JN Natl CPI Ex Fresh Food YoY (Oct)	2.90%
	UK GfK Consumer Confidence (Nov)	-17
	JN S&P Global Japan PMI Mfg (Nov P)	48.2
	JN S&P Global Japan PMI Services (Nov P)	53.1
	MA CPI YoY (Oct)	1.50%
	MA Foreign Reserves	$123.8bn
	UK Retail Sales Inc Auto Fuel MoM (Oct)	0.50%
	EC HCOB Eurozone Manufacturing PMI (Nov P)	50
	EC HCOB Eurozone Services PMI (Nov P)	53
	UK S&P Global UK Services PMI (Nov P)	52.3
	UK S&P Global UK Manufacturing PMI (Nov P)	49.7
	US S&P Global US Manufacturing PMI (Nov P)	52.5
	US S&P Global US Services PMI (Nov P)	54.8
	US U. of Mich. Sentiment (Nov F)	50.3
	US Kansas City Fed Services Activity (Nov)	-5
	US Real Average Weekly Earnings (Sep)	0.40%

Source: Bloomberg

Note: Due to lapse in government services, US release dates are subject to change

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