

19 October 2026

Global Markets Research

Daily Market Highlights

19 Oct: All eyes on China's 3Q GDP today

Malaysia's advanced 3Q GDP surprised on the upside led by manufacturing
Higher than expected IPI growth, import prices for the US; NODX for Singapore
Kevin Warsh's silence on the rate path saw traders pencilling a hold next week

- Friday saw Nasdaq tumbling 2.2% d/d, while the S&P 50 and Dow also closed the day 1.1% d/d and 0.3% d/d lower as chip and AI-related stocks remained under pressure with investors fretting over how much tech companies are borrowing for the AI buildout. Other areas of the market nonetheless performed mixed, but energy giants notably rallied with oil prices moving higher amid rising tensions between the US-Iran as well as between Russian-Ukraine. The WTI and Brent jumped more than 3.0% d/d each, closing the day at \$101.41/barrel and \$109.86/barrel.
- In Fed speak, while Fed Chair Kevin Warsh was quiet on the rate path at the IMF event, traders took that as a sign that the central bank will hold policy steady later this month. In the bond space, this saw treasury yields falling for the shorter tenures. The 2Y treasury yield dropped 3bps to 4.71%, but the 10Y were nonetheless 2bps higher at 5.07%.
- Similarly, 10Y European sovereign bond yields were 1-5bps higher save for UK gilts, while in the equity space, broad-based gains saw the Stoxx 600 closing up 0.7% d/d. Asian bourses closed mixed. The Nikkei 225, CSI 300 and Hang Seng rose 0.1-1.4% d/d, but the Indonesian stock exchange sank amid MSCI downgrade warning.
- In the forex, the Dollar weakened against all its G10 peers and the DXY fell 0.2% d/d to 101.84. GBP and AUD appreciated 0.4% d/d to 1.3327 and 0.6946 against USD, EUR strengthened 0.2% d/d to 1.1239, while JPY closed just above its flatline at 158.02. Regional currencies closed mixed against the greenback, but CNH, MYR and SGD appreciated 0-0.2% d/d to 6.6863, 4.0810 and 1.2792 respectively against the USD.

Higher than expected IPI growth and imported inflation for the US

- September saw another decent IPI report. Output came above forecast at 0.7% m/m, picking up momentum from 0.1% m/m the previous month as utilities and mining continued to register monthly gains, while manufacturing

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	52,002.41	-0.34
S&P 500	7,659.44	-1.09
NASDAQ	26,140.03	-2.15
Stoxx Eur 600	644.74	0.72
FTSE 100	10,881.90	0.38
Nikkei 225	65,324.29	1.39
CSI 300	4,170.61	0.11
Hang Seng	24,186.83	0.52
Straits Times	5,415.53	0.22
KLCI 30	1,607.76	-0.98
FX		
Dollar Index	101.84	-0.16
EUR/USD	1.1239	0.17
GBP/USD	1.3327	0.39
USD/JPY	158.02	0.01
AUD/USD	0.6946	0.36
USD/CNH	6.6863	-0.05
USD/MYR	4.0810	-0.03
USD/SGD	1.2792	-0.20
USD/KHR	4,064.48	0.03
USD/THB	33.50	-0.23
Commodities		
WTI (\$/bbl)	101.41	3.51
Brent (\$/bbl)	109.86	3.72
Gold (\$/oz)	4,159.50	0.28
Copper (\$/MT)	14,407.50	0.42
Aluminum(\$/MT)	3,001.50	0.49
CPO (RM/MT)	4,536.00	2.46

Source: Bloomberg, HLBB Global Markets Research

rebounded 0.3% m/m from -0.2% m/m previously, a decent data considering the drag from lower motor vehicle output. Outside of the auto sector, details suggest that producers continue to benefit from the resilient consumer spending as well as the boom in AI investment.

- Import prices saw its largest increase since July 2022, accelerating to 8.1% y/y in September from 6.7% y/y previously. The result was higher than expected with the pick-up driven by prices for both fuel and non-fuel goods such as capital goods, nonfuel industrial supplies & materials, consumer goods and foods, feeds & beverages, a sign that inflation is broadening beyond the energy sector, keeping our two Fed rate hike view by 1Q of 2027 intact.

Eurozone's trade balance swung to a deficit and will be a drag on overall GDP

- August saw trade balance swinging to a deficit of €16.1bn from +€14.2bn previously, largely due to machinery & vehicles, which saw the balance turning from a surplus to a deficit, and as the energy deficit also widened, all not boding well for GDP calculation in 3Q and likely into 4Q.

Singapore's NODX accelerated on non-electronic exports

- Despite expectations of softer growth, non-oil domestic exports (NODX) surged 68.4% y/y in September, picking up momentum from 46.1% y/y previously. Driving the uptick was the acceleration in non-electronics mainly due to lumpy exports of ship and boat structures, while electronic NODX stayed robust with a 107.6% y/y jump (prior: 131.6% y/y). NODX to most of Singapore's major markets expanded, but notably led by Hong Kong (112.1% y/y vs 62.6% y/y), US (73.2% y/y vs 90.9% y/y), South Korea (96.0% y/y vs 85.8% y/y) and Taiwan (96.9% y/y vs 58.5% y/y).

Stronger than expected 3Q GDP for Malaysia

- Advanced estimate of the 3Q GDP came in above forecast at 5.3% y/y, easing from 6.0% y/y the prior quarter. Services, which accounts for more than half of the output, expanded 5.4% y/y in the period, moderating from 5.9% y/y previously. Growth was supported by wholesale & retail trade, information & communication, and finance & insurance activities. Manufacturing growth, meanwhile, accelerated to 7.5% y/y from 7.3% y/y, driven by export-oriented industries in particularly for electrical & electronics products and petroleum, chemicals, rubber & plastics products. Construction expanded by 6.0% y/y (prior: 6.5% y/y), agriculture (1.3% y/y vs -3.7% y/y) returned to growth driven by oil palm & livestock activities, while mining & quarrying (-

4.9% y/y vs 9.2%/y) fell amid declines in crude oil and condensate production. With this, there is no change in our view that the GDP forecast of 4.8-5.3% for 2026 pencilled by the MOF is achievable (HLB: 5.2%).

House View and Forecasts

FX	This Week	4Q-26	1Q-27	2Q-27	3Q-27
DX	100-104	102.22	100.87	99.53	98.21
EUR/USD	1.11-1.14	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	156-160	157	155	153	150
AUD/USD	0.68-0.71	0.69	0.69	0.70	0.70
NZD/USD	0.54-0.58	0.58	0.57	0.57	0.56
USD/CNY	6.68-6.72	6.74	6.67	6.61	6.54
USD/MYR	4.06-4.11	4.12	4.07	4.02	3.97
USD/SGD	1.27-1.30	1.29	1.27	1.25	1.23
USD/THB	33.20-33.70	33.0	33.0	33.0	32.8

FX	Last close	4Q-26	1Q-27	2Q-27	3Q-27
EUR/MYR	4.5936	4.63	4.64	4.66	4.67
GBP/MYR	5.4416	5.41	5.38	5.36	5.33
AUD/MYR	2.8404	2.83	2.82	2.81	2.79
CNY/MYR	0.6104	0.61	0.61	0.61	0.61
SGD/MYR	3.1905	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	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.25	1.25	1.50	1.50	1.75
RBA	4.60	4.60	4.60	4.60	4.60
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	
19-Oct	CH New Home Prices MoM (Sep)	-0.17%
	CH GDP YoY (3Q)	4.30%
	CH Retail Sales YoY (Sep)	0.40%
	CH Industrial Production YoY (Sep)	5.20%
	CH Fixed Assets Ex Rural YTD YoY (Sep)	-7.20%
	CH Surveyed Jobless Rate (Sep)	5.30%
	MA CPI YoY (Sep)	1.90%
	MA Exports YoY (Sep)	45.50%
	US NAHB Housing Market Index (Oct)	32
20-Oct	CH 1-Year Loan Prime Rate	3.00%
	CH 5-Year Loan Prime Rate	3.50%
	UK Average Weekly Earnings 3M/YoY (Aug)	3.90%
	UK ILO Unemployment Rate 3Mths (Aug)	4.90%
	UK Payrolled Employees Monthly Change (Sep)	-26k
	EC ZEW Survey Expectations (Oct)	25.8
	EC Construction Output MoM (Aug)	0.00%

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US Philadelphia Fed Non-Manufacturing Activity (Oct)	-22
US Housing Starts MoM (Sep)	-2.60%
US Building Permits MoM (Sep P)	-2.10%
US Pending Home Sales MoM (Sep)	0.30%

Source: Bloomberg

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