14 August 2026

Global Markets Research
Daily Market Highlights

14 Aug: Another softer price print for the US

Reaffirming our Fed rate view amid softer than expected US PPI
S&P closed at record; treasury yields and the DXY tumbled
UK's 2Q GDP slowed; Eurozone, Hong Kong and Malaysia's GDPs due today

- Second set of softer price prints in the US saw markets further dialling back on their rate hike bets, and in Wall Street, drove US stocks and treasuries to close higher on Tuesday. Brent crude oil and the WTI, meanwhile, shed more than 2% d/d each to $87.07/barrel and $81.25/barrel despite limited signs of progress over a US-Iran deal.
- The S&P 500 jumped 0.7% d/d to a record high, propelled by gains in 7 out of the 11 sectors and notably, for consumer and tech stocks. Nasdaq rallied 0.8% d/d, while the Dow inched up 0.1% d/d. Treasury yields tumbled 5-6bps across the curve, and the benchmark 2Y and 10Y yields closed the day at 4.14% and 4.64%.
- In Europe, 10Y sovereign bond yields fell 2-5bps, while Stoxx 600 closed just above its flatline after another round of upbeat earnings and corporate guidance. Consumer and tech stocks outperformed, while miners were notable laggards.
- In Asia, major equity bourses traded mixed with Nikkei 225 up 1.2% d/d, while Hang Seng and CSI 300 closed the day lower at 0.2% d/d and 0.6% d/d. Futures nonetheless point to a positive trading for Asian stocks today.
- In the FX space, the DXY fell 0.1% d/d to 99.96 following the PPI data, while JPY weakened 0.1% d/d to 159.50 despite reports of Takaichi's government support for a BOJ hike. AUD was little changed at 0.7059 after RBA Assistant Governor Chris Kent's comment that financial conditions in Australia are somewhat restrictive, while GBP weakened 0.1% d/d to 1.3487 after UK GDP growth slowed in 2Q as expected. EUR was the outlier, closing just above its flatline at 1.1528, while on the regional front, Asian FX traded mixed against the greenback. CNH, MYR and SGD closed flattish at 6.7449, 4.0865 and 1.2806.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	53,839.99	0.13
S&P 500	7,798.99	0.65
NASDAQ	26,803.03	0.81
Stoxx Eur 600	659.24	-0.04
FTSE 100	10,772.67	-0.56
Nikkei 225	68,308.59	1.16
CSI 300	4,663.95	-0.57
Hang Seng	25,396.51	-0.17
Straits Times	5,720.05	-0.01
KLCI 30	1,734.71	-0.40
FX		
Dollar Index	99.96	-0.05
EUR/USD	1.1528	0.02
GBP/USD	1.3487	-0.06
USD/JPY	159.50	0.05
AUD/USD	0.7059	-0.04
USD/CNH	6.7449	-0.01
USD/MYR	4.0865	0.04
USD/SGD	1.2806	0.00
USD/KHR	4,046.25	-0.03
USD/THB	33.14	-0.08
Commodities		
WTI ($/bbl)	81.25	-2.43
Brent ($/bbl)	87.07	-2.15
Gold ($/oz)	4,363.60	-1.03
Copper ($/MT)	14,148.50	0.12
Aluminum($/MT)	3,258.50	-1.57
CPO (RM/MT)	4,528.00	0.40

Source: Bloomberg, HLBB Global Markets Research

US PPI cools; higher than expected initial jobless claims

- Echoing the recent CPI print, producer prices (PPI) eased in July, giving Fed time to assess price pressures at upcoming meeting and leaving us comfortable with our Fed rate hold view for the whole of 2026. At 4.7% y/y and unchanged m/m (prior: 5.5% y/y and -0.1% m/m), PPI was softer than expected with the steady monthly prices underpinned by softer increase for services PPI (0.2% m/m vs 0.5% m/m) and a narrower contraction for goods prices (-0.7% m/m vs -1.4% m/m).

- More than the half of the fall in goods can be attributed to a plunge in gasoline prices, while for services, increases for portfolio management; health, beauty & optical goods retailing; automobiles & automobile parts retailing; lawn, garden, farm equipment & supplies retailing; food & alcohol retailing as well as food & alcohol wholesaling were offset by declines in prices for truck transportation of freight, machinery & vehicle wholesaling and for securities brokerage, dealing & investment advice.
- On the labour front, initial jobless claims were higher than expected, rising 9k to 209k for the week ended August 8 (prior: +2k), while continuing claims fell 22k to 1777k for the week ended August 1 (prior: +22k). Despite upticks for the third week, jobless claims levels remained low at this level and without signs of broad layoffs (nor hiring), continue to point to a still stable labour market with little evidence of a broad deterioration in the labour market.

Flat IPI growth for the Eurozone

- Matching expectations, IPI growth was flat in the month of June, easing from 0.3% m/m the prior month as contractions in output of intermediate goods and capital goods, as well as softer increases for energy and non-durable consumer goods offset a rebound in durable consumer goods.

UK's 2Q GDP slowed to 0.4% q/q as expected

- Matching expectations, UK's GDP grew at slower pace of 0.4% q/q in 2Q, easing from +0.6% q/q previously, while on a monthly basis, output expanded by 0.3% m/m in June, rebounding from flat growth the prior month largely driven by services (0.4% m/m vs 0.1% m/m), which was partially offset by falls of 0.2% m/m in production (prior: -0.7% m/m) and -0.1% m/m in construction (prior: -0.8% m/m).
- Overall, June data was partially boosted by the sunny weather and temporary bump from FIFA-related spending. With utility costs up in July, labour market loosening and new prime minister uncertainty, demand is likely to moderate ahead and thus, we expect the BOE to keep its policy rate steady for the rest of the year.

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	4.7142	4.68	4.71	4.73	4.75
GBP/MYR	5.5133	5.37	5.36	5.36	5.36
AUD/MYR	2.8840	2.83	2.86	2.87	2.89
CNY/MYR	0.6060	0.61	0.61	0.61	0.61
SGD/MYR	3.1929	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	
14-Aug	MA GDP YoY (2Q F)	5.80%
	HK GDP YoY (2Q F)	4.30%
	EC GDP SA QoQ (2Q S)	0.40%
	EC Employment QoQ (2Q P)	0.10%
	US Retail Sales Advance MoM (Jul)	0.20%
	US U. of Mich. Sentiment (Aug P)	55.2
	US U. of Mich. 1 Yr Inflation (Aug P)	4.20%
	US U. of Mich. 5-10 Yr Inflation (Aug P)	3.30%
17-Aug	JN GDP Annualized SA QoQ (2Q P)	1.80%
	SI Non-oil Domestic Exports YoY (Jul)	20.70%
	CH New Home Prices MoM (Jul)	-0.15%
	CH Used Home Prices MoM (Jul)	-0.32%
	CH Retail Sales YoY (Jul)	1.00%
	CH Industrial Production YoY (Jul)	5.30%
	CH Fixed Assets Ex Rural YTD YoY (Jul)	-5.70%
	CH Surveyed Jobless Rate (Jul)	5.00%
	MA CPI YoY (Jul)	1.90%
	US Empire Manufacturing (Aug)	15.6
	US NAHB Housing Market Index (Aug)	34

Source: Bloomberg

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