11 November 2026

Global Markets Research
Daily Market Highlights

11 Nov: Hot US CPI reading strengthens rate hike case

Hotter than expected US CPI spurred a sell-off in Wall Street; DXY jumped

Fed's Waller: 25-50bps hike in Dec; Logan: at least two additional 25bps hikes

Faster than expected IPI growth for Malaysia; double-digit gains in China's trade

- US CPI came in hotter than expected, and Fed Chris Waller's and Lorie Logan's hawkish comments prompted traders to pencil with certainty that the FOMC will deliver a quarter point hike in the December FOMC meeting, while upping their bets for more hikes in 2027.
- In short, Waller said that he backs a 25bps hike in December and could even opt for a 50bps hike, while Logan is pencilling in at least 2 additional quarter point increases. These spurred a self-off in both US stocks and bonds, with short-dated treasuries bearing the brunt of the sell-off for bonds. The 2Y yield jumped 18bps to 4.74%, while the 10Y increased 11bps to 4.99%.
- In the equity space, the Dow and S&P 500 lost 0.3% d/d and 0.4% d/d, while Nasdaq lagged at -0.7% d/d. Tech stocks notably underperformed, with added dampener from extended losses in Nvidia's shares.
- In the forex space, DXY jumped to its intraday high of 102.41, before paring its gains to close 0.6% d/d higher at 102.22. All G10 currencies weakened against the Dollar led by NOK (-1.2% d/d) and AUD (-0.9% d/d to 0.6866). EUR, GBP and JPY depreciated 0.5-0.7% d/d to 1.1164, 1.3344 and 158.75 against the USD.
- On the regional front, MYR strengthened 0.1% d/d to 4.0565 after its IPI beat, while SGD and CNH closed 0.1-0.2% d/d weaker at 1.2812 and 6.6766 against USD.
- Elsewhere, European (Stoxx 600: 0.3% d/d) and Asian equity markets (Nikkei 225: 2.9% d/d, Hang Seng: 0.4% d/d, CSI 300: 0.1% d/d) outperformed their US counterparts, while 10Y European bond yields jumped 3-9bps led by UK gilts.
- On a bright note, crude oil prices continued to slide on expectations of a de-escalation in the war. Brent and the WTI closed the day at $91.49/barrel (-1.2% d/d) and $86.04/barrel (-0.9% d/d).

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	52,231.89	-0.30
S&P 500	7,520.93	-0.38
NASDAQ	25,065.88	-0.74
Stoxx Eur 600	658.32	0.27
FTSE 100	10,751.59	-0.29
Nikkei 225	60,459.58	2.87
CSI 300	4,059.11	0.07
Hang Seng	24,557.04	0.44
Straits Times	5,258.59	1.53
KLCI 30	1,604.07	-0.77
FX		
Dollar Index	102.22	0.55
EUR/USD	1.1164	-0.53
GBP/USD	1.3344	-0.73
USD/JPY	158.75	0.53
AUD/USD	0.6866	-0.88
USD/CNH	6.6766	0.11
USD/MYR	4.0565	-0.06
USD/SGD	1.2812	0.20
USD/KHR	4,081.75	-0.10
USD/THB	33.40	-0.43
Commodities		
WTI ($/bbl)	86.04	-0.93
Brent ($/bbl)	91.49	-1.17
Gold ($/oz)	4,030.20	-2.05
Copper ($/MT)	13,679.00	-1.57
Aluminum($/MT)	3,010.50	-1.83
CPO (RM/MT)	4,040.00	-0.22

Source: Bloomberg, HLBB Global Markets Research

US core inflation held steady; defying expectations for a softer increase

- Inflation prints came in hotter than expected with headline and core CPI coming in at 0.4% m/m and 0.3% m/m (prior: 0.6% m/m and 0.3% m/m). No y/y rates were released as no data was collected during the government shutdown in October 2025. There was some softness in the details of the inflation report. Prices for AI-related driven goods moderated, new vehicle prices held steady while those for used cars/trucks fell. On the flip side, inflation for food prices quickened, while those of services held steady and elevated.
- As it is, a stronger than expected readings for both nonfarm payroll and CPI recently essentially strengthened, if not sealed, the case for another quarter point hike in the upcoming December FOMC meeting.
- In a separate release, although below forecast, the NFIB Small Business Optimism index were relatively steady at 97.8 in October (-0.1ppts) with more owners reporting that their businesses are in good/excellent health and actual sales improved, offsetting persistent inflation, labor shortages and policy risks concerns.

Slump in Australia's business confidence and conditions

- NAB business confidence (-15 vs -14) and conditions (-2 vs -1) both deteriorated again in October, and a sharp drop in forward orders suggests tougher trading conditions over the coming months. The decline was broad-based and led by construction and manufacturing sectors.

Japan's Eco Watchers fell for the second month

- The Eco Watchers Survey outlook index fell more than expected and for the second month to 46.5 in October from 47.4 previously. Despite the downtick and lingering uncertainty, the economy is expected to continue growing, supported by still resilient external demand and consumption, the latter amid sustained wage growth.

Solid trade data from China

- October saw import growth soaring more than expected and its fastest pace since 2021 at 41.6% y/y (prior: 31.0% y/y), outpacing exports at 35.2% y/y (prior: 36.3% y/y). The latter was below forecast and largely reflect still sturdy demand for chips and other AI-related hardware. As it is, the strength in external demand has allowed policymakers to continue relying on moderate policy support to meet the country's annual growth target of 4.5%-5.0% this year.

Malaysia's IPI growth surprised on the upside for a 2nd straight month

- Industrial Production Index (IPI) growth picked up more than expected for a 2nd straight month, to 6.3% y/y in September (Aug: 5.0% y/y). This marked its best growth in four months, spurred by faster increases in manufacturing (9.4% vs 7.4% y/y) and electricity (10.7% vs 9.0% y/y), while mining output contracted for the 3rd straight month (-9.4% vs -7.4% y/y). The positive trajectory in the manufacturing sector, where growth hit its highest in 4 years, was boosted by encouraging expansion in both the export- (10.7% vs 9.1% y/y) and domestic- (6.6% vs 3.9% y/y) oriented sectors.
- In a separate release, and in tandem with stronger IPI growth, manufacturing sales also picked up for the 2nd straight month to 12.9% y/y in September (Aug: 9.9% y/y), its fastest growth pace since Oct-22. We are also encouraged by labour market health for the manufacturing sector, with continuous pick-up in both salaries & wages (4.0% vs 3.5% y/y) and number of employed (1.4% vs 1.2% y/y). Please refer to Research Alert "Pleasant surprises in September IPI growth" dated 10th November for more details.

House View and Forecasts

FX	This Week	4Q-26	1Q-27	2Q-27	3Q-27
DXY	100-103	102.22	100.87	99.53	98.21
EUR/USD	1.11-1.14	1.12	1.14	1.16	1.18
GBP/USD	1.33-1.36	1.31	1.32	1.33	1.34
USD/CHF	0.80-0.83	0.79	0.80	0.81	0.84
USD/JPY	155-160	157	155	153	150
AUD/USD	0.68-0.71	0.69	0.69	0.70	0.70
NZD/USD	0.55-0.58	0.58	0.57	0.57	0.56
USD/CNY	6.64-6.69	6.74	6.67	6.61	6.54
USD/MYR	4.02-4.07	4.12	4.07	4.02	3.97
USD/SGD	1.26-1.29	1.29	1.27	1.25	1.23
USD/THB	33.10-33.80	33.0	33.0	33.0	32.8

FX	Last close	4Q-26	1Q-27	2Q-27	3Q-27
EUR/MYR	4.5535	4.63	4.64	4.66	4.67
GBP/MYR	5.4461	5.41	5.38	5.36	5.33
AUD/MYR	2.8045	2.83	2.82	2.81	2.79
CNY/MYR	0.6081	0.61	0.61	0.61	0.61
SGD/MYR	3.1743	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	4.00	4.00	4.25	4.25	4.25
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.25	1.25	1.50	1.50	1.75
RBA	4.85	4.85	4.85	4.85	4.85
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	
11-Nov	AU Home Loans Value QoQ (3Q)	-5.20%
	US MBA Mortgage Applications (6 Nov)	189k
11-17 Nov	CH FDI YTD YoY CNY (Oct)	-4.30%
12-Nov	JN PPI YoY (Oct)	6.80%
	UK GDP QoQ (3Q P)	0.50%
	US Initial Jobless Claims (7 Nov)	189k
	US Existing Home Sales MoM (Oct)	1.50%
	US Federal Budget Balance (Oct)	-$284.3b

Source: Bloomberg

Hong Leong Bank Berhad

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

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.