HongLeong Bank

11 August 2026

Global Markets Research
Daily Market Highlights

11 Aug: Risk off amid growing doubts of a US-Iran deal

Crude oil prices, UST yields and DXY jumped; US stocks wavered
Singapore raised 2026 GDP growth forecast to 4.5%-5.5%; economy grew 5.9% in 2Q
RBA expected to maintain cash rate today; AUD weakened ahead of the decision

- Growing doubts of a US-Iran deal saw the WTI and Brent jumping at least 5% d/d each to $82.13/barrel and $87.72/barrel respectively and in Wall Street, left stocks wavering and drove bond yields higher.
- The Dow and S&P 500 slipped 0.1% d/d, while Nasdaq underperformed at -0.3% d/d. By sector, energy and healthcare closed in green, while utility and real estate stocks closed in red. Intel shares was amongst the notable laggards after announcing plans to offer $15bn worth of new stock.
- Elsewhere, Stoxx Eur 600 close little changed, while Nikkei 225 (2.1% d/d) led most major bourses higher in Asia. Futures nonetheless suggest a muted trading day for regional equity markets today,
- Ahead of the key inflation reports later in the week, treasury yields jumped 5-6bps across the curve amid the higher crude oil prices and following hawkish comment from Fed President Beth Hammack, who said that “some number” of rate hikes may be needed to bring inflation down to target. The benchmark 2Y yield ended the day at 4.24%, while the 10Y closed up at 4.71%.
- In the forex space, this drove the DXY 0.3% d/d higher to 99.81, while JPY (-1.0% d/d to 159.29) erased some gains from the recent intervention, making its worst performer within the G10 space. EUR and AUD traded 0.1-0.2% d/d weaker at 1.1543 and 0.7055, the latter ahead of RBA’s policy decision today where a hold is expected, while GBP strengthened 0.1% d/d to 1.3507. On the regional front, CNH, MYR and SGD closed 0-0.2% d/d weaker at 6.7460, 4.0913 and 1.2803.

Eurozone’s Sentix index turned positive

- Sentix Economic Sentiment index turned positive to 0.9 in August (prior: -3.1), with the assessment of the current situation rising sharply, whilst expectations inched up just a little to +10.3 points. Sentiment in Germany, notably, showed further progress, and the economic expectations index rose to its highest since February 2026.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	53,975.98	-0.11
S&P 500	7,753.11	-0.06
NASDAQ	26,605.36	-0.32
Stoxx Eur 600	660.45	0.03
FTSE 100	10,862.50	-0.35
Nikkei 225	66,970.22	2.08
CSI 300	4,702.02	0.16
Hang Seng	25,937.49	1.05
Straits Times	5,698.43	1.05
KLCI 30	1,735.37	-0.02
FX		
Dollar Index	99.81	0.27
EUR/USD	1.1543	-0.14
GBP/USD	1.3507	0.12
USD/JPY	159.29	0.97
AUD/USD	0.7055	-0.17
USD/CNH	6.7460	0.05
USD/MYR	4.0913	0.00
USD/SGD	1.2803	0.16
USD/KHR	4,052.75	-0.04
USD/THB	33.00	-0.17
Commodities		
WTI ($/bbl)	82.13	5.05
Brent ($/bbl)	87.72	4.99
Gold ($/oz)	4,361.80	0.49
Copper ($/MT)	14,160.00	0.60
Aluminum($/MT)	3,317.50	1.14
CPO (RM/MT)	4,545.00	0.40

Source: Bloomberg, HLBB Global Markets Research

Japan's bank lending growth eased, while Eco Watchers outlook index improved slightly

- Bank lending grew at a softer pace of 5.4% y/y in July (prior: 5.7% y/y), while the Eco Watchers outlook rose less than expected to 45.8 in July from 45.7 previously, the latter amid improvement in the corporate-related and employment diffusion sub-indices. All in, the economy has shown signs of picking up, though it is still affected by a decline in economic sentiment caused by the Middle East conflict. As for the future, there are expectations that this uncertainty will ease.

Singapore's 2Q GDP continues to be driven by the manufacturing sector

- The final 2Q GDP for Singapore was revised 0.2ppts higher to 5.9% y/y (prior: 6.3% y/y). The result was higher than what consensus had forecast, and continues to be supported by robust manufacturing (12.5% y/y vs 7.3% y/y), wholesale trade and finance & insurance sectors. In tandem with the release, citing a better-than-expected performance in 1H and given the latest global economic outlook for the rest of the year, officials now expect the economy to grow by 4.5%-5.5% in 2026, revised up from its previous projection of 2.0-4.0%.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DXY	98.75-101.25	102.28	100.86	99.42	98.07
EUR/USD	1.13-1.17	1.13	1.14	1.16	1.18
GBP/USD	1.33-1.36	1.29	1.30	1.32	1.33
USD/CHF	0.80-0.83	0.81	0.81	0.80	0.79
USD/JPY	156-161	162	159	155	153
AUD/USD	0.69-0.72	0.68	0.70	0.71	0.72
NZD/USD	0.57-0.60	0.56	0.56	0.57	0.57
USD/CNY	6.73-6.77	6.85	6.78	6.72	6.65
USD/MYR	4.06-4.12	4.15	4.11	4.07	4.03
USD/SGD	1.27-1.30	1.31	1.30	1.28	1.27
USD/THB	33.00-33.50	32.50	32.30	32.0	32.0

FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.7277	4.68	4.71	4.73	4.75
GBP/MYR	5.5213	5.37	5.36	5.36	5.36
AUD/MYR	2.8903	2.83	2.86	2.87	2.89
CNY/MYR	0.6066	0.61	0.61	0.61	0.61
SGD/MYR	3.1983	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	2.75	2.75

Source: HLBB Global Markets Research

Up Next

Date	Events	
11-Aug	AU NAB Business Confidence (Jul)	-5
	MA Industrial Production YoY (Jun)	8.40%
	SI GDP (2Q F)	5.70%
	MA Manufacturing Sales Value YoY (Jun)	8.90%
	AU RBA Cash Rate Target	4.35%
	US NFIB Small Business Optimism (Jul)	97.4
	US Existing Home Sales MoM (Jul)	-2.40%
11-17 Aug	CH FDI YTD YoY CNY (Jul)	-5.00%
12-Aug	AU Wage Price Index YoY (2Q)	3.30%
	AU Home Loans Value QoQ (2Q)	-3.80%
	US MBA Mortgage Applications (7 Aug)	-2.9%
	US Core CPI YoY (Jul)	2.60%

Source: Bloomberg

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