26 May 2026

Global Markets Research

Daily Market Highlights

26 May: Risk on amid Hormuz re-opening optimism

Asian equities rallied with Brent & bond yields easing amid a thinly traded day

Risk-sensitive FX like AUD & NZD outperformed; haven CHF & JPY lagged

SGD strengthened following upward revision in 1Q GDP; CPI undershot forecasts

- Monday saw Nikkei 225 gained 2.9% d/d to top 65k for the first time ever as oil prices eased on Hormuz reopening hopes. China's CSI 300 also added 1.6%, and tracking their Asian counterparts, Stoxx Eur 600 was 0.8% d/d higher. Hang Seng, FTSE 100 as well as Wall Street, meanwhile, were closed for public holidays, the latter for Memorial Day. In corporate news, shares in Delivery Hero jumped after receiving a takeover offer from its rival Uber.
- Brent plunged more than 7.0% d/d to $96.14/barrel, and in tandem with this, Eurozone sovereign bond yields also fell amid easing concerns over inflation. The 2Y German bund yields fell 11bps to 2.53%, and the 10Y by 9bps to 2.94%.
- In the FX space, the Dollar weakened against all its G10 peers with news of a possible US-Iran deal bolstering risk appetite. Risk-sensitive AUD and NZD appreciated more than 0.4% d/d against the greenback, while haven JPY (0.2% d/d to 158.91) and CHF (0.3% d/d) underperformed most of their G10 peers. GBP appreciated 0.5% d/d to 1.3504, while EUR strengthened 0.4% d/d to 1.1644.
- THB (0.6% d/d) and MYR (0.4% d/d to 3.9527) led gainers among Asian FX against the Dollar. CNH appreciated 0.2% d/d to 6.7844, its strongest in 3 years, while SGD strengthened 0.2% d/d to 1.2770 following the strong upward revision to its final 1Q GDP.

Singapore's final 1Q GDP growth revised up to 6.0%; April's inflation was softer than expected

- The final 1Q GDP showed that the Singapore's economy grew more than initially estimated and higher than consensus forecast at 6.0% y/y and 1.0% q/q (initial estimate: 4.6% y/y and -0.3% q/q; consensus: 5.2% y/y and 0.2% q/q), a slight pick-up from the robust 5.7% y/y logged in the fourth quarter of last year. Despite the better-than-expected 1Q performance, global economic outlook has deteriorated and downside risks for the Singapore economy have risen

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	50,579.70	0.58
S&P 500	7,473.47	0.37
NASDAQ	26,343.97	0.19
Stoxx Eur 600	631.63	1.04
FTSE 100	10,466.26	0.22
Nikkei 225	65,158.19	2.87
CSI 300	4,921.60	1.58
Hang Seng	25,606.03	0.86
Straits Times	5,070.55	0.05
KLCI 30	1,708.50	-0.24
FX		
Dollar Index	99.24	0.00
EUR/USD	1.1644	0.35
GBP/USD	1.3504	0.53
USD/JPY	158.91	-0.17
AUD/USD	0.7173	0.65
USD/CNH	6.7844	-0.20
USD/MYR	3.9527	-0.41
USD/SGD	1.2770	-0.23
USD/KHR	4,024.50	0.11
USD/THB	32.47	-0.64
Commodities		
WTI ($/bbl)	96.60	0.26
Brent ($/bbl)	96.14	-7.15
Gold ($/oz)	4,523.20	-0.42
Copper ($/MT)	13,667.50	1.12
Aluminum($/MT)	3,649.50	0.34
CPO (RM/MT)	4,408.00	-0.05

Source: Bloomberg, HLBB Global Markets Research
** Dated 22nd May for Dow Jones, S&P 500, Nasdaq, FTSE 100, Hang Seng, WTI, Gold, Copper, Aluminium*

significantly since the onset of the US/Israel-Iran conflict. As a result, officials have maintained their 2026 growth forecast at 2.0-4.0%. Refer to Research Alert "MTI maintained 2026 GDP growth forecast at 2.0-4.0%" dated 25th May for details.

- On the price front, headline and core inflation came below forecast at 1.8% y/y and 1.4% y/y in April (prior: 1.8% y/y and 1.7% y/y), The lower core CPI was due to lower services and retail & other goods inflation, while the lower than expected headline CPI was due to lower core CPI, which offset the higher private transport and accommodation inflation. Despite the softer than expected pressure, risk to inflation outlook remains tilted on the upside with imported costs likely to pick up and broaden given the higher energy and other input costs. Just a recap, MAS is expecting both headline and core inflation average 1.5–2.5% in 2026.

House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	98-101	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	0.76-0.81	0.79	0.78	0.76	0.75
USD/JPY	156-161	159	155	152	152
AUD/USD	0.70-0.73	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.77-6.83	6.93	6.88	6.84	6.77
USD/MYR	3.93-3.99	3.98	3.96	3.93	3.90
USD/SGD	1.26-1.29	1.29	1.28	1.27	1.25
USD/THB	31.70-33.30	31.60	31.80	31.80	31.40

FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6021	4.55	4.55	4.60	4.66
GBP/MYR	5.3333	5.23	5.23	5.26	5.28
AUD/MYR	2.8329	2.72	2.72	2.75	2.77
CNY/MYR	0.5826	0.58	0.58	0.58	0.58
SGD/MYR	3.0949	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
26-May	SI Industrial Production YoY (Apr)	10.10%
	US Chicago Fed Nat Activity Index (Apr)	-0.2
	US Philadelphia Fed Non-Manufacturing Activity (May)	-16.5
	US FHFA House Price Index MoM (Mar)	0.00%
	US S&P Cotality CS US HPI YoY NSA (Mar)	0.67%
	US Conf. Board Consumer Confidence (May)	92.8
27-May	AU Westpac Leading Index MoM (Apr)	-0.09%
	CH Industrial Profits YTD YoY (Apr)	15.50%
	AU CPI Trimmed Mean YoY (Apr)	3.30%
	NZ RBNZ Official Cash Rate	2.25%
	US MBA Mortgage Applications	-2.30%
	US Richmond Fed Manufact. Index (May)	3
	US Richmond Fed Business Conditions (May)	-6
	US Dallas Fed Services Activity (May)	-9.9

Source: Bloomberg

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