6 August 2026

Global Markets Research
Daily Market Highlights

6 Aug: Markets awaiting US NFP & geopolitical developments

US stocks and bonds closed mixed; USD weakened against most G10, regional FX
China's services PMI, US services ISM disappointed; still an uptick for the latter
US employment-related data suggests possible downside risk to Friday's NFP

- US stocks closed mixed, with the S&P 500 (-0.2% d/d) and Nasdaq (-0.8% d/d) taking a breather from their recent rallies, while the Dow (0.5% d/d) closed at a fresh all-time high propelled by upbeat earnings from Walt Disney and Merck, as well as a rally in Nvidia shares after Elon Musk said that SpaceX will exclusively use Nvidia chips. Despite Nvidia gains, it was still a choppy trading day for the rest of the tech stocks. Chip giant AMD and Alphabet struggled, the latter weighed down by news of some executive departures, and the former after delivering an underwhelming sales outlook.
- On the economic front, the US services sector expanded at a softer pace than expected, while report from the ADP showed that companied added fewer jobs than expected. On the geopolitical front, Iran said that it had reached an agreement with Oman on a proposed shipping route through the Strait of Hormuz, though uncertainties remained given the continuous attacks on shipping at the waterway. With this, oil prices closed mixed, with the WTI down 0.7% d/d to $75.22/barrel, while Brent gained 0.1% d/d to $79.45/barrel.
- In the bond space, treasury yields were little changed across the curve, inching down 1bps to 4.18% for the 2Y, while the 10Y closed flattish at 4.61%.
- Elsewhere, Stoxx Eur 600 held steady as falls in HSBC and Novo Nordisk erased early gains, while 10Y sovereign bond yields closed mixed and muted between +/-3bps. Most Asian equity bourses closed in green, but could likely retreat today following futures and as the AI rally cooled overnight in Wall Street.
- The DXY, meanwhile, fell 0.2% to 99.68 with the Dollar weakening against all its G10 peers save the NZD (-0.1% d/d). EUR, GBP and AUD appreciated 0.1-0.2% d/d to 1.1553, 1.3468 and 157.75, while JPY closed flattish at 157.75. Similarly, most regional currencies strengthened against the greenback, and MYR and SGD closed 0.1% d/d stronger at 4.0938 and 1.2810.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	54,349.12	0.49
S&P 500	7,723.55	-0.17
NASDAQ	26,363.44	-0.83
Stoxx Eur 600	657.14	0.04
FTSE 100	10,888.30	0.08
Nikkei 225	66,300.44	3.66
CSI 300	4,658.16	1.24
Hang Seng	25,915.82	0.24
Straits Times	5,581.37	-0.55
KLCI 30	1,748.17	0.90
FX		
Dollar Index	99.68	-0.18
EUR/USD	1.1553	0.19
GBP/USD	1.3468	0.12
USD/JPY	157.75	0.00
AUD/USD	0.7058	0.17
USD/CNH	6.7482	0.00
USD/MYR	4.0938	-0.09
USD/SGD	1.2810	-0.09
USD/KHR	4,053.00	0.04
USD/THB	33.21	-0.61
Commodities		
WTI ($/bbl)	75.22	-0.73
Brent ($/bbl)	79.45	0.11
Gold ($/oz)	4,245.80	3.67
Copper ($/MT)	14,110.50	0.31
Aluminum($/MT)	3,241.00	0.56
CPO (RM/MT)	4,519.00	-0.70

Source: Bloomberg, HLBB Global Markets Research

China's services PMI fell on soft new orders; Downtick for Hong Kong's headline PMI, uptick for Singapore

- Mixed revisions to the final services PMIs for the majors in July, up for the US (+1.0ppts to 54.6 vs June: 51.2), Eurozone (+0.1ppts to 51.7 vs June: 49.4) and the UK (+0.3ppts to 52.1 vs June: 48.8), but revised down for Japan (-0.7ppts to 51.2 vs June: 52.2)
- On the regional front, fresh RatingDog China services PMI fell more than expected to 50.4 in July from 54.1 the previous month, weighed down by its weaker growth for new orders primarily due to softer domestic demand. With business confidence also easing to its lowest since February 2020, this suggests that the pace of expansion could likely see some moderation in the months ahead.
- Hong Kong headline PMI (51.0 vs 52.0) suggests that the private sector expanded at a milder pace in July, weighed down by softer growth in new orders especially from the foreign front, as well as most pronounced job cuts in 3 years. Confidence in the 1Y outlook also turned more pessimistic as firms continued to express concerns over the health of the domestic economy.
- Singapore PMI posted its highest reading in 5 months at 59.2 in July (prior: 57.4), largely reflecting positive labour market outcomes and a steep rise in procurement activity. Firms maintained a positive view on their expectations for the coming year, albeit with challenges from inflationary pressures and reports on supply chain disruption.

US services sector stayed robust; employment related indicators softened

- US services ISM was not as strong as expected, rising a mere 0.1ppts to 54.1 in July. The index at this level suggests that the services sector nonetheless remained robust, supported by firm new orders (57.2 vs 55.1). On a not so positive note, the price sub-index (70.3 vs 67.7) broke above the 70-threshold for the fourth time in 5 months, while the employment sub-index (47.4 vs 51.2) dipped below its 12-month average of 48.7.
- With private sector employers also adding less jobs than expected at 44k in July (prior: 95k) according to the ADP, these suggest mild downside risks for Friday's non-farm payroll report. The ADP data also showed that wage growth for job changers (7.0%) picked up to its strongest pace in nearly a year partially due to supply constraints in selected parts of the labor market, while pay for those who stayed put held at 4.4%. By sector, companies added 36k jobs for education & health, but cut 11k jobs for leisure & hospitality, the latter partially dampened by the end of the World Cup.
- Mortgage rates jumped 5bps to 6.81% in the week ended July 31, its highest level in a year, curbing demand for home loans applications (-2.9% w//w vs -6.4% w/w) in an already subdued housing market.

Softer PPI for the Eurozone

- Matching expectations, producer prices (PPI) fell 0.3% m/m in June after gaining 0.2% m/m previously. The downtick reflects the softer energy prices (1.5% m/m vs -1.0% m/m) recorded during the month, as well as milder price pressure for the rest of its sub-components.

Singapore's retail sales continued to expand, albeit at a softer pace than expected

- Retail sales growth accelerated less than expected to 4.0% y/y in June from 2.9% y/y previously. Growth was nonetheless not broad based, with sales primarily driven by sales of recreational goods and watches & jewellery industries, as well as sales of computer & telecommunications equipment, and more than offset declines in motor vehicles, toiletries & medical goods as well as supermarkets & hypermarkets.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DXY	98.75-101.25	102.28	100.86	99.42	98.07
EUR/USD	1.14-1.17	1.13	1.14	1.16	1.18
GBP/USD	1.33-1.36	1.29	1.30	1.32	1.33
USD/CHF	0.80-0.82	0.81	0.81	0.80	0.79
USD/JPY	156-162	162	159	155	153
AUD/USD	0.69-0.71	0.68	0.70	0.71	0.72
NZD/USD	0.57-0.60	0.56	0.56	0.57	0.57
USD/CNY	6.74-6.80	6.85	6.78	6.72	6.65
USD/MYR	4.07-4.12	4.15	4.11	4.07	4.03
USD/SGD	1.27-1.30	1.31	1.30	1.28	1.27
USD/THB	33.00-33.80	32.50	32.30	32.0	32.0

FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.7245	4.68	4.71	4.73	4.75
GBP/MYR	5.5131	5.37	5.36	5.36	5.36
AUD/MYR	2.8847	2.83	2.86	2.87	2.89
CNY/MYR	0.6065	0.61	0.61	0.61	0.61
SGD/MYR	3.1933	3.18	3.17	3.17	3.17

Rates, %	Current	3Q26	4Q26	1Q27	2Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75
ECB	2.25	2.50	2.50	2.50	2.50
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.00	1.00	1.25	1.25	1.25
RBA	4.35	4.35	4.35	4.35	4.35
RBNZ	2.50	2.50	2.50	2.50	2.50
BNM	2.75	2.75	2.75	2.75	2.75

Source: HLBB Global Markets Research

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Date	Events	
6-Aug	AU Trade Balance (Jun)	-A$3.0b

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	EC Retail Sales MoM (Jun)	0.20%
	US Challenger Job Cuts YoY (Jul)	-4.50%
	US Initial Jobless Claims (1 Aug)	197k
7-Aug	JN Leading Index CI (Jun P)	116.5
	MA Foreign Reserves (31-Jul)	$131.8b
	US Change in Nonfarm Payrolls (Jul)	57k
	US Unemployment Rate (Jul)	4.20%
	CH Exports YoY (Jul)	27.00%

Source: Bloomberg