5 May 2026

Global Markets Research
Daily Market Highlights

5 May: All eyes on the RBA today

Flare up in the Middle East sent chills to markets again; oil surged; stocks fell
UST yields jumped on Fed rate hike bets; USD advanced against most peers
Stronger than expected factory order for the US driven by electronics

- Concerns of a re-escalation in the Middle East tension drove oil prices up, investors back on edge and stocks lower overnight. Treasuries also fell amid bets on Fed rate hike following the oil surge, sending 2Y, 10Y and 30Y treasury yields higher to 3.95% (+8bps), 4.44% (+7bps) and 5.02% (+6bps) respectively, the 30Y was its highest since July.
- The rally in oil prices (WTI: +4.4% d/d to $106.42/barrel; Brent: 5.8% d/d to $114.44/barrel) came amid reports of US-Iran exchanging fires and attacks on UAE's oil hub, sinking the three major US stock benchmark indices between 0.2-1.1% d/d. All sectors closed in red except for energy stocks, while logistics were in a sore spot after Amazon unveiled its suite of logistic services.
- Elsewhere, Stoxx Eur 600 closed 1.0% d/d lower, with automakers tumbling following President Trump's threat to increase tariffs on cars and trucks from the EU. Asian bourses closed mostly higher. Kospi jumped 5.1% d/d to hit record, buoyed by positive sentiment following US tech earnings, while Hang Seng gained 1.2% d/d.
- Haven demand and better than expected factory orders data saw the Dollar strengthening against all its G10 peers save the the NOK (0.2% d/d), and the DXY closed up 0.2% d/d to 98.37. SEK (-0.8% d/d) and AUD (-0.5% d/d to 0.7167) lagged, the latter despite expectations of an RBA rate hike today. CHF (-0.2% d/d) and JPY (-0.2% d/d to 157.24) outperformed most peers, the latter with traders on alert for intervention by authorities.
- Regional currencies traded mixed against greenback. MYR (0.4% d/d to 3.9562) and KRW (0.2% d/d) led Asian FX gains. The KRW advanced after a BOK official said that it is time to consider raising rates. On the other hand, SGD closed 0.3% d/d weaker against the USD at 1.2769.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	48,941.90	-1.13
S&P 500	7,200.75	-0.41
NASDAQ	25,067.80	-0.19
Stoxx Eur 600	605.51	-0.99
FTSE 100	10,363.93	-0.14
Nikkei 225	59,513.12	0.38
CSI 300	4,807.31	-0.06
Hang Seng	26,095.88	1.24
Straits Times	4,924.31	0.24
KLCI 30	1,739.77	1.03
FX		
Dollar Index	98.37	0.22
EUR/USD	1.1691	-0.26
GBP/USD	1.3532	-0.38
USD/JPY	157.24	0.15
AUD/USD	0.7167	-0.49
USD/CNH	6.8309	0.00
USD/MYR	3.9562	-0.39
USD/SGD	1.2769	0.32
USD/KHR	4,007.85	-0.05
USD/THB	32.60	-0.28
Commodities		
WTI ($/bbl)	106.42	4.39
Brent ($/bbl)	114.44	5.80
Gold ($/oz)	4,533.30	-2.39
Copper ($/MT)	12,996.50	0.07
Aluminum($/MT)	3,522.00	1.38
CPO (RM/tonne)	4,532.00	0.21

Source: Bloomberg, HLBB Global Markets Research
** Closing as of 30 Apr for CPO, USD/THB, CSI 300; 1 May for FTSE 100, Nikkei 225, copper, aluminium*

Mixed PMI for regionals - higher for Malaysia but lower for Vietnam

- The final manufacturing PMI for the Eurozone was left unchanged at 52.2 in April (prior: 51.6). while the final services PMI for Australia was revised 0.4ppts higher to 50.7 (prior: 46.3).
- On the regional front, Malaysia's manufacturing PMI rose to a 4-year high of 51.6 in April (Mar: 50.7). Though the upturn in new order bodes well for outlook, anecdotal evidence suggested that the uptick was partially due to safety stock building because of the Middle East war. With this, business confidence moderated again, and while still optimistic, was the weakest in eight months.
- Sharper prices and supply disruptions saw Vietnam's manufacturing PMI dropping to its 5-month low of 50.5 (prior: 51.2), while concerns over the war led to further waning of business optimism. Although still expansionary, sentiment slipped to its 7-month low and below its historical average.

US factory orders jumped on electronics demand

- Strong demand for electronics amid the AI boom drove factory orders up 1.5% m/m in March from 0.3% m/m previously. The result was better than expected and marks its strongest gain since November 2025. Orders for the electronics climbed 3.6% m/m led by electromedical products, while orders for the rest of the categories were mixed. While manufacturing is showing signs of resilient growth, rapidly increasing input costs could put downward pressure to the sector in the next few months.

Still soft investors' confidence for the Eurozone

- Despite concerns over inflationary pressure, Sentix investor confidence unexpectedly improved to -16.4 in May from -19.2 in April, with both the expectations and current situation sub-indices improving to -11.3 and -21,5 respectively (prior: -15.5 and -22.8). All

Sharp plunge in Australia's building approvals

- Building approvals fell sharper than expected by 10.5% m/m in March (prior: 31.0% m/m) driven down by a 26.0% m/m plunge in private dwellings excluding houses, while private sector approvals gained 0.9% m/m to the highest level since November 2021. Given the mixed data and elevated inflationary pressure, there is thus no change in view that the RBA will likely raise its cash rate by 25bps to 4.35% later today.

House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	97-100	100.63	99.80	97.96	96.48
EUR/USD	1.15-1.19	1.14	1.15	1.17	1.19
GBP/USD	1.33-1.37	1.31	1.32	1.34	1.35
USD/CHF	0.76-0.81	0.79	0.78	0.76	0.75
USD/JPY	156-161	159	155	152	152
AUD/USD	0.70-0.73	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.80-6.85	6.93	6.88	6.84	6.77
USD/MYR	3.93-4.00	3.98	3.96	3.93	3.90
USD/SGD	1.26-1.29	1.29	1.28	1.27	1.25
USD/THB	31.70-32.90	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6352	4.55	4.55	4.60	4.66
GBP/MYR	5.3644	5.23	5.23	5.26	5.28
AUD/MYR	2.8473	2.72	2.72	2.75	2.77
CNY/MYR	0.5793	0.58	0.58	0.58	0.58
SGD/MYR	3.1036	3.09	3.10	3.11	3.12

Rates, %	Current	2Q26	3Q26	4Q26	1Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50
ECB	2.00	2.25	2.50	2.50	2.50
BOE	3.75	4.00	4.25	4.25	4.25
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	1.00	1.00	1.00	1.00
RBA	4.10	4.35	4.35	4.35	4.35
RBNZ	2.25	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
5-May	AU Household Spending MoM (Mar)	0.30%
	AU RBA Cash Rate Target	4.10%
	SI Retail Sales SA MoM (Mar)	-4.10%
	HK GDP YoY (1Q A)	3.80%
	US Trade Balance (Mar)	-$57.3b
	US Imports MoM (Mar)	4.30%
	US Exports MoM (Mar)	4.20%
	US S&P Global US Services PMI (Apr F)	51.3
	US ISM Services Index (Apr)	54
	US New Home Sales MoM (Mar)	-17.60%
	US JOLTS Job Openings (Mar)	6882k
6-May	HK S&P Global Hong Kong PMI (Apr)	49.3
	SI S&P Global Singapore PMI (Apr)	56.7
	CH RatingDog China PMI Services (Apr)	52.1
	EC S&P Global Eurozone Services PMI (Apr F)	47.4
	HK Retail Sales Value YoY (Mar)	19.30%
	UK S&P Global UK Services PMI (Apr F)	52
	EC PPI YoY (Mar)	-3.00%
	US MBA Mortgage Applications	--1.60%
	US ADP Employment Change (Apr)	62k

Source: Bloomberg

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