

20 October 2026

Global Markets Research

Daily Market Highlights

20 Oct: China's GDP growth quickened to 4.5% in 3Q

Sell-off in sovereign bonds amid elevated oil prices and unrest in France

AUD and CNH outperformed following the upside surprise to China's 3Q GDP

MYR closed flattish with Malaysia's CPI holding steady and robust trade data

- Dip buying and rating upgrade on Intel by JP Morgan saw traders snapping up tech stocks and Nasdaq making a comeback overnight. The tech-heavy index added 1.1%, while the S&P 500 also gained 0.4% d/d. The Dow was the outlier, finishing the day lower by 0.1% d/d.
- Oil prices, meanwhile, continued to remain elevated, weighing on US treasuries. The WTI traded 2.2% d/d higher at \$103.66/barrel, Brent inched down 0.3% to \$109.55/barrel and in the bond space, this sent treasury yields rising 5-7bps across the curve. The 2Y increased 6bps to 4.77%, while the 10Y jumped 7bps to 5.14%.
- The market also came under pressure amid a sell-off in French government bonds following the weekend of unrests. Yields jumped 7-13bps for the French bonds, while in the equity space, CAC40 slid 1.1% d/d. Stoxx 600 were also 0.8% d/d lower, while 10Y bond yields for the rest of the European counterparts were also up, albeit at a narrower pace between 2-6bps.
- Asian equities closed mixed. Nikkei 225 lost 0.6% d/d, while CSI 300 and Hang Seng rose 0.1-0.5% d/d following China's 3Q GDP beat.
- In the forex space, EUR weakened 0.2% d/d to 1.1213 against USD amid the French government bonds slump. JPY and GBP depreciated 0.2-0.3% d/d to 158.50 and 1.3305, while the AUD (0.5% d/d to 0.6980) outperformed all its G10 peers, helped in part by the better-than-expected China economic data. The DXY rebounded 0.1% d/d higher at 101.97.
- Similar to the AUD, CNH (0.1% d/d to 6.6822) outperformed its regional peers following the release of its 3Q GDP report. SGD and MYR, meanwhile, closed below their flatlines at 1.2795 and 4.0825 against the greenback.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	51,966.03	-0.07
S&P 500	7,690.73	0.41
NASDAQ	26,430.89	1.11
Stoxx Eur 600	639.56	-0.80
FTSE 100	10,764.69	-1.08
Nikkei 225	64,916.70	-0.62
CSI 300	4,174.54	0.09
Hang Seng	24,186.83	0.52
Straits Times	5,412.00	-0.07
KLCI 30	1,595.75	-0.75
FX		
Dollar Index	101.97	0.13
EUR/USD	1.1213	-0.23
GBP/USD	1.3305	-0.17
USD/JPY	158.50	0.30
AUD/USD	0.6980	0.49
USD/CNH	6.6822	-0.06
USD/MYR	4.0825	0.04
USD/SGD	1.2795	0.02
USD/KHR	4,069.73	0.13
USD/THB	33.59	0.26
Commodities		
WTI (\$/bbl)	103.66	2.22
Brent (\$/bbl)	109.55	-0.28
Gold (\$/oz)	4,139.00	-0.49
Copper (\$/MT)	14,339.00	-0.48
Aluminum(\$/MT)	3,016.50	0.50
CPO (RM/MT)	4,515.00	-0.46

Source: Bloomberg, HLBB Global Markets Research

US builders' confidence tumbled to its 14Y low

- Rising mortgage rates, energy and material costs, as well as worsening labor supply due to immigration pushed the NAHB Housing Market index to its 14Y low at 29 in October (prior:

32). As it is, the housing market remains squeezed by supply-side constraints and significant affordability challenges, the latter keeping more buyers on the sidelines and buyer traffic to its lowest level since April 2012.

Export- and industrial-driven growth for China

- China's 3Q GDP came above forecast, quickening more than expected from 4.3% y/y in 2Q to 4.5% y/y in 3Q. This brings YTD growth to 4.6% y/y amid continued strong export growth bolstered by the global investment super-cycle in AI, and ramped up targeted stimulus roll-out. There is no change in our view that full-year growth will remain within Beijing's 4.5-5.0% target range, albeit likely at the lower end of the range, and our expectations that the People's Bank of China will leave its loan prime rates steady tomorrow and for the rest of the year. Please refer to Research Alert "Upward surprise to China's 3Q GDP growth" dated 19th Oct for more details.

Malaysia's external trade continued surprising on the upside in September; inflation remained well-contained at 1.8% y/y

- Both export and import growth surprised on the upside for a 3rd straight month, growing 54.4% and 52.7% y/y respectively in September (Aug: 45.4% for exports and 41.1% y/y for imports). Pick-ups in manufacturing (58.6% vs 50.4% y/y) and mining (56.3% vs 43.3% y/y) exports were the two main growth catalysts, while the smaller decline in agriculture exports (-5.7% vs -21.4% y/y) exerted a lesser drag. E&E, crude petroleum, and LNG led growth in tune to 69.2% y/y while palm oil fell 9.1% y/y during the month.
- In a separate release, consumer prices (CPI) edged a tad lower to 1.8% y/y in September (Aug: 1.9% y/y), as smaller gains in food & beverages (1.8% vs 1.9% y/y), housing/ utilities/ fuels (1.4% vs 2.1% y/y), info & communication (1.8% vs 2.6% y/y), as well as personal care, social protection & miscellaneous goods & services (2.8% vs 3.2% y/y) offset quicker gains in 7 out of the 13 categories led by transport (2.5% vs 2.0% y/y). Please refer to Research Alert "Upside surprises in external trade for a 2nd straight month" dated 19th Oct for more details.

House View and Forecasts

FX	This Week	4Q-26	1Q-27	2Q-27	3Q-27
DXY	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	4.5753	4.63	4.64	4.66	4.67
GBP/MYR	5.4397	5.41	5.38	5.36	5.33
AUD/MYR	2.8494	2.83	2.82	2.81	2.79
CNY/MYR	0.6111	0.61	0.61	0.61	0.61
SGD/MYR	3.1902	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	
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%
	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%
	JN Exports YoY (Sep)	19.30%
	UK CPI Core YoY (Sep)	2.60%
	UK PPI Input NSA YoY (Sep)	6.10%
21-Oct	UK House Price Index YoY (Aug)	1.40%
	US MBA Mortgage Applications (16-Oct)	-2.7%

Source: Bloomberg

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