

9 October 2026

Global Markets Research

Daily Market Highlights

9 Oct: All eyes on Malaysia's Budget 2027

MOF likely to stay disciplined and maintain its fiscal consolidation path

Selloffs in tech stocks and higher crude oil prices weighed on US equities

DXY and UST yields edged down; continued selloffs in European stocks and bonds

- Shares of key tech stocks came under pressure overnight amid reports that OpenAI's annualised revenue was \$20bn short than what was previously signalled, spooking investors on AI trades and saw the tech-heavy Nasdaq sliding 1.3% d/d. Similarly, S&P 500 fell 0.5% d/d, but the Dow managed to register miniscule gains of 0.1% d/d.
- Adding to the downbeat sentiment was the oil price spikes after President Donald Trump said that the US will not attack Iran before the midterm elections. Brent was up 4.1% d/d to \$104.28/barrel, while the WTI settled 3.6% d/d higher at \$91.49/barrel.
- Traders also watched the moves in rates. Treasury yields fell after the 30Y auction drew solid demand. Yields to the 30Y fell 7bps to 5.60%, while the benchmark 2Y and 10Y slid 1bps and 6bps to 4.76% and 5.23% respectively.
- Elsewhere, Stoxx Eur 600 (-0.8% d/d) extended its downward trend as angst over France's fiscal space and bonds rout weighed on banking stocks. Yields to the French sovereign bonds were mostly higher between 2-4bps, 1-6bps up for the UK gilts and rose 1-5bps for the German bunds. Sentiment was equally downbeat in Asia, with the Nikkei 225 and Hang Seng sliding 1.4% d/d each.
- In the forex space, EUR remained under pressure given the fiscal jittery in France and as the Spanish called for snap elections on November 29. EUR weakened to its intraday low of 1.1172, but later pared its losses to close 0.1% d/d stronger at 1.1211. Save the AUD (-0.1% d/d to 0.6957), most of the G10 currencies also traded stronger against the USD, and the DXY retreated 0.1% to 102.14. JPY and GBP strengthened 0.1% d/d each to 157.88 and 1.3228, the latter supported by hawkish speak by BOE's rate setter Megan Greene.
- JPY, in our opinion, will stay under pressure today with Japan's household spending contracting for another month, albeit at a narrower than expected pace by 3.1% y/y in August (prior: -3.6% y/y).

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	51,231.64	0.10
S&P 500	7,765.36	-0.47
NASDAQ	27,193.34	-1.25
Stoxx Eur 600	625.51	-0.75
FTSE 100	10,441.60	-0.16
Nikkei 225	69,042.11	-1.42
CSI 300	4,310.28	-1.09
Hang Seng	23,785.79	-1.43
Straits Times	5,412.96	-3.49
KLCI 30	1,601.01	-0.67
FX		
Dollar Index	102.14	-0.10
EUR/USD	1.1211	0.13
GBP/USD	1.3228	0.11
USD/JPY	157.88	-0.13
AUD/USD	0.6957	-0.09
USD/CNH	6.7035	0.01
USD/MYR	4.0922	0.14
USD/SGD	1.2811	0.09
USD/KHR	4,065.73	0.05
USD/THB	33.68	-0.05
Commodities		
WTI (\$/bbl)	91.49	3.64
Brent (\$/bbl)	104.28	4.07
Gold (\$/oz)	4,131.80	0.44
Copper (\$/MT)	14,309.00	-1.15
Aluminum(\$/MT)	3,050.50	-2.13
CPO (RM/MT)	4,448.00	3.20

Source: Bloomberg, HLBB Global Markets Research

- On the regional front, SGD and MYR depreciated 0.1% d/d each to 1.2811 and 4.0922, the latter ahead of Budget 2027, set for tabling at 3.30pm today. As it is, we expect the government to stay prudent in its fiscal spending, expecting budget deficit as a percentage of GDP to narrow further towards its 3.0% goal.

US initial jobless claims remained below the 200k level

- In a nod to little layoff pressure heading into October, initial jobless claims unexpectedly fell 2k to 197k for the week ended October 3 (prior: 1k), marking the fourth straight week where claims stayed below the 200k level. The number of people receiving unemployment benefits after an initial week of aid, nonetheless, increased 17k to 1716k during the week ended September 26 (prior: -13k), as the slow pace of hiring has left some unemployed people experiencing long bouts of joblessness.

Unexpected decline in Japan's Eco Watchers outlook

- The Eco Watchers Outlook index unexpectedly fell to 47.4 in September from 48.3 previously amid broad-based declines from households to businesses. Notably, consumers' perception over conditions 2-3 months ahead led the downtick, likely given concerns over the geopolitical front as well as higher cost of living domestically.

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	4.5749	4.63	4.64	4.66	4.67
GBP/MYR	5.3977	5.41	5.38	5.36	5.33
AUD/MYR	2.8447	2.83	2.82	2.81	2.79
CNY/MYR	0.6104	0.61	0.61	0.61	0.61
SGD/MYR	3.1914	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	
9-Oct	MA Industrial Production YoY (Aug)	4.70%
	MA Manufacturing Sales Value YoY (Aug)	9.10%
	MA Budget 2027	
	US U. of Mich. Sentiment (Oct P)	48.1
9-15 Oct	CH Aggregate Financing CNY YTD (Sep)	23910.0b
10-18 Oct	CH FDI YTD YoY CNY (Sep)	-5.30%

Source: Bloomberg

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