26 November 2026

Global Markets Research
Daily Market Highlights

26 Nov: US proposed new round of tariffs for 14 countries

US stocks closed mixed heading into Thanksgiving; UST yields and DXY lower
Proposed US tariffs varied between 20-40%; Malaysia's auto & ICT sectors mentioned
Upside surprises in US & Australia price prints; massive upgrade to US' 3Q GDP

- US stocks closed mixed in a volatile session on Wednesday, Tech stocks remained under pressure, but dip buying saw some stocks clawing back their steep losses heading into the Thanksgiving holiday. Nasdaq and the S&P 500 closed the day 0.6% d/d and 0.3% d/d lower, while the Dow closed up 0.3% d/d supported by gains in stocks such as IBM, Salesforce and Caterpillar. Within S&P, sectors such as materials, real estate and industrials led gains and supported the index.
- In an unwelcome news to the market, the US also announced plans to impose new tariffs on some of its biggest trade partners, with rates varying by country between 20-40%. The tariffs are intended to address concerns over excess manufacturing capacity in some industries, which the US deemed are hurting American businesses. Given the timeline provided for public feedback and public hearing (beginning 25 Jan 2027), it appeared that **the newly proposed tariff would likely kick-off in January 2027, the earliest.**

Country	Proposed rate	Deal rate
China	Up to 40%	20% (stacked on 2018 Sec301 and MFN tariffs)
Vietnam	Up to 35%	20%
Cambodia	Up to 25%	18%
Indonesia	Up to 25%	18%
Korea	Up to 25%	15%*
Malaysia	Up to 25%	18%
Taiwan	Up to 25%	15%*
Thailand	Up to 25%	18%
India	Up to 25%	17%
Bangladesh	Up to 20%	18%
EU	Up to 20%	15%*
Japan	Up to 20%	15%
Singapore	Up to 20%	10%
Switzerland	Up to 20%	15%*

Source: Bloomberg, US Trade Representatives
**Net of Most-Favoured-Nation rate*

Key Market Metrics

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	Level	d/d (%)
Equities		
Dow Jones	50,182.95	0.33
S&P 500	7,182.78	-0.25
NASDAQ	23,585.80	-0.62
Stoxx Eur 600	626.03	-1.06
FTSE 100	10,426.94	-0.38
Nikkei 225	57,011.62	-2.78
CSI 300	3,898.24	-1.65
Hang Seng	21,966.01	-1.14
Straits Times	4,930.83	-0.57
KLCI 30	1,562.29	0.04
FX		
Dollar Index	103.70	-0.11
EUR/USD	1.0974	0.07
GBP/USD	1.3115	0.00
USD/JPY	159.17	-0.06
AUD/USD	0.6627	-0.20
USD/CNH	6.6686	0.06
USD/MYR	4.1195	0.12
USD/SGD	1.2903	0.06
USD/KHR	4,061.00	-0.28
USD/THB	34.13	0.63
Commodities		
WTI ($/bbl)	83.68	1.99
Brent ($/bbl)	94.61	3.51
Gold ($/oz)	3,535.80	-0.73
Copper ($/MT)	11,649.50	-1.49
Aluminum($/MT)	2,751.00	-0.65
CPO (RM/MT)	4,048.00	-0.20

Source: Bloomberg, HLBB Global Markets Research

- **However, with Democrats taking control of Congress in January, this could pose a challenge to the Trump administration's tariffs,** on top of the ongoing legal challenges. As such, **we opine that the announcement is unlikely to materially impact the economic outlook for the US and countries affected at this juncture**, but on balance, it will be positive for Vietnam and other economies that had benefitted from the reconfiguration of electronics supply chain. For Malaysia, key sectors that will be impacted are the automotive and information and communications technology sectors.
- On the bond front, treasuries soared as the sell-off in equities saw flight to safety, sending yields down 4-8bps across the maturities. The 2Y fell 4bps to 4.64%, while the 10Y plunged 8bps to 4.86%.
- The Dollar nonetheless weakened in trading against most of its G10 peers, paring early gains, and the DXY closed the day 0.1% d/d lower at 103.70. EUR (1.0974) and JPY (159.17) appreciated 0.1% d/d each against the greenback, GBP closed flat at 1.3115, while AUD weakened 0.2% d/d to 0.6627, the latter paring early gains following the upward surprise in Australia's inflation numbers. Regional currencies closed mixed against the Dollar, with CNH, MYR and SGD 0.1% d/d weaker each at 6.6686, 4.1195 and 1.2903.
- In the commodity space, crude oil prices rallied more than 2% as escalating attacks in the Middle East clouds the recovery in crude shipments from the region. Brent closed the day at $94.61/barrel and the WTI at $83.68/barrel.

Strong US GDP print and elevated core-PCE reaffirmed more tightening ahead

- Highlight to the latest Beige Book include: 1) The majority of the districts reported and expects growth in the slight to moderate range. 2) Consumer spending was little changed, with households still price sensitive and increasingly selective in discretionary purchases. 3) Employment levels rose slightly on balance, with many firms reporting stable head counts and hiring primarily to replace for attrition. 4) Prices increased moderately, as in the prior Beige Book. 5) By sector, banking conditions were little changed, manufacturing activity grew modestly as robust demand in several industrial segments offset weakness in consumer-facing and housing-related goods, auto sales and housing construction activities softened dragged down by higher borrowing costs, as well as elevated fuel and construction costs respectively. Ironically, data overnight saw new homes surprising on the upside with a 14.2% m/m jump in October (prior: -9.7% m/m), while

mortgage applications rebounded by 6.1% w/w for the week ended November 20 (prior: -2.3% w/w).

- Meanwhile, solid growth, decent jobs data and elevated inflation all point to more rate hike(s) going forward. Fed's preferred core-PCE was steady at 0.3% m/m in October although the yearly rate was a tad higher than expected at 3.3% y/y (prior: 3.1% y/y) due to some revisions to historical data. This marks its third month of 0.3% m/m increase, bringing average core-PCE to 3.1% YTD, sealing expectations of another 25bps rate hike next month. Prices are likely to ease into 2027 with commodity prices largely softer, although the renewed push on tariffs could keep upward threats to prices.
- 3Q GDP growth was revised sharply higher to 4.3% q/q versus its initial estimate of 3.4% q/q and 2Q's 2.2% q/q, primarily reflecting upward revisions to investment (+3.0ppts to 22.4% q/q vs 4.6% q/q) and consumer spending (+0.4ppts to 4.2% q/q vs 3.8% q/q). There are indications that 4Q will slow with real personal spending flatlining in October after growing by an average of 0.3% m/m in the prior 3 months.
- Durable goods orders were also softer than expected at 0.2% m/m (prior: 2.0% m/m) although the upward surprise in capital goods orders nondef ex air (1.2% m/m vs 0.8% m/m) suggests still healthy investment pipeline, business activity and AI demand into 2027. The tech sell-off may not put any dent in 4Q investment spending, but may start to cool in 2027 as funding costs comes under more pressure.
- Wrapping up is the drop in initial jobless claims by 13k to 189k for the week ended 21 November, after being unchanged the previous week. The fall was wider than expected, while the number of people receiving unemployment benefits after an initial week of aid, a proxy for hiring, plunged 95k to 1697k for the week ended 14 November (prior: 99k).

Upward surprise to Australia's inflation

- Headline and trimmed mean CPI came above forecasts, accelerating to 4.9% y/y and 3.8% y/y in October from 4.3% y/y and 3.6% y/y previously. Despite inflation risks skewing to the upside and reigning on inflation RBA's priority, signs of weakness in the economy especially on the labour and housing front suggest that the RBA is still likely done with its tightening cycle for now, in our opinion.
- Details showed that housing was the largest contributor to inflation, reflecting increases for both electricity and new dwelling, the latter as builders passed on higher costs for materials and labour and electricity, with the Commonwealth government rebates no longer in place.

House View and Forecasts

FX	This Week	4Q-26	1Q-27	2Q-27	3Q-27
DXY	102-105	102.22	100.87	99.53	98.21
EUR/USD	1.08-1.11	1.12	1.14	1.16	1.18
GBP/USD	1.29-1.33	1.31	1.32	1.33	1.34
USD/CHF	0.83-0.86	0.79	0.80	0.81	0.84
USD/JPY	157-161	157	155	153	150
AUD/USD	0.65-0.68	0.69	0.69	0.70	0.70
NZD/USD	0.53-0.56	0.58	0.57	0.57	0.56
USD/CNY	6.67-6.72	6.74	6.67	6.61	6.54
USD/MYR	4.08-4.14	4.12	4.07	4.02	3.97
USD/SGD	1.28-1.31	1.29	1.27	1.25	1.23
USD/THB	33.60-34.10	33.0	33.0	33.0	32.8

FX	Last close	4Q-26	1Q-27	2Q-27	3Q-27
EUR/MYR	4.5062	4.63	4.64	4.66	4.67
GBP/MYR	5.3791	5.41	5.38	5.36	5.33
AUD/MYR	2.7045	2.83	2.82	2.81	2.79
CNY/MYR	0.6172	0.61	0.61	0.61	0.61
SGD/MYR	3.1879	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	4.00	4.00	4.25	4.25	4.25
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.25	1.25	1.50	1.50	1.75
RBA	4.85	4.85	4.85	4.85	4.85
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	
26-Nov	AU Private Capital Expenditure (3Q)	-3.60%
	SI Industrial Production YoY (Oct)	3.40%
	HK Exports YoY (Oct)	64.90%
27-Nov	CH Industrial Profits YTD YoY (Oct)	15.50%
	EC Economic Confidence (Nov)	96.9
	US Advance Goods Trade Balance (Oct)	-$134.9b

Source: Bloomberg

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