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Global Markets Research

Daily Market Highlights

7 Oct: All eyes on September's FOMC meeting minutes

**S&P 500 hit a record high amid gains for tech stocks and treasuries; DXY fell
EUR recovered from its 17-month low; French bonds led rally in government bonds
Jump in imports pushed US trade deficit higher; Eurozone's retail sales rebounded**

- Tuesday saw the S&P 500 racing to a record high, boosted by gains in key tech names and as US treasuries took a breather from the recent sell-offs. The benchmark 2Y and 10Y yields fell 2-3bps to 4.80% and 5.28%, while in the equity space, the S&P 500 rallied 0.6% d/d. The Dow and Nasdaq climbed 0.5% d/d each, with sentiment for tech shares buoyed by AMD's optimistic chip demand outlook. Trading today may likely be more cautious with the FOMC minutes from the September meeting due for release soon.
- Elsewhere, Nikkei 225 again led gains in Asia at 1.1% d/d, while Stoxx Eur 600 gained 0.5% d/d with oil prices steadier (Brent: 0.3% d/d to \$100.58/barrel, WTI: flattish at \$89.44/barrel) amid rising Middle East exports, and as government bonds rallied across the Europe region led by French bonds. 10Y bond yields were mostly lower between 1-11bps.
- On the forex front, the Dollar weakened against its G10 alongside the treasury yields and as crude oil prices stabilised. EUR recovered from its 17-month low and climbed 0.3% d/d to 1.1259, while GBP appreciated 0.4% d/d to 1.3276 with BOE's Catherine Mann commenting that the labour market is "static" rather than loose, and warned that inflationary pressures are becoming embedded. AUD appreciated 0.1% d/d to 0.6982, while the unwinding of haven assets saw CHF and JPY (158.10) trading 0.1% d/d weaker against the USD and lagging its G10 peers. The DXY closed the day 0.3% d/d lower at 101.83.
- Regional currencies traded mixed against the greenback, but CNH, MYR and SGD appreciated in tune to 0-0.1% d/d to end the day at 6.7015, 4.0852 and 1.2775.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	51,521.28	0.49
S&P 500	7,818.93	0.58
NASDAQ	27,599.89	0.45
Stoxx Eur 600	636.63	0.48
FTSE 100	10,541.69	0.42
Nikkei 225	70,683.98	1.05
CSI 300	4,357.62	0.29
Hang Seng	24,280.56	1.00
Straits Times	5,701.54	0.66
KLCI 30	1,633.35	0.10
FX		
Dollar Index	101.83	-0.33
EUR/USD	1.1259	0.32
GBP/USD	1.3276	0.41
USD/JPY	158.10	0.12
AUD/USD	0.6982	0.14
USD/CNH	6.7015	-0.03
USD/MYR	4.0852	-0.01
USD/SGD	1.2775	-0.14
USD/KHR	4,062.50	0.08
USD/THB	33.61	-0.19
Commodities		
WTI (\$/bbl)	89.44	0.01
Brent (\$/bbl)	100.58	0.26
Gold (\$/oz)	4,159.20	0.75
Copper (\$/MT)	14,415.00	-0.03
Aluminum(\$/MT)	3,133.50	0.21
CPO (RM/MT)	4,340.00	-1.14

Source: Bloomberg, HLBB Global Markets Research

Record imports pushed US trade deficit deeper into the red

- August saw trade deficit (-\$105.6bn vs -\$92.8bn) widening sharply and recording its largest shortfall since 2025, likely to subtract on GDP calculation in 3Q again. Imports notably

jumped 4.3% m/m (prior: 3.9% m/m) against the backdrop of robust domestic demand, AI boom which drove capital imports, importers frontloading purchases before tariffs on Canadian products take effect, and as price gains contributed to nominal imports (as well as exports). Exports grew at a more measured rate of 1.4% m/m (prior: -2.1% m/m), led by gains for industrial supplies and materials and capital goods,

Rebound in Eurozone's retails amid lower fuel purchases

- August saw retail sales growing by less than expected by 0.1% m/m (prior: -0.6% m/m) with the slump in fuel sales offset by gains in both food (0.1% m/m and -0.1% m/m) and non-food products (0.5% m/m vs -1.2% m/m).

Australia's consumer confidence rattled by higher fuel prices and interest rates

- Westpac consumer confidence index saw another sharp pull back by 4.7% m/m to 80.4 in October (prior: -5.4% m/m). The index at this level is also amongst the 40 worst reads since early 1970s as consumer sentiment and finances were rattled by the latest run-up in fuel and interest rates. Consumers are also increasingly concerned about the outlook for jobs, most expect mortgage rates to rise over the next year, while homebuyer sentiment and house price expectations also remain uncertain.

Hong Kong PMI deteriorated for the second month

- Albeit only slightly, Hong Kong PMI deteriorated for the second month to 49.2 in September from 49.5 previously. Despite some signs of improvement in international demand, firms' outlook was increasingly pessimistic amid worries that new orders would remain scarce. Companies also lowered employment at the fastest pace in almost 6.5 years, but a rise in backlogged work signals a possible rebound in employment soon.

House View and Forecasts

FX	This Week	4Q-26	1Q-27	2Q-27	3Q-27
DX	100-104	102.22	100.87	99.53	98.21
EUR/USD	1.11-1.14	1.12	1.14	1.16	1.18
GBP/USD	1.30-1.34	1.31	1.32	1.33	1.34
USD/CHF	0.81-0.85	0.79	0.80	0.81	0.84
USD/JPY	156-160	157	155	153	150
AUD/USD	0.68-0.71	0.69	0.69	0.70	0.70
NZD/USD	0.54-0.58	0.58	0.57	0.57	0.56
USD/CNY	6.68-6.73	6.74	6.67	6.61	6.54
USD/MYR	4.06-4.12	4.12	4.07	4.02	3.97
USD/SGD	1.26-1.30	1.29	1.27	1.25	1.23
USD/THB	33.10-34.00	33.0	33.0	33.0	32.8

FX	Last close	4Q-26	1Q-27	2Q-27	3Q-27
EUR/MYR	4.5932	4.63	4.64	4.66	4.67
GBP/MYR	5.4091	5.41	5.38	5.36	5.33
AUD/MYR	2.8472	2.83	2.82	2.81	2.79
CNY/MYR	0.6095	0.61	0.61	0.61	0.61
SGD/MYR	3.1954	3.20	3.21	3.22	3.23

Rates, %	Current	4Q26	1Q27	2Q27	3Q27
Fed	3.75-4.00	4.00-4.25	4.25-4.50	4.25-4.50	4.25-4.50
ECB	2.50	2.75	2.75	2.75	2.75
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.25	1.25	1.50	1.50	1.75
RBA	4.60	4.60	4.60	4.60	4.60
RBNZ	2.75	3.00	3.00	3.00	3.00
BNM	2.75	2.75	3.00	3.00	3.00

Source: HLBB Global Markets Research

Up Next

Date	Events	
7-Oct	JN Scheduled Full-Time Pay - Same Base YoY (Aug)	2.70%
	JN Leading Index CI (Aug P)	117.7
	MA Foreign Reserves	\$131.7b
	US MBA Mortgage Applications (2-Oct)	-6.0%
	US NY Fed 1-Yr Inflation Expectations (Sep)	3.58%
	US FOMC Meeting Minutes	
	US Consumer Credit (Aug)	\$18.062b
8-Oct	JN Eco Watchers Survey Outlook SA (Sep)	48.3
	US Initial Jobless Claims (2-Oct)	-6.0%

Source: Bloomberg

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