

5 June 2026

## Global Markets Research

### Daily Market Highlights

## 5 June: All eyes on US nonfarm payroll today

**Oil prices, UST yields & DXY tumbled following the Israel-Lebanon ceasefire**

**Higher US jobless claims due to seasonality; jump in job cuts due to AI**

**Slump in consumer spending data for the Eurozone & Japan**

- Healthcare and financial stocks sent the Dow to an all-time high overnight, while tech stocks underperformed with investors rattled by Broadcom's latest guidance, The Dow jumped 1.7% d/d, the S&P gained 0.4% d/d, while the rotation out of tech stocks sent Nasdaq tumbling 0.1% d/d. UnitedHealth led the Dow higher, rallying more than 5.0% d/d, while financial stocks like JPMorgan Chase and Goldman Sachs saw gains of at least 3.0% on the day.
- Meanwhile, oil prices halted its winning streak after Israel and Lebanon agreed to a ceasefire even as clashes persists. The WTI fell 3.1% d/d to \$93.04/barrel, while Brent lost 2.8% d/d to \$95.03/barrel. Reports of stalled US-Iran peace talks after Hezbollah rejected the ceasefire agreement could nonetheless keep oil prices steady today, and on the sentiment front, likely keep investors on the edge. Nikkei 225, CSI 300 and Hang Seng slid 0.7-1.5% d/d as at Thursday's close with the ceasefire news failing to comfort investors.
- In other asset classes, treasuries rose and the Dollar slipped after the ceasefire agreement, pushing the 2Y and 10Y treasury yields lower to 4.04% (-4bps) and 4.47% (-2bps).
- Most G10 currencies strengthened against the greenback and the DXY closed 0.1% d/d lower at 99.41. NOK (-0.2% d/d) and CAD (-0.1% d/d), were the outliers and weakened, tracking the softer oil prices, while EUR, GBP, JPY and AUD appreciated in tune to 0-0.1% d/d to 1.1611, 1.3424, 160.02 and 0.7134 respectively.
- JPY is expected to hold steady around the current levels amid mixed data releases from Japan this morning. Notably, investors will likely stay cautious on placing firm bets for BOJ's rate hike in June after the stronger than expected labour cash earnings in April (3.5% y/y and 3.1% y/y) failed to lift household spending (-0.5% y/y and -2.9% y/y) during the month.

#### Key Market Metrics

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	51,561.93	1.73
S&P 500	7,584.31	0.41
NASDAQ	26,830.96	-0.09
Stoxx Eur 600	624.45	0.52
FTSE 100	10,360.32	0.27
Nikkei 225	67,470.69	-1.36
CSI 300	4,904.75	-0.69
Hang Seng	25,253.40	-1.48
Straits Times	5,067.53	-1.38
KLCI 30	1,683.26	0.63
<b>FX</b>		
Dollar Index	99.41	-0.12
EUR/USD	1.1611	0.12
GBP/USD	1.3424	0.04
USD/JPY	160.02	-0.03
AUD/USD	0.7134	0.07
USD/CNH	6.7769	-0.05
USD/MYR	4.0120	0.34
USD/SGD	1.2846	0.09
USD/KHR	4,025.50	0.03
USD/THB	32.66	0.29
<b>Commodities</b>		
WTI (\$/bbl)	93.04	-3.10
Brent (\$/bbl)	95.03	-2.84
Gold (\$/oz)	4,475.80	0.88
Copper (\$/MT)	13,932.00	0.77
Aluminum(\$/MT)	3,666.00	-1.01
CPO (RM/MT)	4,495.00	-0.79

Source: Bloomberg, HLBB Global Markets Research

- Meanwhile, KRW led losses amongst Asian FX. MYR (-0.3% d/d to 4.0120) and SGD (-0.1% d/d to 1.2846) were amongst the underperformers, while CNH appreciated 0.1% d/d to 6.7769.

### **Still resilient US labour market despite the upticks in initial jobless claims and unit labour costs**

- Although above forecasts and its highest since February, initial jobless claims (+13k to 225k for week of May 30 vs +2k to 212k for week of May 23) remained below year-ago levels, a sign that the labour market remains resilient amid limited broad-based layoffs for now.
- Partially contributing to the uptick was seasonal factors, while a separate report from Challenger, Gray and Christmas showed that 97.0k job cuts were announced in May, a jump of 16.3% m/m and 3.4% y/y (prior: 37.6% m/m and -20.9% y/y). AI story contributed the most to the sharp rise in job cuts, and tech, transport and services sectors led the layoffs.

### **Slump in Eurozone's retail sales on fuel and non-food products**

- Retail sales fell at a sharper than expected pace by 0.4% m/m in April after gaining 0.8% m/m previously. Fuel largely contributed to the downtick, but details suggest that the impact from the elevated energy prices is becoming increasingly broad-based, spilling over to non-food products.

### **Australia's trade balance returned to surplus as exports rebounded**

- Trade balance moved to a surplus at A\$1.8bn in April following a deficit of A\$1.0bn previously. The result was better than expected as exports rebounded 7.2% m/m (prior: -2.5% m/m) driven by metal ores and minerals, while imports grew at a narrower pace of 0.8% m/m (prior: +12.2% m/m), supported by fuels & lubricants imports. Exports with most trading partners including the US and China were stronger, boding well for GDP calculation at the start of 2Q.

### **Singapore's PMI eased slightly as cost pressure intensified**

- PMI retreated to 56.7 in May from 57.9 previously, as cost pressure intensified and firms reported margin loss. That said, output growth and new orders remained strong at this level and sentiment for the year ahead remains positive amid expectations of stronger order pipelines, better demand environment as well as the launch of new products.

## House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	98-101	100.63	99.80	97.96	96.48
EUR/USD	1.15-1.18	1.14	1.15	1.17	1.19
GBP/USD	1.32-1.36	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	0.57-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.75-6.81	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	32.20-33.20	31.60	31.80	31.80	31.40

  

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6639	4.55	4.55	4.60	4.66
GBP/MYR	5.3909	5.23	5.23	5.26	5.28
AUD/MYR	2.8623	2.72	2.72	2.75	2.77
CNY/MYR	0.5923	0.58	0.58	0.58	0.58
SGD/MYR	3.1260	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	3.50-3.75	3.50-3.75
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	4.35	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-June	SI Retail Sales YoY (Apr)	4.80%
	JN Leading Index CI (Apr P)	114.0
	EC GDP SA QoQ (1Q T)	0.10%
	EC Employment QoQ (1Q F)	0.10%
	US Change in Nonfarm Payrolls (May)	115k
	US Average Hourly Earnings MoM (May)	0.20%
	US Average Weekly Hours All Employees (May)	34.3
	US Unemployment Rate (May)	4.30%
	US Consumer Credit (Apr)	\$24.855b
	8-June	JN GDP Annualized SA QoQ (1Q F)
JN Bank Lending Incl Trusts YoY (May)		5.40%
JN Eco Watchers Survey Outlook SA (May)		39.4
EC Sentix Investor Confidence (Jun)		-16.4

Source: Bloomberg

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