18 November 2026

## Global Markets Research
## Daily Market Highlights

# 18 Nov: All eyes on FOMC minutes and Malaysia's 3Q GDP today

### RBA debated between raising and holding rates; flags upside risks to inflation
### US retail sales & manufacturing output suggest a resilient 4Q; steady import prices
### Soft patch for UK labour prints; better than expected exports for Japan & Singapore

- The fallout from the Jensen Huang's scandal continues to ripple through the equity markets around the world on Tuesday. Chip stocks, including Nvidia and broader sentiment remained under pressure ahead of Nvidia's earnings and in the US, the 3 major equity indices closed the day lower in tune to 0.7-1.6% d/d.
- Nvidia reported its earnings after the bell and came in better than consensus forecast. Huang, meanwhile, put out a statement saying that he is willing to return to the tech giant as CEO should he be asked, but this idea was quashed during the press conference.
- Meanwhile, the crackdown on shipments of advanced US AI chips to China saw tech-driven KOSPI and TAIEX plunging more than 2% d/d each, while other major bourses in Asia (Nikkei 225: -1.3% d/d, CSI 300: -0.1% d/d, Hang Seng: -1.0% d/d), as well as in Europe (Stoxx 600: -1.8% d/d), also closed in the red.
- Haven bid saw traders snapping up treasuries, sending yields tumbling 1-3bps across the maturities. Both the 2Y and 10Y UST yields closed the day 3bps and 2bps lower at 4.80% and 5.11%. Similarly, 10Y European bond yields were mostly lower between 1-8bps.
- In the forex space, the DXY jumped to its intraday high of 103.78 following the stronger than expected US retail sales reading, before parings its gains to close just 0.1% d/d higher at 103.60. The Dollar traded mixed against its G10 peers, strengthening against the AUD at 0.6736 (-0.01% d/d), but weakened against EUR (0.01% d/d at 1.0998), GBP (0.2% d/d to 1.3209) and JPY (0.1% d/d to 159.38).
- JPY is expected to be well supported today after Japan's October export data came in slightly better than expected at 20.5% y/y (prior: 16.5% y/y). Trade balance remained firmly in deficit nonetheless, albeit narrowing to 476.5bn yen (prior: 556.5bn yen) as elevated oil prices saw imports jumping 21.6% y/y (prior: 18.5% y/y)

**Key Market Metrics**

| | Level | d/d (%) |
|---|---|---|
| **Equities** | | |
| Dow Jones | 50,759.42 | -1.64 |
| S&P 500 | 7,340.53 | -1.03 |
| NASDAQ | 24,328.38 | -0.74 |
| Stoxx Eur 600 | 650.72 | -1.75 |
| FTSE 100 | 10,689.87 | -1.76 |
| Nikkei 225 | 58,860.43 | -1.34 |
| CSI 300 | 3,976.46 | -0.08 |
| Hang Seng | 23,508.17 | -1.03 |
| Straits Times | 5,109.13 | -1.43 |
| KLCI 30 | 1,575.15 | -0.81 |
| **FX** | | |
| Dollar Index | 103.60 | 0.05 |
| EUR/USD | 1.0998 | 0.01 |
| GBP/USD | 1.3209 | 0.17 |
| USD/JPY | 159.38 | -0.06 |
| AUD/USD | 0.6736 | -0.01 |
| USD/CNH | 6.6672 | 0.04 |
| USD/MYR | 4.0942 | 0.00 |
| USD/SGD | 1.2884 | -0.02 |
| USD/KHR | 4,069.75 | -0.01 |
| USD/THB | 33.80 | -0.34 |
| **Commodities** | | |
| WTI ($/bbl) | 86.01 | 0.34 |
| Brent ($/bbl) | 93.14 | 0.76 |
| Gold ($/oz) | 3,864.20 | 0.29 |
| Copper ($/MT) | 13,226.50 | -0.22 |
| Aluminum($/MT) | 2,934.00 | -2.35 |
| CPO (RM/MT) | 4,224.00 | -2.58 |

*Source: Bloomberg, HLBB Global Markets Research*

- In Asia, regional currencies traded stronger against the greenback save for the CNH (-0.04% d/d at 6.6672) as well as the MYR (flattish at 4.0942), the latter ahead of the final 3Q GDP release at noon today where we will likely see an upward revision to 5.5% y/y. SGD closed marginally firmer at 1.2884 vs the USD.
- In the commodity space, Brent and the WTI closed 0.3-0.8% d/d higher at $93.14/barrel and $86.01/barrel amid renewed fighting in the Middle East.

**RBA minutes flags upside risks to inflation**

- Highlights to the minutes to the latest RBA meeting, where the cash rate was raised a quarter point to 4.85% include: 1) RBA members debated raising cash rate by 25bps or holding rates steady. 2) Hike supporters assessed that forward-looking inflationary pressure indicators had risen, risks to the inflation outlook were still on the upside and that risks of unintentionally leaving monetary policy insufficiently restrictive (potentially allowing medium- to long-term inflation expectations to rise) currently outweigh the probability of setting monetary policy too tight. 2) Hold backers, meanwhile, put more weight on downside risks to economic growth, expressing their concern that the economy might be entering a materially sharper downturn and pointed to the costs in terms of unemployment. 3) That said, the economy was generally assessed to be operating with excess demand and will likely persist until mid-2027, household spending has stayed resilient, and that employment is expected to grow, keeping rate hike bets still alive.
- On a separate note, the Westpac leading index fell for the third month in October (-0.03% m/m vs -0.04% m/m), suggesting that that growth momentum remained below trend heading into late 2026/early 2027, while mixed sub-indicators suggest that the economy is lacking a clear direction.

**US retail sales and manufacturing production suggest still strong growth momentum**

- Details of the October's retail sales and IPI reports were more encouraging than the headline. Retail sales growth eased less than expected to 0.2% m/m from 0.8% m/m previously, while the control group, which better tracks consumer spending trend, remained firm and better than expected at 0.6% m/m (prior: 0.5% m/m), suggesting still positive albeit a more modest contribution to GDP growth at the start of 4Q. Details showed a pull-back in big-ticket items, masking resilient demand for other goods, led by sales for online retailers,

gasoline stations and building materials merchants, as well as for health & personal care goods.

- On the production front, IPI unexpectedly fell 0.4%m/m (prior: 0.7% m/m) with the disappointment largely due to mining and utilities. Manufacturing held steady at 0.3% m/m, better than expected, thanks to tech-related capex and consequently, output for business equipment (1.0% m/m vs -0.1% m/m) and high-tech industries like computer and electronics (3.2% m/m vs 1.5% m/m) were particularly strong.
- On the housing front, the NAHB Housing Market Index, a measure of builder confidence, unexpectedly fell 4 points to 25 in November and in further signs of market cooling, 46% of builders reduced prices while 68% of builders offered sales incentives, post-Covid highs.
- Wrapping up the day was the stronger than expected but steady import prices (1.1%m/m) for October, as softer energy prices were offset by a pick-up in non-fuel items, a sign of broadening inflationary pressure. Notable, prices for imported capital goods soared likely due to the AI infrastructure buildout, while prices for automotive vehicles, parts & engines as well as consumer goods also climbed.

**Rebound in Eurozone investors sentiment**

- The ZEW survey expectations index for the Eurozone rebounded 8.0ppts to 26.5 in November, while those for Germany improved more than expected by 7.5ppts to 35.6. Underpinned by government expenditure, increasing manufacturing orders and falling oil prices, this suggests that the German economy remains on its recovery track, albeit a gradual one. The survey also showed a mixed picture across industries. The chemical, pharmaceutical and electrical industries improved, but deteriorated for construction,

**Still stable labour market for the UK despite the soft patch**

- Labour market data poses a dilemma to the central bank. Wage growth eased, albeit less than forecast to 3.6% y/y in September from 3.8% y/y previously largely driven by public sector wage growth, unemployment rate unexpectedly improved to 4.6% (prior: 4.7%), while monthly payrolled employees change unexpectedly fell 34k in October (prior: +20k), weighed down by job losses for wholesale and retail, which was more than offset by gains in administrative and support services sector. Labour vacancies, a leading indicator of labour demand, also fell by 22k for the 3 months ended October, with the declines again concentrated in smaller businesses.
- Despite the soft patch, possibly related to uncertainty ahead of the UK budget, the broader trend remains stable for wage

growth as well as for the labour market, amid signs of cooling mainly through weaker hiring, rather than increased firing, keeping expectations of tighter monetary policy in the near term intact.

## Singapore's NODX surged on vessel and pharma shipments

- October saw the NODX surging more than expected by 79.8% y/y, picking up momentum from 68.3% y/y largely driven by non-electronics, particularly lumpy exports of structures of ships and boats, as well as pharmaceuticals. Electronics continued to grow at a robust, albeit more moderated pace of 73.9% y/y (prior: +107.6% y/y), supported by sustained AI-related demand. By destination, NODX to the US, China and Taiwan expanded strongly while shipments to India, Indonesia and Thailand contracted.

## House View and Forecasts

| FX | This Week | 4Q-26 | 1Q-27 | 2Q-27 | 3Q-27 |
|---|---|---|---|---|---|
| DXY | 101-105 | 102.22 | 100.87 | 99.53 | 98.21 |
| EUR/USD | 1.09-1.12 | 1.12 | 1.14 | 1.16 | 1.18 |
| GBP/USD | 1.31-1.34 | 1.31 | 1.32 | 1.33 | 1.34 |
| USD/CHF | 0.81-0.85 | 0.79 | 0.80 | 0.81 | 0.84 |
| USD/JPY | 157-161 | 157 | 155 | 153 | 150 |
| AUD/USD | 0.67-0.70 | 0.69 | 0.69 | 0.70 | 0.70 |
| NZD/USD | 0.54-0.57 | 0.58 | 0.57 | 0.57 | 0.56 |
| USD/CNY | 6.66-6.69 | 6.74 | 6.67 | 6.61 | 6.54 |
| USD/MYR | 4.05-4.11 | 4.12 | 4.07 | 4.02 | 3.97 |
| USD/SGD | 1.27-1.30 | 1.29 | 1.27 | 1.25 | 1.23 |
| USD/THB | 33.30-34.00 | 33.0 | 33.0 | 33.0 | 32.8 |

| FX | Last close | 4Q-26 | 1Q-27 | 2Q-27 | 3Q-27 |
|---|---|---|---|---|---|
| EUR/MYR | 4.5036 | 4.63 | 4.64 | 4.66 | 4.67 |
| GBP/MYR | 5.4034 | 5.41 | 5.38 | 5.36 | 5.33 |
| AUD/MYR | 2.7573 | 2.83 | 2.82 | 2.81 | 2.79 |
| CNY/MYR | 0.6142 | 0.61 | 0.61 | 0.61 | 0.61 |
| SGD/MYR | 3.1780 | 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 | |
|---|---|---|
| 18-Nov | AU Wage Price Index YoY (3Q) | 3.20% |
| | MA GDP YoY (3Q F) | 5.30% |

| | | |
|---|---|---|
| | UK CPI Core YoY (Oct) | 2.80% |
| | UK PPI Input NSA YoY (Oct) | 8.30% |
| | UK House Price Index YoY (Sep) | 0.90% |
| | EC CPI Core YoY (Oct F) | 2.50% |
| | US MBA Mortgage Applications (13-Nov) | 6.20% |
| | US Housing Starts MoM (Oct) | -5.20% |
| | US Building Permits MoM (Oct P) | -0.40% |
| | US Pending Home Sales MoM (Oct) | -7.30% |
| | US FOMC Meeting Minutes | |
| 19-Nov | JN Core Machine Orders MoM (Sep) | 5.20% |
| | AU Employment Change (Oct) | -39.3k |
| | AU Unemployment Rate (Oct) | 4.70% |
| | MA CPI YoY (Oct) | 1.80% |
| | EC Construction Output MoM (Sep) | 1.80% |
| | EC Labour Costs YoY (3Q P) | 3.10% |
| | US Philadelphia Fed Business Outlook (Nov) | 20.9 |
| | US Initial Jobless Claims (14-Nov) | 200k |
| | US Leading Index (Oct) | 0.00% |
| | US Kansas City Fed Manf. Activity (Nov) | 11 |

*Source: Bloomberg*

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