

17 April 2026

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

## 17 Apr: Mixed flurry of geopolitical headlines

**US stocks hit fresh record highs amid ceasefire hope; strong TSMC earnings**

**UST yields and DXY ticked up following higher crude oil prices**

**US IPI & initial jobless claims fell; pleasant surprises in UK & China GDP**

- The S&P 500 and Nasdaq logged back-to-back record highs on Thursday after President Trump said the conflict was “very close to over” and announced a 10-day ceasefire agreement between Israel-Lebanon, raising hopes for a possible resolution to the Iran war. Adding to the upward momentum was early hours sharp rally in tech stocks, after TSMC reported strong earnings, highlighting the resilience of AI demand. The broad market index gained 0.3%, while Nasdaq settled up 0.4% d/d. The Dow also rebounded, although logging narrower gains of 0.2% d/d.
- Sentiment in Asia was equally positive (Nikkei 225: 2.4% d/d, CSI 300: 1.1% d/d, Hang Seng: 1.7% d/d), but Stoxx Eur 600 tumbled less than 0.1% d/d with EasyJet’s profit warning weighing on airline stocks.
- Meanwhile, crude oil prices crept closer to the \$100/barrel again with tanker traffic through the Strait of Hormuz still very low, and with Gulf Arab and European leader, countering Trump’s comment, predicting that a peace deal will take about 6 months to be brokered. Brent and WTI surged more than 3% d/d each to \$99.39/barrel and \$94.69/barrel respectively.
- In the bond space, treasury yields were modestly higher between 1-4bps across the curve in line with the higher oil prices, and the benchmark 2Y and 10Y yields closed the day at 3.77% (+1bps) and 4.31% (+3bps) respectively. Save the Swedish and UK sovereign bonds, 10Y European bond yields closed 0-2bps lower overnight.
- The DXY rebounded by 0.2% d/d to 98.22 following the uptick in oil prices and treasury yields. CAD (0.3% d/d) and NOK (0.2% d/d) outperformed G10 peers amid oil price gains, while other key currencies such as EUR (-0.2% d/d to 1.1781), GBP (-0.3% d/d to 1.3527), AUD (-0.1% d/d to 0.7161) and JPY (-0.1% d/d to 159.71) weakened against the greenback overnight.

**Key Market Metrics**

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	48,578.72	0.24
S&P 500	7,041.28	0.26
NASDAQ	24,102.70	0.36
Stoxx Eur 600	616.95	-0.05
FTSE 100	10,589.99	0.29
Nikkei 225	59,518.34	2.38
CSI 300	4,736.61	1.10
Hang Seng	26,394.26	1.72
Straits Times	5,007.83	-0.27
KLCI 30	1,689.71	0.37
<b>FX</b>		
Dollar Index	98.22	0.16
EUR/USD	1.1781	-0.15
GBP/USD	1.3527	-0.25
USD/JPY	159.17	0.11
AUD/USD	0.7161	-0.13
USD/CNH	6.8229	0.07
USD/MYR	3.9545	-0.09
USD/SGD	1.2729	0.13
USD/KHR	4,004.75	-0.02
USD/THB	32.00	-0.46
<b>Commodities</b>		
WTI (\$/bbl)	94.69	3.72
Brent (\$/bbl)	99.39	4.70
Gold (\$/oz)	4,785.40	-0.30
Copper (\$/MT)	13,270.50	0.17
Aluminum(\$/MT)	3,643.50	0.61
CPO (RM/tonne)	4,429.00	-0.71

Source: Bloomberg, HLBB Global Markets Research

\* Closing as of 15 Apr for CPO

- Regional currencies traded mixed against the Dollar, with THB leading gainers at 0.5% d/d, while KRW (-0.3% d/d) lagged. MYR appreciated 0.1% d/d to 3.9545, while CNH and SGD depreciated 0.1% d/d each to 6.8229 and 1.2729.

### **Mixed US data prints - unexpected decline in US IPI and bigger than expected fall in initial jobless claims**

- March's industrial production unexpectedly declined 0.5% m/m (prior: 0.7% m/m) as manufacturing output (-0.1% m/m vs 0.4% m/m) unexpectedly contracted for the first time in 3 months while utilities output also fell in the wake of the Middle East war. The decline was rather broad-based, weighed down by weaker production of consumer and business equipment, and notably, motor vehicles & parts.
- On a positive note, initial jobless claims fell more than expected by 11k to 207k for the week ended April 11 (prior: 15k), while continuing claims jumped 31k to 1818k for the week ended April 4 (prior: -45k). Despite the week-to-week volatility, the low claims data continues a signal a stable labour market though employers/corporates will be more cautious about hiring new workers (and ramp up capex) with the Middle East conflict casting a shadow over the state of the economy.

### **UK's economy surprised on the upside before the war**

- February's GDP came in stronger than expected at 0.5% m/m before the war, following a growth of 0.1% m/m previously. Underpinning the momentum was widespread growth for services (0.5% m/m vs 0.1% m/m), while construction also increased at a faster pace of 1.0% as compared to 0.5% m/m previously. Manufacturing output, on the other hand, unexpectedly turned contractionary at -0.1% m/m (prior: +0.2% m/m).
- While the result will likely please the BOE and Finance Minister Rachel Reeves, the Britain being a net-importing economy leaves the UK vulnerable to the Middle East fallout. Indeed, the IMF has shaved its GDP growth forecast for the UK by a whopping 0.5ppts to 0.8% and 0.2ppts to 1.3% for 2026 and 2027 respectively, (2025: 1.3%).

### **Still resilient, albeit cooler labour data for Australia**

- Labour data from Australia was a tad softer than expected, with the number of employed people rising by 17.9k in March (prior: 49.7k). Growth in employment was driven by full-time workers, which partly offset the fall in part-time employment. The unemployment rate nonetheless remained steady at 4.3%, with the participation rate easing 0.1ppts to 66.8%. In short, the data continues to paint a resilient, albeit slightly

softer labour market for Australia. With the energy shock likely to put upward pressure to CPI, there is thus, no change in our view for another RBA rate hike in 2Q of this year.

### China's 1Q26 GDP growth accelerated more than expected

- China's economy gathered steam and grew more than expected in the 1Q of 2026, as a still robust external demand with still limited spillover from the Middle East conflict offsetting the tepid domestic demand. At 5.0% y/y, this is a step-up from 4.5% y/y in 4Q25 and the 4.8% y/y consensus estimate, while also marking its first acceleration in six quarters and strongest growth since 2Q of 2025. The stronger than expected growth pick-up in 1Q also reaffirmed our view that the official targeted GDP growth of 4.5-5.0% for 2026 is achievable (2025: 5.0%), which would also lay a solid foundation for its 2027-2030 growth target of at least 4.0%. Refer to Research Alert "China recorded its strongest growth in three quarters" dated 16<sup>th</sup> April for more details.

### House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	97-101	100.63	99.80	97.96	96.48
EUR/USD	1.15-1.19	1.14	1.15	1.17	1.19
GBP/USD	1.32-1.36	1.31	1.32	1.34	1.35
USD/CHF	0.78-0.82	0.79	0.78	0.76	0.75
USD/JPY	156-161	159	155	152	152
AUD/USD	0.69-0.72	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.59	0.57	0.58	0.58	0.59
USD/CNY	6.81-6.85	6.93	6.88	6.84	6.77
USD/MYR	3.95-4.01	3.98	3.96	3.93	3.90
USD/SGD	1.26-1.29	1.29	1.28	1.27	1.25
USD/THB	31.70-32.50	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6579	4.55	4.55	4.60	4.66
GBP/MYR	5.3542	5.23	5.23	5.26	5.28
AUD/MYR	2.8349	2.72	2.72	2.75	2.77
CNY/MYR	0.5797	0.58	0.58	0.58	0.58
SGD/MYR	3.1086	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

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Date	Events	Prior
17-Apr	SI Non-oil Domestic Exports YoY (Mar)	4.00%
	MA CPI YoY (Mar)	1.40%
	MA GDP YoY (1Q A)	6.30%
	EC Trade Balance NSA (Feb)	-1.9b
20-Apr	CH 5-Year Loan Prime Rate	3.50%
	CH 1-Year Loan Prime Rate	3.00%
	MA Exports YoY (Mar)	10.80%

Source: Bloomberg

### Hong Leong Bank Berhad

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

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

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