

24 October 2025

Global Markets Research

Daily Market Highlights

24 Oct: All eyes on US CPI today

Mixed regional CPIs - acceleration in Japan and Singapore; steady in Hong Kong

Spike in crude oil prices sparked inflation concerns and sell-off in treasuries

DXY steady ahead of US CPI; expect headline to tick higher but core to stabilize at 3.1%

- A rally in big tech stocks coupled with cooling trade tension after the White House said that President Trump will meet his China counterpart Xi Jinping next week eclipsed concerns of an oil spike on inflation overnight, prompting the three US major equities to wipe out earlier losses and closed the day higher between 0.3-0.9% d/d.
- As it is, investors stepped in to buy tech stocks after a batch of strong earnings results, while energy shares also joined the surge, the latter after crude oil prices spiked more than 5.0% d/d (WTI: \$61.79/barrel, Brent: \$65.99/barrel) after the US announced sanctions on Russia's biggest oil companies. At the same time, the EU also approved new sanctions that will ban imports of Russian LNG in 2026.
- Energy stocks also led the uptick in Stoxx Eur 600 (0.4% d/d), while a flurry of mixed earnings saw the other sectors trading mixed. Asian markets closed mixed with Nikkei 225 sliding 1.4% d/d, while Hang Seng and CSI 300 rose 0.7% d/d and 0.3% d/d respectively, but are expected to join the global equities rally today.
- In the bond space, treasuries snapped its rally as the surge in oil prices sparked inflation concerns ahead of the highly anticipated CPI data today. The 2Y yield rose 4bps to 3.49%, while the 10Y yield increased 5bps to 4.00%. Save for the Norwegian bonds, 10Y European bond yields were also up 1-3bps.
- In the forex space, the Dollar was little changed ahead of the CPI print and the DXY closed just above its flatline at 98.94. JPY (-0.4% d/d to 152.57) continues to trail its peers, while the AUD (0.4% d/d to 0.6512) and NOK (0.5% d/d) outperformed amid the jump in oil prices. At the point of writing, AUD remained largely steady at 0.6514 after Australia's services PMI released this morning improved to 53.1 in October (prior: 52.4), eclipsing the contractionary manufacturing sector at 49.7 (prior: 51.4).
- Regional currencies traded mixed against the Dollar. KRW (-0.4% d/d) led losses after the Bank of Korea left its base rate

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	46,734.61	0.31
S&P 500	6,738.44	0.58
NASDAQ	22,941.80	0.89
Stoxx Eur 600	574.43	0.37
FTSE 100	9,578.57	0.67
Nikkei 225	48,641.61	-1.35
CSI 300	4,606.35	0.30
Hang Seng	25,967.98	0.72
Straits Times	4,416.27	0.51
KLCI 30	1,608.00	0.33
FX		
Dollar Index	98.94	0.04
EUR/USD	1.1618	0.06
GBP/USD	1.3326	-0.22
USD/JPY	152.57	0.39
AUD/USD	0.6512	0.37
USD/CNH	7.1256	0.00
USD/MYR	4.2275	-0.06
USD/SGD	1.2984	0.05
USD/KHR	4,028.00	-0.12
USD/THB	32.88	0.35
Commodities		
WTI (\$/bbl)	61.79	5.62
Brent (\$/bbl)	65.99	5.43
Gold (\$/oz)	4,125.50	2.01
Copper (\$/MT)	10,854.50	1.80
Aluminum(\$/MT)	2,862.50	1.98
CPO (RM/tonne)	4,411.00	-1.14

Source: Bloomberg, HLBB Global Markets Research
 * Closing as of 22 Oct for CPO, USD/THB

unchanged at 2.50%. SGD depreciated 0.1% d/d to 1.2984, while MYR appreciated 0.1% d/d to 4.2275.

US existing home sales rebounded amid lower mortgage rates, improved affordability; manufacturing activity in the Kansas region unexpectedly improved

- Matching expectations, existing home sales rebounded by 1.5% m/m in September following a 0.2% m/m contraction previously, lifted by lower mortgage rates and improved home affordability. Median price growth was \$415.2k, up just 2.1% y/y (prior: 2.0% y/y), a marked slowdown from double-digit growth over the past year, while a bloated inventory, unchanged at 4.6 months at the current sales pace, will likely limit price growth in the year ahead.
- The Kansas City Fed Manufacturing Activity index unexpectedly improved to 6 in October, up from 4 in September and 1 in August. Most m/m sub-indicators were positive except for new orders for exports and average work week, and expectations for the next six months remained unchanged.

Eurozone's consumer confidence unexpectedly improved

- Consumer confidence unexpectedly improved 0.7ppts to -14.2 for the Eurozone, moving closer to its long-term average and breaking a broadly flat trend since April.

Japan's CPI picked up as expected

- Matching expectations, headline and core inflation accelerated to 2.9% y/y in September after increasing 2.7% y/y previously. This marks its first acceleration this year, driven by utility costs and still elevated food prices. With inflation gauge still above the BOJ's target of 2.0%, this will likely keep the central bank on track for a rate hike. That said, there is risk that this could be delayed with the missing data from the US and given Prime Minister's Sanae Takachi's "Abenomics" policy.

Hong Kong's inflation steadied at 1.0% y/y and will likely stay mild

- Matching expectations, inflation remained modest and was unchanged at 1.0% y/y in September with price pressures across major components largely stable. Moving forward, inflation is expected to stay mild in the near term, as domestic cost pressures remain contained and external price pressures are subdued.

Quicker than expected inflation for Singapore; steady consumption expectations keep MAS' status quo stance intact

- September's inflation was above street estimate, accelerating more than expected to 0.7% y/y for headline and 0.4% y/y for

core (prior: 0.5% y/y and 0.3% y/y). The uptick in the headline reading was driven by steeper increase in car prices, while higher cost of retail & other goods drove core CPI higher.

- In the accompanying statement, MAS noted that imported costs should continue to decline, albeit at a slower pace, while administrative factors temporarily dampening domestic inflation are expected to taper over. With this, MAS expects core CPI to come in at around 0.5% in 2025 before rising to 0.5–1.5% in 2026. Headline projection was narrowed to 0.5–1.0% in 2025, and is expected to increase by 0.5–1.5% in 2026. Amid less downward pressure on inflation and expectations of steady consumer spending, there is thus, no change in our view that the central bank will likely maintain its policy stance unchanged for the whole of 2026.

Malaysia's foreign reserves eased slightly in 1H of October

- Reserves retreated slightly in 1H of the month to \$123.4bn as of 15 October (+\$0.8bn in 2H to \$123.6bn as at end-September). The reserves position is sufficient to finance 4.8 months of imports of goods and services and is 0.9 times the total short-term external debt.

House View and Forecasts

FX	This Week	4Q-25	1Q-26	2Q-26	3Q-26
DXY	97-100	96.45	95.57	94.24	92.99
EUR/USD	1.15-1.18	1.19	1.20	1.22	1.24
GBP/USD	1.33-1.36	1.36	1.37	1.38	1.39
USD/CHF	0.77-0.82	0.78	0.78	0.77	0.76
USD/JPY	147-153	146	145	142	140
AUD/USD	0.63-0.66	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	4.20-4.25	4.20	4.15	4.10	4.10
USD/SGD	1.28-1.31	1.28	1.26	1.24	1.23
USD/THB	31.50-33.00	32.25	32.30	32.20	32.00

FX	Last close	4Q-25	1Q-26	2Q-26	3Q-26
EUR/MYR	4.9002	5.00	4.99	5.00	5.08
GBP/MYR	5.6433	5.71	5.67	5.64	5.68
AUD/MYR	2.7530	2.80	2.79	2.77	2.80
CNY/MYR	0.5935	0.59	0.59	0.59	0.59
SGD/MYR	3.2530	3.28	3.29	3.30	3.33

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
24-Oct	JN S&P Global Japan PMI Mfg (Oct P)	48.5
	JN S&P Global Japan PMI Services (Oct P)	53.3
	SI Industrial Production SA MoM (Sep)	-9.70%
	EC HCOB Eurozone Manufacturing PMI (Oct P)	49.8
	EC HCOB Eurozone Services PMI (Oct P)	51.3
	UK S&P Global UK Services PMI (Oct P)	50.8
	UK S&P Global UK Manufacturing PMI (Oct P)	46.2
	US Core CPI YoY (Sep)	3.10%
	US S&P Global US Manufacturing PMI (Oct P)	52
	US S&P Global US Services PMI (Oct P)	54.2
	US New Home Sales MoM (Sep)**	20.50%
	US U. of Mich. Sentiment (Oct F)	55
	US Kansas City Fed Services Activity (Oct)	-9
27-Oct	JN PPI Services YoY (Sep)	2.70%
	CH Industrial Profits YTD YoY (Sep)	0.90%
	HK Exports YoY (Sep)	14.50%
	US Durable Goods Orders (Sep P) **	2.90%
	US Cap Goods Orders Nondef Ex Air (Sep P) **	0.60%
	US Dallas Fed Manf. Activity (Oct)	-8.7

Source: Bloomberg

** Releases likely delayed by the US government shutdown

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