19 May 2026

Global Markets Research

Daily Market Highlights

19 May: All eyes on the RBA minutes today

Global equity & bond markets closed mixed; oil prices nudged higher

DXY slipped; GBP & CNH outperformed; JPY & MYR weakened against the USD

Upward surprise for Japan GDP & Singapore NODX; China's data underwhelmed

- US stocks closed mixed, with mixed signs of progress in the Middle East peace deal which led to another day of whipsawing in oil prices. While the Dow closed up 0.3% d/d. the S&P 500 and Nasdaq lost 0.1% and 0.5% on the day weighed down by tech, industrial, materials and consumer discretionary stocks. For the rest of the week, in addition to geopolitical developments, investors will also be watching the FOMC meeting minutes and another slew of corporate earnings including that of tech giant Nvidia.
- Crude oil prices, meanwhile, closed up by more than 2.0% d/d each at $112.10/barrel for the Brent and $108.66/barrel for the WTI. That said, both the Brent and WTI closed off their intra-day peaks after President Trump called off plans to attack Iran for now.
- Elsewhere, European stocks bucked the negative trend set by their Asian counterparts after President Trump warned that he is losing patience with Iran earlier in the day. Stoxx 600 gained 0.5% d/d, while Nikkei 225, Hang Seng and CSI 300 lost 0.5-1.1% as at Monday's close.
- Treasury moves were more subdued, and UST yields closed the day mixed between -3bps to +1bps. The benchmark 2Y yield closed the day at 4.04% (-3bps) and the 10Y at 4.59% (-1bps). 10Y UK gilts and German bunds closed the day at 5.10% (-7bps) and 3.15% (-2bps), while yields to the 10Y JGBs rose 2bps to 2.71%.
- DXY, meanwhile, slipped 0.1% d/d to 99.19 to open the week. GBP (0.8% d/d to 1.3434) led all G10 FX stronger against the Dollar after Andy Burham ruled out changing the government's self-imposed limit on borrowing if he were to gain power.
- JPY (-0.1% d/d to 158.82) was the outlier and weakened after Prime Minister Sanae Takaichi called for extra budget to fund emergency relief measures in response to the oil price surge. The upward surprise to Japan's 1Q GDP (2.1% q/q vs 0.8% q/q) this morning, will nonetheless lend support for a rate

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	49,686.12	0.32
S&P 500	7,403.05	-0.07
NASDAQ	26,090.73	-0.51
Stoxx Eur 600	610.17	0.54
FTSE 100	10,323.75	1.26
Nikkei 225	60,815.95	-0.97
CSI 300	4,833.52	-0.54
Hang Seng	25,675.18	-1.11
Straits Times	4,996.75	0.15
KLCI 30	1,727.71	-0.72
FX		
Dollar Index	99.19	-0.09
EUR/USD	1.1656	0.27
GBP/USD	1.3434	0.81
USD/JPY	158.82	0.05
AUD/USD	0.7168	0.25
USD/CNH	6.7993	-0.21
USD/MYR	3.9745	0.45
USD/SGD	1.2787	-0.14
USD/KHR	4,014.00	0.04
USD/THB	32.64	-0.04
Commodities		
WTI ($/bbl)	108.66	3.07
Brent ($/bbl)	112.10	2.60
Gold ($/oz)	4,558.00	-0.09
Copper ($/MT)	13,587.50	0.24
Aluminum($/MT)	3,569.00	0.17
CPO (RM/MT)	4,500.00	0.20

Source: Bloomberg, HLBB Global Markets Research hike by the BOJ soon, as well as for yen today. The acceleration was largely underpinned by private consumption (0.3% q/q vs 0%) and net exports contribution to GDP (0.3% vs 0%), while business spending decelerated sharply to 0.3% q/q from 1.4% q/q previously.

- Asian currencies closed mixed against the greenback. IDR (-1.1% d/d) and MYR (-0.5% d/d to 3.9745) were laggards, the latter amid rumbles of potential general election, while KRW (0.3% d/d) and CNH (0.2% d/d to 6.7993) outperformed, the latter despite April's economic data largely missing forecasts.

Modest improvement for US builders' confidence

- The NAHB Housing Market Index, a measure of builder confidence, unexpectedly strengthened to 37 in May from 34 previously. Despite this modest gain, the housing market is expected to remain soft with buyers continue to grapple with rising mortgage rates and economic uncertainty, and builders with elevated land, labor and construction costs.
- The New York Fed Services Business Activity for May (-5.8 vs -14.0) continued to signal that business climate remained much worse than normal in the region. Supply availability continued to worsen, prices remained elevated, wage growth slowed but the employment sub-index inched higher. Firms became somewhat more optimistic about the outlook for the next six months.

China's April economic data came in weaker than expected

- China's economy slowed sharply April with consumption, industrial output and investment growth all missing expectations as the fallout from the Iran war dampened growth momentum. Retail sales grew 0.2% y/y, sharply missing forecast and slowing from 1.7% y/y. Weakness was broad-based, especially given pull-backs from front-loaded demand from the trade-in policy.
- China's industrial output growth unexpectedly weakened to 4.1% y/y (prior: 5.7% y/y), a surprise given the strong exports data, but more concerningly, the 1.6% YTD contraction in fixed asset investment (FAI) raised risks that Beijing's traditional playbook of deploying infrastructure projects could have hit its limit to support growth.
- Amid downside risk to growth and still tame inflationary pressure, there is no change in our view that central bank will likely maintain its 1Y and 5Y lending rates unchanged at 3.00% and 3.50% this week but remains on track for a cut later in the year.

Double-digit growth for Singapore's NODX for the second month

- Non-oil domestic exports (NODX) sharply exceeded forecast with a 24.5% y/y growth in April, extending from the 15.3% y/y growth in March. Electronics NODX jumped 66.7% (prior: 73.9% y/y), supported by robust AI-related demand, while non-electronic NODX also expanded by 10.9% y/y (prior: -0.6% y/y) driven by a rebound in pharmaceutical exports. By destination, key exports to all but one of Singapore's top 10 markets rose, but notably, shipments to China, US and EU recorded robust 37.8% y/y, 59.6% y/y and 33.4% y/y increases.

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	1.15-1.18	1.14	1.15	1.17	1.19
GBP/USD	1.32-1.36	1.31	1.32	1.34	1.35
USD/CHF	0.76-0.80	0.79	0.78	0.76	0.75
USD/JPY	155-161	159	155	152	152
AUD/USD	0.70-0.74	0.68	0.69	0.70	0.71
NZD/USD	0.57-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.76-6.82	6.93	6.88	6.84	6.77
USD/MYR	3.90-3.97	3.98	3.96	3.93	3.90
USD/SGD	1.26-1.29	1.29	1.28	1.27	1.25
USD/THB	31.70-33.00	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6247	4.55	4.55	4.60	4.66
GBP/MYR	5.3113	5.23	5.23	5.26	5.28
AUD/MYR	2.8442	2.72	2.72	2.75	2.77
CNY/MYR	0.5845	0.58	0.58	0.58	0.58
SGD/MYR	3.1057	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	2.25	2.50	2.50	2.50
BOE	3.75	4.00	4.25	4.25	4.25
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	1.00	1.00	1.00	1.00
RBA	4.35	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

Up Next

Date	Events	Prior
19-May	AU Westpac Consumer Conf SA MoM (May)	-12.50%
	AU RBA Minutes of May Policy Meeting	
	MA CPI YoY (Apr)	1.70%
	UK Average Weekly Earnings 3M/YoY (Mar)	3.80%
	UK ILO Unemployment Rate 3Mths (Mar)	4.90%
	UK Payrolled Employees Monthly Change (Apr)	-11k
	EC Trade Balance NSA (Mar)	11.5b

	US Pending Home Sales MoM (Apr)	1.50%
20-May	AU Westpac Leading Index MoM (Apr)	-0.09%
	CH 1-Year Loan Prime Rate	3.00%
	CH 5-Year Loan Prime Rate	3.50%
	MA Exports YoY (Apr)	8.30%
	UK CPI Core YoY (Apr)	3.10%
	UK PPI Input NSA YoY (Apr)	5.40%
	EC CPI Core YoY (Apr F)	2.20%
	US MBA Mortgage Applications	1.70%
	US FOMC Meeting Minutes	

Source: Bloomberg

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