9 September 2026

Global Markets Research
Daily Market Highlights

9 Sep: Brent crude oil prices pushing near $100/ barrel again

Geopolitical-triggered inflation and policy tightening concerns returned to the fore
Global equities mired in red; UST curve bear flattened; Dollar Index closed lower
China exports remained robust; positive Japanese data reinforced a BOJ hike next week

- Geopolitical concerns took center stage again as the exchange of fires hitting Iranian oil tankers and oil infrastructure revived supply disruption concerns. Crude oil prices rallied as a result, with the Brent crude pushing near the $100/ barrel level again for the first time in six weeks, hitting an intraday high of $99.46/ barrel yesterday before closing just a tad lower at $99.39/ barrel, up 2.1% on the day. WTI meanwhile played catch-up from the US holiday closure on Monday, jumping 3.3% d/d to $94.25/ barrel.
- The flaring up of tension in the Middle east and the spike in oil prices, if persist, could reignite upside inflation risk again, hence prompting the Fed and other central banks to tighten. As of the point of writing, market pricing for a September Fed rate hike has increased slightly to 63%, up from 61% a day ago, but still remained below the 68% seen a week ago. Friday's CPI number will be the last key data to watch ahead of next week's FOMC meeting.
- On financial markets, global stocks were seen mired in a sea of red. The three benchmark US stock indices fell 0.3-1.2% d/d dragged by losses in healthcare, materials and IT counters, far outweighing the modest gains in energy stocks. European stocks registered more muted declines, 0.05% fall in Stoxx Eur 600 and 0.1% decline in FTSE 100 as at Tuesday's close. Asian stocks were sold off as well, led by losses in Nikkei 225 (-1.7% d/d). Hang Seng, CSI 300 and STI fell 0.4% d/d each while the KLCI closed just marginally lower (-0.02%) on the day.
- Bonds performance was a little mixed, with selloffs in the US and Asia but gains in Europe. Overall benchmark UST yields rose between 0-3bps led by the front end, hence bear flattening the curve as rising oil prices stoke inflation and rate hike concerns. The benchmark 2-year note yield rose 3bps to 4.39% while the 10-year bond yield added 1bp to 4.79%. Over in Europe, 10-year sovereign bond yields generally fell 1-3bps – German bund yields slipped 2bps to 3.37% while the UK gilt inched just 0.2bps lower to 5.17%. 10-year JGB yields meanwhile closed flattish at 2.88%.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	52,786.07	-1.18
S&P 500	7,673.52	-0.58
NASDAQ	26,421.41	-0.32
Stoxx Eur 600	649.60	-0.05
FTSE 100	10,811.66	-0.10
Nikkei 225	65,269.33	-1.70
CSI 300	4,558.74	-0.36
Hang Seng	25,317.18	-0.38
Straits Times	5,767.45	-0.43
KLCI 30	1,714.40	-0.02
FX		
Dollar Index	98.84	-0.07
EUR/USD	1.1624	0.01
GBP/USD	1.3541	0.00
USD/JPY	153.98	-0.25
AUD/USD	0.7217	-0.01
USD/CNH	6.7068	-0.04
USD/MYR	4.0625	0.40
USD/SGD	1.2650	-0.07
USD/KHR	4,050.00	0.00
USD/THB	32.91	0.11
Commodities		
WTI ($/bbl)	94.25	3.32
Brent ($/bbl)	99.39	2.14
Gold ($/oz)	4,366.30	-1.70
Copper ($/MT)	14,728.00	1.61
Aluminum($/MT)	3,334.00	0.65
CPO (RM/MT)	4,808.00	-0.21

Source: Bloomberg, HLBB Global Markets Research

- Moving on to FX, the Dollar Index fell again, by 0.07% d/d to 98.84. The greenback weakened against 7 G10s led by the NOK (0.4% d/d), JPY (0.3% d/d) and CAD (-0.2% d/d). Against the EUR, GBP and AUD, moves were relatively muted at +/-0.01% on the day. The EUR, GBP and AUD last closed at 1.1623, 1.3542, and 0.7218 vs the USD respectively on Tuesday. In the region, major currency crosses were mixed against the greenback. CNH and SGD strengthened marginally by less than 0.1% on the day to 6.7068 and 1.2650 vs the USD respectively while the MYR weakened 0.4% d/d to 4.0625, its weakest in three weeks, as concerns over prolonged geopolitical tension and Fed policy tightening prospect dampened the local unit.

Softer than expected US NFIB small business confidence NY Fed inflation expectations

- NFIB small business optimism softened more than expected to 98.7 in August (Jul: 99.8), suggesting small businesses have turned more cautious. This was mainly contributed by a pullback in expected business conditions, weaker actual sales, as well as rising inflation concerns. That said, it is noted that this confidence index has remained rangy between 95-101 in the past one year, implying confidence among these small business owners have not changed much since despite the occasional bumps.
- In a separate release, NY Fed inflation expectations tapered off for the 2nd straight month, and a tad more than expected to 3.58% in August (Jul: 3.63%). This is in line with the inflation expectations prints from the Uni of Michigan that revealed a soft short term inflation expectations.

Broadly positive Japanese data support the case for a BOJ rate hike next week

- Final reading of 2Q GDP was revised higher to 0.4% q/q as expected (prior: 0.3% q/q and 1Q: 0.5% q/q), and revised up on an annualize q/q basis from 1.1% to 1.4% q/q (1Q: 1.9% q/q). Net export and inventories were the two biggest contributors to growth while private non-residential investments and public demand were the two main drags. Moving forward, stable labour market, faster labour cash earnings growth, are expected to help underpin consumer spending, strengthening the case for an BOJ rate hike next week. Eco Watcher outlook also improved from 45.8 to 48.3 in August, while Eco Watcher current condition also jumped more than expected from 45.7 to 46.4 in August.

Australia Westpac consumer confidence and NAB business confidence softened

- Westpac consumer confidence softened 5.2% m/m to 84.4 in September, pulling back from a 5-month high of 88.9 in August. Consumers were turning pessimistic about both the current situation as well as future outlook, including family finances, and intention to buy major household items and housing fell both on a m/m and y/y basis.
- NAB business confidence saw continued negative print for the 7th consecutive month in August (-8 vs -7). Business conditions also turned negative (-1 vs 4), marking its lowest in six years. A gauge of profitability pulled back sharply to -9 during the month (Jul: 1), and so was trading (3 vs 8). Forward orders were stagnant while employment was stable. The two reports today suggest a softening domestic sector that will continue to exert a drag on 3Q GDP growth, while exports will remain the primary growth driver.

China external trade remained robust in August

- Both exports and imports picked up less than expected to 25.0% and 28.2% y/y in August (Jul: 23.9% and 27.6% y/y), but remaining at commendable double-digit pace for the 5th straight month. This was spurred by expansion in global AI and as China benefitted from the AI supply chain. This, coupled with the widening in trade surplus to $119.1bn (Jul: $112.3bn), suggests the external sector will remain the primary growth driver cushioning the slack from domestic demand in 3Q and even beyond.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DXY	97-100	102.28	100.86	99.42	98.07
EUR/USD	1.15-1.18	1.13	1.14	1.16	1.18
GBP/USD	1.33-1.37	1.29	1.30	1.32	1.33
USD/CHF	0.80-0.82	0.81	0.81	0.80	0.79
USD/JPY	152-159	162	159	155	153
AUD/USD	0.70-0.73	0.68	0.70	0.71	0.72
NZD/USD	0.57-0.60	0.56	0.56	0.57	0.57
USD/CNY	6.70-6.73	6.85	6.78	6.72	6.65
USD/MYR	4.02-4.07	4.15	4.11	4.07	4.03
USD/SGD	1.25-1.28	1.31	1.30	1.28	1.27
USD/THB	32.50--33.50	32.50	32.30	32.0	32.0

FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.72	4.68	4.71	4.73	4.75
GBP/MYR	5.50	5.37	5.36	5.36	5.36
AUD/MYR	2.93	2.83	2.86	2.87	2.89
CNY/MYR	0.61	0.61	0.61	0.61	0.61
SGD/MYR	3.21	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	3.00	3.00

Source: HLBB Global Markets Research

Up Next

Date	Events	
9-Sep	CH PPI YoY (Aug)	3.50%
	CH CPI YoY (Aug)	0.50%
	MA Industrial Production YoY (Jul)	6.50%
	MA Manufacturing Sales Value YoY (Jul)	9.80%
	JN Machine Tool Orders YoY (Aug P)	50.40%
	US MBA Mortgage Applications (4-Sep)	0.80%
10-Sep	UK RICS House Price Balance (Aug)	-30.00%
	AU Consumer Inflation Expectation (Sep)	4.90%
	EC ECB Main Refinancing Rate (46275)	2.40%
	US Initial Jobless Claims (5-Sep)	206k
	US PPI Final Demand MoM (Aug)	0.00%
	US Existing Home Sales (Aug)	4.06m

Source: Bloomberg

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