

9 March 2026

## Global Markets Research

### Daily Market Highlights

## 9 Mar: Oil broke above \$100/barrel and DXY nearing 100s

**Stagflation jitters following further spikes in oil and surprised fall in NFP**

**NFP distorted by strikes & weather; expect no change in Fed rates in 1H**

**Expect further selloffs in stocks; extended gains in oil, USD and UST yields**

- An unexpected drop in the US non-farm payroll (NFP) and relentless rally in crude oil prices fuelled concerns of a stagflation, sending global equities wrapping last week on downbeat note. The 3 major US averages tumbled 1.0-1.6% d/d and 1.2-3.0% w/w with almost all sectors in the red.
- Stoxx Eur 600 also shed 1.0% d/d, while Asian markets were the outlier closing before the NFP print, ending the day up 0.6% d/d for Nikkei 225, 1.7% d/d for Hang Seng and 0.3% d/d for CSI 300, but these have taken a sharp turn lower this morning, with the Nikkei and KOSPI plunging over 6.0% at the point of writing.
- On the commodity front, oil prices broke through the \$90/barrel mark for the first time since 2023 last Friday with the Middle East paralyzing Hormuz traffic. This was despite the US' attempt to rein in prices by dialling back sanctions on Moscow, offering India a 30-day waiver for buying Russian oil. The WTI surged 12.2% d/d and 35.6% w/w to \$90.90/barrel as the Friday's close, and Brent by 8.5% d/d and 27.9% w/w to \$92.69/barrel.
- This morning, further escalation in the region with no signs of back-out from both the US and Iran including Trump's call for unconditional surrender by Iran, have spurred further rally in oil prices, with both WTI and Brent hitting as high as \$111/ barrel before pulling back somewhat to \$108/barrel at the point of writing. The premium Brent has been commanding over WTI (~US\$4/ barrel since 2020) has been wiped out as a result.
- Gold rebounded 1.6% d/d to \$5,159/oz last Friday, but were down 1.7% on a weekly basis and has retreated further to \$5,067/oz at the point of writing given USD strength.
- Treasuries rallied on the shorter-end tenures after the US NFP missed estimates and traders slightly upping their rate cut bets, pushing the 2Y yield down 2bps to 3.56%. The 10Y yield closed just above its flatline at 4.14%. 10Y European

#### Key Market Metrics

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	47,501.55	-0.95
S&P 500	6,740.02	-1.33
NASDAQ	22,387.68	-1.59
Stoxx Eur 600	598.69	-1.02
FTSE 100	10,284.75	-1.24
Nikkei 225	55,620.84	0.62
CSI 300	4,660.44	0.27
Hang Seng	25,757.29	1.72
Straits Times	4,848.25	0.03
KLCI 30	1,718.06	0.28
<b>FX</b>		
Dollar Index	98.99	-0.33
EUR/USD	1.1618	0.08
GBP/USD	1.3413	0.42
USD/JPY	157.78	0.12
AUD/USD	0.7030	0.31
USD/CNH	6.9030	-0.22
USD/MYR	3.9475	0.07
USD/SGD	1.2777	-0.22
USD/KHR	4,010.00	-0.04
USD/THB	31.94	1.09
<b>Commodities</b>		
WTI (\$/bbl)	90.90	12.21
Brent (\$/bbl)	92.69	8.52
Gold (\$/oz)	5,158.70	1.58
Copper (\$/MT)	12,862.00	-0.31
Aluminum(\$/MT)	3,446.00	4.55
CPO (RM/tonne)	4,123.50	1.10

Source: Bloomberg, HLBB Global Markets Research  
\* Closing as of 5 Mar for CPO

bond yields jumped 2-9bps amid continuous chatters of a rate hike.

- The Dollar (DXY: -0.3% d/d to 98.99) weakened with the US jobs report overshadowing concerns over the surge in oil prices. NOK (0.9% d/d), CAD (0.8% d/d) and CHF (0.7% d/d) outperformed amongst the G10, while EUR (1.1618), GBP (1.3413) and AUD (0.7030) appreciated at a narrower pace of 0.1-0.4% d/d against the greenback. JPY was the outlier and weakened 0.1% d/d to 157.78 but is expected to be well supported by the pick-up in February's bank lending (4.5% vs 4.4% y/y) and first gain in January's real wages (1.4% y/y vs -0.1% y/y) in 13 months, boding well for consumption moving forward. Heightened jitters over the weekend and the spike in oil prices have inevitably ramped up inflation fear, hence renewing bids in the greenback. The DXY is seen trading at 99.60 at the point of writing, its strongest since last November, and heading towards the 100 handle.
- SGD (0.2% d/d to 1.2777) and CNH (0.2% d/d to 6.9030) outperformed on the regional front, while MYR traded 0.1% d/d weaker at 3.9475 after the finance minister said that policy makers are holding off on raising 2026's growth forecast with the Middle East conflict clouding outlook. USD/MYR was seen gapping up two big figures at this morning's open, trading at 3.9678 at the point of writing. No change to our USDMYR forecast of 4.00 as at end-Mar for now but we will be closely monitoring the situation and review our house views if need be as the situation appears to be turning out more fiery and prolonged at this juncture.

### **Sharpest drop in US NFP since October 2025; temporary disruption from weather and labour strike; retail sales also slid**

- NFP fell 92k in February vs +126k in January and +55k expected by consensus. There was a net 69k downward revisions to the previous two month and the unemployment rate unexpectedly rose from 4.3% to 4.4%. Average weekly hours and earnings, meanwhile, held steady at 34.3 hours and 0.4% m/m. A not so positive set of data, but other from the drag from government payrolls, a combination of temporary disruptions – labour strike and weather – also played a significant role in the biggest decline in payrolls since October 2025.
- Although better than expected, retail sales fell 0.2% m/m in January after showing flat growth the prior month as winter-related disruption tempered buying activities in auto dealers, gas stations, sporting goods and dining out. More importantly, sales at the controlled group, which feeds into the GDP calculation rebounded 0.3% m/m after showing no

growth previously. In tandem with the softer retail sales, consumer credit also slowed sharply to \$8.0bn from \$25.2bn previously on account on both revolving and non-revolving credit.

### **Eurozone's economy grew less than initially estimated in 4Q**

- The final 4Q GDP was revised lower to 0.2% q/q in 4Q (prior: 0.3% q/q), while employment growth was left unchanged at 0.2% q/q (prior: 0.2% q/q). Household consumption (0.4% q/q vs 0.2% q/q), supported by steady labour market and wage growth made the biggest contribution to growth, aided by public spending and investment. Net trade dragged on growth and outlook going forward will hinge on the events in Iran as well as Trump's uncertain trade policies.

### **Much weaker Vietnam data; partially distorted by Tet holiday**

- A slew of softer February's economic numbers from Vietnam. Although partially distorted by the timing the lunar new year festival, the weak numbers for February, from exports (5.7% y/y vs 29.7% y/y), to imports (4.4% y/y vs 49.2% y/y), industrial output (1.0% y/y vs 21.5% y/y) and retail sales (8.5% y/y vs 9.3% y/y), will pose challenge to the ambitious official target of 10% this year. We opine that growth will likely to come in at the softer side of "around 7.0%," largely in line with consensus' 7.2%.
- Inflation (3.4% y/y vs 2.5% y/y) led by food prices, dining out, and transportation services, on the other hand, surprised on the upside due to seasonal effect but remained below official target. With the weaker data and still tame inflation, there is thus, no change in our status quo view for the SBV rate despite the recent spikes in the interbank rates on the shorter end.

### **Another gain for Malaysia's foreign reserves**

- Reserves rose at a narrower pace of \$0.4bn in 2H to end February at \$128.3bn (+\$1.0bn to \$127.9bn as at 13 Feb). The reserves position is sufficient to finance 4.7 months of imports of goods and services and is 0.9 times the total short-term external debt

### **House View and Forecasts**

<b>FX</b>	<b>This Week</b>	<b>1Q-26</b>	<b>2Q-26</b>	<b>3Q-26</b>	<b>4Q-26</b>
DXY	98-101	96.71	95.13	94.70	95.49
EUR/USD	1.14-1.18	1.20	1.22	1.22	1.21
GBP/USD	1.32-1.36	1.36	1.37	1.37	1.35
USD/CHF	0.76-0.80	0.78	0.78	0.78	0.78
USD/JPY	155-160	153	149	147	147
AUD/USD	0.68-0.72	0.68	0.69	0.70	0.69
NZD/USD	0.58-0.62	0.58	0.59	0.59	0.58

USD/CNY	6.85-6.94	6.90	6.83	6.85	6.90
USD/MYR	3.91-3.99	4.00	3.97	3.97	4.00
USD/SGD	1.26-1.30	1.26	1.23	1.23	1.24
USD/THB	31.50-32.10	32.2	32,1	32.0	30.8

<b>FX</b>	<b>Last close</b>	<b>1Q-26</b>	<b>2Q-26</b>	<b>3Q-26</b>	<b>4Q-26</b>
EUR/MYR	4.5696	4.78	4.82	4.85	4.84
GBP/MYR	5.2594	5.44	5.45	5.45	5.41
AUD/MYR	2.7631	2.72	2.75	2.78	2.76
CNY/MYR	0.5715	0.58	0.58	0.58	0.58
SGD/MYR	3.0823	3.17	3.21	3.23	3.22

<b>Rates, %</b>	<b>Current</b>	<b>1Q26</b>	<b>2Q26</b>	<b>3Q26</b>	<b>4Q26</b>
Fed	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50	3.00-3.25
ECB	2.00	2.00	2.00	2.00	2.00
BOE	3.75	3.50	3.50	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	0.75	0.75	1.00	1.00
RBA	3.85	3.85	4.10	4.10	4.10
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

<b>Date</b>	<b>Events</b>	<b>Prior</b>
9-Mar	CH PPI YoY (Feb)	-1.40%
	CH CPI YoY (Feb)	0.20%
	JN Leading Index CI (Jan P)	111
	JN Eco Watchers Survey Outlook SA (Feb)	50.1
	EC Sentix Investor Confidence (Mar)	4.2
	US NY Fed 1-Yr Inflation Expectations (Feb)	3.09%
9-14		
Mar	CH Aggregate Financing CNY YTD (Feb)	7220.0b
10-Mar	AU Westpac Consumer Conf SA MoM (Mar)	-2.60%
	JN Household Spending YoY (Jan)	-2.60%
	JN GDP Annualized SA QoQ (4Q F)	0.20%
	AU NAB Business Confidence (Feb)	3
	MA Industrial Production YoY (Jan)	4.80%
	MA Manufacturing Sales Value YoY (Jan)	6.40%
	US NFIB Small Business Optimism (Feb)	99.3
	US Existing Home Sales MoM (Feb)	-8.40%
	CH Exports YTD YoY (Feb)	5.50%
	10-17	
Mar	CH FDI YTD YoY CNY (Feb)	-5.70%

Source: Bloomberg

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