

19 June 2026

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

## 19 June: Interim deal to reopen the Strait of Hormuz

**Signed interim 60-day peace deal boosted appetite for Wall Street; oil mixed  
 DXY saw extended gains amid a hawkish FOMC; weakest JPY in nearly 2 years  
 BOE, SNB and Norges Bank maintained policy rates; BI and BSP hiked 25bps**

- Wall Street staged a comeback overnight, and oil largely held steady after the US and Iran signed their interim deal to wind down the war. The three US benchmark equity indices closed up 0.1-1.9% d/d, reversing the prior day's sell-off sparked by the possibility of a rate hike by FOMC later this year. Investors' favourite chip stocks led the surge, and Intel notably soared after President Donald Trump said that the firm will partner with Apple to design and produce semiconductors domestically.
- The WTI and Brent closed mixed at \$76.60/barrel (-0.3% d/d) and \$79.85/barrel (+0.4% d/d) respectively, as the interim peace deal took effect, and a flurry of tankers began transiting through the Strait of Hormuz. Treasury yields meanwhile slid, and the 2Y yield closed the day 1bps lower at 4.18%, while the 10Y fell 3bps to 4.45%.
- Sentiment was not equally positive elsewhere. Stoxx Eur 600 snapped its winning streak, and fell 0.3% d/d with energy giants notably hit by the softer oil prices over the week. Major Asian bourses closed mixed, with Hang Seng tumbling 1.6% d/d, while Nikkei 225 and CSI 300 gained 1.7% d/d and 0.2% d/d.
- In the forex space, the DXY saw extended gains (0.8% d/d to 100.85), while JPY traded at its weakest level in nearly two years at 161.38 (-0.5% d/d). We expect JPY to largely trade sideways today amid expectations of intervention and given no surprise in May's headline (1.5% y/y vs 1.4% y/y) and core (1.4% y/y vs 1.4% y/y) inflation for Japan.
- GBP (1.3206) and CHF weakened between 0.6-0.7% d/d after the BOE and SNB maintained they policy rates unchanged at 3.75% and 0.0% respectively. Both decisions were within consensus forecasts, while EUR and AUD depreciated 0-0.4% d/d to 1.1458 and 0.7013.
- Closer to home, most Asian FX weakened against the Dollar with a hawkish FOMC boosting appeals of the greenback. CNH, MYR and SGD depreciated 0-1.2% d/d to 6.7784, 4.1170

**Key Market Metrics**

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	51,564.70	0.14
S&P 500	7,500.58	1.08
NASDAQ	26,517.93	1.91
Stoxx Eur 600	637.14	-0.34
FTSE 100	10,399.70	-1.04
Nikkei 225	71,053.49	1.65
CSI 300	4,941.60	0.21
Hang Seng	23,924.81	-1.59
Straits Times	5,212.84	0.70
KLCI 30	1,711.39	0.08
<b>FX</b>		
Dollar Index	100.85	0.76
EUR/USD	1.1458	-0.37
GBP/USD	1.3206	-0.65
USD/JPY	161.38	0.45
AUD/USD	0.7013	-0.01
USD/CNH	6.7784	0.03
USD/MYR	4.1170	1.17
USD/SGD	1.2900	0.15
USD/KHR	4,027.00	0.06
USD/THB	32.75	0.51
<b>Commodities</b>		
WTI (\$/bbl)	76.60	-0.25
Brent (\$/bbl)	79.85	0.38
Gold (\$/oz)	4,224.10	-3.09
Copper (\$/MT)	13,690.50	-0.90
Aluminum(\$/MT)	3,386.50	-0.70
CPO (RM/MT)	4,512.00	0.04

Source: Bloomberg, HLBB Global Markets Research

and 1.2900. IDR was the outlier and appreciated 0.2% d/d against the greenback after the Bank of Indonesia delivered its second rate hike this month, by another 25bps to 5.75%.

### **BOE maintained bank rate at 3.75% as expected**

- The Monetary Policy Committee (MPC) of Bank of England, in a 7-2 majority vote, left the Bank Rate unchanged at 3.75%. The decision was within expectation, with the 2 dissenters preferring to increase the bank rate by a quarter point. The decision to hold was premised upon the committee's judgement that weakness in demand and the labour market will likely lessen the strength of second-round effects from higher global energy prices. Bank staff now expect inflation to be a little under 3.0% in 3Q, before picking up a little over 3.3% in 4Q. Thus, barring any severe spike in energy prices again, it is more than an even chance that the BOE will deliver an extended pause for the whole of 2026.
- Meanwhile, data showed that the labour market is unfolding not as bad as expected, with the number of payrolled employees unexpectedly rising 2k in May after three consecutive months of contraction. Separate survey also showed that unemployment rate unexpectedly improved to 4.9% for the 3-months ended April, while wage growth excluding bonus held steady at 3.4% y/y, higher than consensus forecast of 3.2% y/y.

### **US leading index rose for the second month due to financial components; initial jobless claims fell reaffirming a stable labour market**

- Matching expectations, leading index (LEI) rose for the second month in May (0.1% m/m vs 0.2% m/m), with the latest uptick entirely driven by positive contributions from financial components like stocks prices and interest rate spread. On the non-financial front, ISM new orders showed some strength, while consumer expectations remained a drag. LEI's 6-month growth rate improved but remained negative, suggesting slower growth ahead.
- Initial jobless claims fell less than expected by 4k to 226k for the week ended June 13, having increased for the past three straight weeks, while continuing claims, increased 24k to 1810k for the week ended June 6 (prior: +15k). Claims at these levels remained low and in line a stable labour market, and likely reflects some seasonal distortions related to the end of the school year.

### House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	98-102	100.63	99.80	97.96	96.48
EUR/USD	1.14-1.17	1.14	1.15	1.17	1.19
GBP/USD	1.32-1.36	1.31	1.32	1.34	1.35
USD/CHF	0.7-0.81	0.79	0.78	0.76	0.75
USD/JPY	157-162	159	155	152	152
AUD/USD	0.69-0.72	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.75-6.80	6.93	6.88	6.84	6.77
USD/MYR	4.03-4.09	3.98	3.96	3.93	3.90
USD/SGD	1.27-1.30	1.29	1.28	1.27	1.25
USD/THB	32.40-33.10	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.7251	4.55	4.55	4.60	4.66
GBP/MYR	5.4511	5.23	5.23	5.26	5.28
AUD/MYR	2.8882	2.72	2.72	2.75	2.77
CNY/MYR	0.6082	0.58	0.58	0.58	0.58
SGD/MYR	3.1919	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	3.50-3.75	3.50-3.75
ECB	2.25	2.25	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	1.00	1.25	1.25
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

Dat	Events	
19-Jun	UK GfK Consumer Confidence (Jun)	-23
	MA CPI YoY (May)	1.90%
	MA Exports YoY (May)	36.90%
	UK Retail Sales Inc Auto Fuel MoM (May)	-1.30%
22-Jun	CH 1-Year Loan Prime Rate	3.00%
	CH 5-Year Loan Prime Rate	3.50%
	EC Consumer Confidence (Jun P)	-19

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

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