26 August 2026

Global Markets Research

Daily Market Highlights

26 Aug: All eyes on the US core-PCE tonight

US stocks trended higher amid lower oil prices and UST yields; Dollar weakened

Weaker than expected US consumer confidence and new home sales

RBA minutes: upside risk to CPI forecast; and said some tightening may be needed

- US markets closed Tuesday on a positive note. US stocks trended higher, while oil prices and treasury yields retreated. In the equity space, the S&P 500 and the Dow rose 0.3% d/d each, while Nasdaq outperformed its peers with a 0.7% d/d gain amid a rally in semiconductor stocks ahead of Nvidia's earnings. Consumer names were notable laggards, hurt by the worse than expected consumer confidence print.
- Brent ($88.58/barrel) and the WTI ($82.36/barrel) fell more than 3% d/d each, with Iran and Oman discussing a temporary shipping corridor, and in the bond space, the benchmark 2Y and 10Y treasury yields tumbled 6-7bps to 4.17% and 4.63% respectively.
- While effects of Bessent's "D-Day" as well as Canada's retaliatory tariffs against USD appear contained for now, traders will be watching out for the PCE report later today, as well as Fed Chair Kevin Warsh's speech this Friday at the Jackson Hole. Just a recap, Ottawa unveiled tariffs of 15-50% on about C$27.6bn of American goods targeting the steel & aluminium, dairy, appliances, agricultural equipment, pulp & paper, plastics, and electronics sectors.
- Similarly, Stoxx Eur 600 gained 0.4% d/d as the pullback in oil lifted investor sentiment, while 10Y sovereign bond yields fell 3-8bps. Major Asian bourses (Nikkei 225: 0.5% d/d, CSI 300: -0.2% d/d, Hang Seng: flat) closed mixed, but are expected to advance today tracking futures and Wall Street.
- In the FX space, the Dollar weakened against all its G10 peers save the NOK (-0.1% d/d) and JPY (-0.1% d/d to 159.19) and the DXY closed 0.1% d/d lower at 98.92. AUD strengthened 0.2% d/d to 0.7163 after minutes to the latest ***RBA policy meeting showed that several members of the board opined that "it was quite possible that the upside risks to the inflation forecast would crystallise, requiring some further tightening."*** EUR and GBP appreciated at a narrower pace by 0.1% d/d each to 1.1675 and 1.3649.
- Asian currencies mostly traded within a narrow band within +/-0.1% d/d amid cautiousness ahead of key economic events

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	53,577.40	0.30
S&P 500	7,677.28	0.32
NASDAQ	26,151.30	0.66
Stoxx Eur 600	656.48	0.35
FTSE 100	10,886.16	0.29
Nikkei 225	65,856.43	0.50
CSI 300	4,552.03	-0.24
Hang Seng	25,511.10	-0.02
Straits Times	5,735.68	0.97
KLCI 30	1,736.33	-0.01
FX		
Dollar Index	98.92	-0.09
EUR/USD	1.1675	0.09
GBP/USD	1.3649	0.12
USD/JPY	159.19	0.05
AUD/USD	0.7163	0.18
USD/CNH	6.7173	-0.07
USD/MYR	4.0427	0.10
USD/SGD	1.2694	-0.09
USD/KHR	4,046.75	-0.01
USD/THB	32.73	0.10
Commodities		
WTI ($/bbl)	82.36	-3.12
Brent ($/bbl)	88.58	-3.89
Gold ($/oz)	4,638.10	-0.06
Copper ($/MT)	14,349.50	0.54
Aluminum($/MT)	3,238.00	0.29
CPO (RM/MT)	4,720.00	-1.48

Source: Bloomberg, HLBB Global Markets Research
**Dated as 21 Aug as of USD/MYR, CPO*

and tensions in the Middle East. CNH and SGD appreciated 0.1% d/d each to 6.7173 and 1.2694, while MYR weakened 0.1% d/d to 4.0427 against USD on Monday.

US consumer confidence fell; new home sales plunged

- The Conference Board's consumer confidence index unexpectedly slipped 0.8ppts to 89.4 in August as expectations for the future (68.2 vs 74.0) offset improved assessment for the present (121.2 vs 114.4). Details suggests that high gasoline prices and broader costs of living pressures, coupled with more negative assessment over future job and income prospects weighed on confidence, not boding well for consumer spending outlook.
- On the housing front, new home sales plunged 10.5% m/m to 607k in July (prior: 7.6% m/m to 678k), worse than expected and its lowest since January as elevated financing costs kept prospective buyers at bay and the housing market under pressure. The inventory of new homes for sale rose further, able to meet 9.6 months of demand at the current sales rates (prior: 8.5 months), dampening median sales price of new houses sold (-2.3% m/m to $393.8k vs -3.2% m/m). Separate report by the FHFA also showed that home prices slowed, showing flat growth in June after rising 0.3% m/m previously. The S&P Cotality CS20-City indices were unchanged at +0.2% m/m for the same month.

Hong Kong's exports surged more than 50%

- Exports grew a strong 50.7% in July, unexpectedly accelerating from 53.4% y/y the previous month driven by robust shipment for AI-related electronic products and as exports to most major markets continued to increase visibly. While robust global demand for AI-related electronic products is expected to continue supporting external demand, geopolitical tensions in the Middle East, trade protectionism and risks associated with the rapid expansion of global investment in AI could pose downside risks to Hong Kong's export growth.

Singapore's inflation grew at its fastest pace since October 2024

- Although below forecast, headline and core inflation accelerated to 2.2% y/y and 2.0% y/y in July (prior: 1.9% y/y and 1.6% y/y) as elevated global energy prices drove prices up for electricity & gas tariffs, as well as for transportation fares. With this, and risks of disruptions in global energy supplies, worse-than-expected weather conditions and its implications on imported food prices, as well as stronger-than-expected demand spillovers from a robust IT investment growth, continues to flag upside risks to MAS inflation forecast of 1.5–2.5% this year.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DXY	97-101	102.28	100.86	99.42	98.07
EUR/USD	1.15-1.18	1.13	1.14	1.16	1.18
GBP/USD	1.34-1.38	1.29	1.30	1.32	1.33
USD/CHF	0.78-0.82	0.81	0.81	0.80	0.79
USD/JPY	157-161	162	159	155	153
AUD/USD	0.69-0.73	0.68	0.70	0.71	0.72
NZD/USD	0.57-0.61	0.56	0.56	0.57	0.57
USD/CNY	6.70-6.75	6.85	6.78	6.72	6.65
USD/MYR	4.02-4.08	4.15	4.11	4.07	4.03
USD/SGD	1.26-1.29	1.31	1.30	1.28	1.27
USD/THB	32.50--33.30	32.50	32.30	32.0	32.0

FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.7153	4.68	4.71	4.73	4.75
GBP/MYR	5.5117	5.37	5.36	5.36	5.36
AUD/MYR	2.8959	2.83	2.86	2.87	2.89
CNY/MYR	0.6014	0.61	0.61	0.61	0.61
SGD/MYR	3.1821	3.18	3.17	3.17	3.17

Rates, %	Current	3Q26	4Q26	1Q27	2Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75
ECB	2.25	2.50	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	1.25	1.25	1.25
RBA	4.35	4.35	4.35	4.35	4.35
RBNZ	2.50	2.50	2.50	2.50	2.50
BNM	2.75	2.75	2.75	2.75	2.75

Source: HLBB Global Markets Research

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Date	Events	
26-Aug	AU Westpac Leading Index MoM (Jul)	0.04%
	AU CPI Trimmed Mean YoY (Jul)	3.60%
	SI Industrial Production SA MoM (Jul)	-7.20%
	US MBA Mortgage Applications (21 Aug)	-0.4%
	US Personal Income (Jul)	0.20%
	US Personal Spending (Jul)	0.30%
	US Core PCE Price Index YoY (Jul)	3.30%
	US Durable Goods Orders (Jul P)	0.50%
	US GDP Annualized QoQ (2Q S)	1.50%
	US Cap Goods Orders Nondef Ex Air (Jul P)	1.20%
27-Aug	AU Private Capital Expenditure (2Q)	6.50%
	CH Industrial Profits YTD YoY (Jul)	18.70%
	AU Household Spending MoM (Jul)	0.80%
	US Advance Goods Trade Balance (Jul)	-$101.5b
	US Initial Jobless Claims (22 Aug)	206k
	US Kansas City Fed Manf. Activity (Aug)	9

Source: Bloomberg

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