

10 April 2026

**Global Markets Research**
**Daily Market Highlights**

## 10 Apr: Jitters over a sustainable US-Iran truce persists

**Continued gain in US stocks; oil off highs after Netanyahu agreed to negotiations**

**Elevated US core-PCE even before the Iran war; all eyes on March's CPI today**

**MYR weakened following Malaysia's IPI miss skewed by seasonal factors**

- The S&P 500 gained ground and oil prices came off their intraday highs amid optimism that the fragile two-week ceasefire in the Middle East could be sustained for a longer term. This came after Israeli Prime Minister Benjamin Netanyahu said that the country agreed to open direct negotiations with Lebanon, just hours after launching strikes on Lebanon earlier in the day, potentially derailing the ceasefire deal.
- The three US benchmark stock indices saw extended gains and advanced 0.6-0.8% d/d. The gain was broad based with every sector in the green save for healthcare and energy. Meanwhile, the WTI narrowed gains to 3.7% d/d and settled at \$97.87/barrel after having risen above \$100/ barrel earlier. Brent also saw similar intraday swings tracking geopolitical headlines before ending the day 1.0% higher at \$95.92/barrel.
- Elsewhere, Stoxx Eur 600 (-0.2% d/d), as well as major Asian bourses (Nikkei 225: -0.7% d/d, CSI 300: -0.6% d/d, Hang Seng: -0.5% d/d) closed in red with the fragile truce showing signs of strain earlier in the day.
- Treasuries were steady with oil prices retreating from their intraday highs. The 2Y and 10Y yields inched down 2bps each to 3.77% and 4.28%. 10Y European bond yields rebounded 2-7bps, a day after taking a dive between 6-26bps.
- In the forex space, the DXY (-0.3% d/d to 98.82) extended its decline on the US-Iran deal optimism. Most G10 currencies strengthened against the greenback, with NOK (0.8% d/d), NZD (0.6% d/d) and AUD (0.5% d/d to 0.7082) outperforming, while JPY (158.96) underperformed with a 0.3% d/d loss.
- Regional currencies closed mixed against the greenback. CNH and SGD appreciated 0.1% d/d to 6.8281 and 1.2730 respectively, while MYR weakened 0.2% d/d to 3.9837 following its IPI miss.

**Key Market Metrics**

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	48,185.80	0.58
S&P 500	6,824.66	0.62
NASDAQ	22,822.42	0.83
Stoxx Eur 600	612.59	-0.15
FTSE 100	10,603.48	-0.05
Nikkei 225	55,895.32	-0.73
CSI 300	4,566.22	-0.64
Hang Seng	25,752.40	-0.54
Straits Times	4,977.08	-0.38
KLCI 30	1,686.24	-0.59
<b>FX</b>		
Dollar Index	98.82	-0.32
EUR/USD	1.1699	0.31
GBP/USD	1.3436	0.31
USD/JPY	158.96	0.25
AUD/USD	0.7082	0.54
USD/CNH	6.8281	-0.07
USD/MYR	3.9837	0.19
USD/SGD	1.2730	-0.09
USD/KHR	4,005.25	0.01
USD/THB	32.10	0.24
<b>Commodities</b>		
WTI (\$/bbl)	97.87	3.66
Brent (\$/bbl)	95.92	1.23
Gold (\$/oz)	4,792.20	0.90
Copper (\$/MT)	12,681.50	-0.22
Aluminum(\$/MT)	3,444.00	-0.32
CPO (RM/tonne)	4,578.00	-4.16

Source: Bloomberg, HLBB Global Markets Research

\* Closing as of 8 Apr for CPO

### **US core-PCE at 3.0% even before the Middle East conflict**

- Core inflation held above Fed's target even before the recent energy price surge, while consumer spending remains resilient albeit showing signs of price sensitivity to discretionary categories, offering the FOMC more impetus to maintain Fed fund rates at the current level for a while.
- Matching expectations, core PCE held steady at 0.4% m/m in February and eased to 3.0% from 3.1% on a yearly basis. Headline, which includes food and energy, increased by 0.4% m/m and 2.8% y/y (prior: 0.3% m/m and 2.8% y/y). Nominal personal spending picked up pace from 0.3% m/m to 0.5% m/m, with goods driving gains. while services eased.
- Meanwhile, the final 4Q GDP was revised 0.2ppts lower to 0.5% q/q (prior: 4.4% q/q) primarily due to lower investment than previously indicated, while initial jobless claims rose more than expected by 16k to 219 for the week ended April 4 (prior: -8k). Claims at this level nonetheless remained low compared to 2025 and largely reflects seasonal volatility due to the Good Friday holiday. On a brighter note, continuing claims fell to its lowest in almost 2 years at 1794k (-38k) for the week ended March 28, adding to evidence of stabilization in the labour market.

### **Worse than expected pullback in Japan's consumer confidence**

- Consumer confidence fell sharper than expected to 33.3 in March from 39.7 the prior month, its biggest drop since April 2020. Those expecting year ahead inflation jumped to its highest since September, weighing on consumers' perception of overall livelihood, income growth, employment and willingness to buy durable goods.
- Data this morning, meanwhile, showed that bank lending growth accelerated to 4.8% y/y in March from 4.5% y/y previously, while producer prices (PPI) surged more than expected to 0.8% m/m (prior: 0.1% m/m) due to energy costs.

### **Malaysia's IPI growth slowed more than expected in February**

- Malaysia's Industrial Production Index (IPI) softened more than expected and grew 3.1% y/y in February (Jan: +5.9% y/y). This marked its first month of pullback in four, and the slowest in eight months. The slowdown is broad-based across all the key subsectors and we believe this was attributed to the shorter and festive month. Manufacturing output (68% of the IPI index weightage) continued to underpin growth despite the easier growth of 4.2% y/y in March (Feb: 7.3% y/y). Electricity output also eased while mining output registered renewed decline. In tandem with the softer growth in IPI, manufacturing sales also increased

at a slower pace of 3.9% y/y in February (Jan: 7.1% y/y). Refer to Research Alert "IPI growth slowed more than expected in February" dated 9 April for more details.

- The World Bank, meanwhile, raised Malaysia's GDP forecast by 0.3ppts to 4.4% in 2026 (2025: 5.2%) despite mounting global uncertainties. The projection is in line with the central bank's target range of 4-5%, while inflation is expected to remain contained at around 1.6%, also within BNM's forecast range of 1.5-2.5%.

### House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	98-102	100.63	99.80	97.96	96.48
EUR/USD	1.14-1.17	1.14	1.15	1.17	1.19
GBP/USD	1.30-1.34	1.31	1.32	1.34	1.35
USD/CHF	0.77-0.82	0.79	0.78	0.76	0.75
USD/JPY	156-162	159	155	152	152
AUD/USD	0.67-0.71	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.59	0.57	0.58	0.58	0.59
USD/CNY	6.86-6.91	6.93	6.88	6.84	6.77
USD/MYR	4.00-4.07	3.98	3.96	3.93	3.90
USD/SGD	1.27-1.30	1.29	1.28	1.27	1.25
USD/THB	32.00-33.50	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6488	4.55	4.55	4.60	4.66
GBP/MYR	5.3396	5.23	5.23	5.26	5.28
AUD/MYR	2.8017	2.72	2.72	2.75	2.77
CNY/MYR	0.5824	0.58	0.58	0.58	0.58
SGD/MYR	3.1225	3.09	3.10	3.11	3.12

Rates, %	Current	2Q26	3Q26	4Q26	1Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50
ECB	2.00	2.00	2.00	2.00	2.00
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	0.75	1.00	1.00	1.00
RBA	4.10	4.35	4.35	4.35	4.35
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

Date	Events	Prior
10-Apr	CH PPI YoY (Mar)	-0.90%
	CH CPI YoY (Mar)	1.30%
	US Core CPI YoY (Mar)	2.50%
	US Real Avg Weekly Earnings YoY (Mar)	1.70%
	US Factory Orders (Feb)	0.10%
13-Apr	US U. of Mich. Sentiment (Apr P)	53.3
	US Existing Home Sales MoM (Mar)	1.70%
13-17	CH FDI YTD YoY CNY (Mar)	-5.70%

Source: Bloomberg

### Hong Leong Bank Berhad

Fixed Income & Economic Research,  
Global Markets  
Level 8, Hong Leong Tower  
6, Jalan Damanela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel: 603-2081 1221  
Fax: 603-2081 8936

[HLMarkets@hlbb.hongleong.com.my](mailto:HLMarkets@hlbb.hongleong.com.my)

**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad (“HLBB”) to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group (“HLB Group”). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favourable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.