

27 February 2026

**Global Markets Research**
**Daily Market Highlights**

## 27 Feb: All eyes on US producer prices today

**US stocks lost steam again; Nvidia's earnings failed to impress**

**Bonds rallied; DXY gained amid the better-than-expected jobless claims**

**Sentiment in the Eurozone worsened; robust IPI growth for Singapore**

- Nasdaq led losses on Thursday, as the recent rally in technology stocks lost steam again, with Nvidia's stellar results failing to reassure investors on AI risk nor boost sentiment for the broad equity market. The AI bellwether fell more than 5% d/d, dragging down most of its tech peers and weighing on Nasdaq (-1.2% d/d). S&P 500 also fell 0.5% d/d with 7 of the 11 sectors closing in red, while Dow was the outlier, closing just above its flatline on Thursday.
- Stoxx Eur 600 finished the session 0.1% d/d lower on a busy day on mixed earnings, while in Asia, Japan's Nikkei 225 crossed 59k for the first time ever, albeit briefly, in intraday trading before narrowing gains to just 0.3% d/d.
- Bonds rallied, sending treasury yields down 4-5bps across the curve. The benchmark 2Y yield slid 4bps to 3.43%, while the 10Y dropped 5bps to 4.01%. UK gilts led the rally in the European space, sending 10Y yields down 1-4bps.
- In the FX space, the DXY edged up by 0.1% d/d to 97.79 after US jobless claims came in better than expected and all G10 currencies weakened against the greenback. GBP (-0.6% d/d to 1.3482), SEK (-0.4% d/d) and NZD (-0.4% d/d) underperformed, while JPY (0.2% d/d to 156.13) was the outlier and appreciated after BOJ board member Hajime Takata reiterated his call to raising rates.
- Today, we have a neutral-to-slight bearish outlook for the GBP/USD and USD/JPY, the former likely dampened by the weaker than expected UK's consumer confidence prints (GfK: -19 for Feb vs -16) for February, while the latter given the mixed prints from Japan this morning, notably upward surprises for Tokyo's CPI (1.6% y/y vs 1.5% y/y) for February and Japan's retail sales (4.1% m/m vs -2.0% m/m) for January, while IPI growth disappointed at 2.2% m/m (prior: -0.1% m/m).
- On the regional front, CNY (0.2% d/d) led most Asian FX stronger against the greenback. MYR strengthened 0.1% d/d to 3.8890, but SGD closed just below its flatline at 1.2640.

**Key Market Metrics**

	Level	d/d (%)
<b>Equities</b>		
Dow Jones	49,499.20	0.03
S&P 500	6,908.86	-0.54
NASDAQ	22,878.38	-1.18
Stoxx Eur 600	633.18	-0.05
FTSE 100	10,846.70	0.37
Nikkei 225	58,753.39	0.29
CSI 300	4,726.87	-0.19
Hang Seng	26,381.02	-1.44
Straits Times	4,964.38	-0.87
KLCI 30	1,740.94	-0.39
<b>FX</b>		
Dollar Index	97.79	0.09
EUR/USD	1.1797	-0.11
GBP/USD	1.3482	-0.57
USD/JPY	156.13	-0.15
AUD/USD	0.7105	-0.25
USD/CNH	6.8444	-0.14
USD/MYR	3.8890	-0.06
USD/SGD	1.2640	0.02
USD/KHR	4,009.25	-0.07
USD/THB	31.04	-0.15
<b>Commodities</b>		
WTI (\$/bbl)	65.21	-0.32
Brent (\$/bbl)	70.75	-0.14
Gold (\$/oz)	5,194.20	-0.23
Copper (\$/MT)	13,304.50	-0.14
Aluminum(\$/MT)	3,157.50	-0.41
CPO (RM/tonne)	4,044.00	0.17

Source: Bloomberg, HLBB Global Markets Research  
\* Closing as of 25 Feb for CPO

- In the commodity space, the WTI and Brent closed 0.1-0.3% d/d lower at \$65.21/barrel and \$70.75/barrel respectively as traders follow the US-Iran talks in Geneva.

### **Better than expected US initial jobless claims**

- Initial jobless claims rose less than expected by 4k to 212k for the week ended February 21, a turnaround from -21k the prior week, while continuing claims, a proxy for hiring, fell 31k to 1833k for the week ended February 14 (prior: 21k). The latest claims data is slightly distorted from the Presidents' Day holiday but all in, signals a "low hire, low fire" state for the labour market for now.
- The Kansas City Fed Activity index increased to 5 in February (prior: 0), suggests that manufacturing sector improved slightly and more than expected, while expectations for future activity also ticked up. Also on a positive note, although still positive, prices of finished products and the price of raw materials eased slightly from last month.

### **Eurozone's economic confidence unexpectedly weakened**

- The Economic Confidence for the Euro bloc unexpectedly worsened and fell 1ppts to 98.3 in February. The decline was largely attributable to a significant drop in confidence in the services sector, with construction also falling slightly. Sentiment in the industrial sector and among consumers was largely unchanged, while confidence in retail trade continued its upward trend. Among the largest EU economies, sentiment fell sharply for France (-2.8) and Italy (-0.6), but remained broadly stable for Spain and Germany.

### **Singapore's IPI growth surprised on the upside**

- Manufacturing sector began with a bang, with industrial output beating forecast and registering gains for the fifth month. Total output surged 16.6% y/y in January, accelerating from 10.9% y/y previously. All clusters recorded growth led by the linchpin electronics (44.0% y/y vs 19.6% y/y), the latter likely to remain the key growth engine given expectations of sustained AI investment boom and with the critical semiconductor products still exempted from Trump's tariff for now.

### **House View and Forecasts**

<b>FX</b>	<b>This Week</b>	<b>1Q-26</b>	<b>2Q-26</b>	<b>3Q-26</b>	<b>4Q-26</b>
DXY	96-100	96.71	95.13	94.70	95.49
EUR/USD	1.16-1.19	1.20	1.22	1.22	1.21
GBP/USD	1.33-136	1.36	1.37	1.37	1.35
USD/CHF	0.75-0.78	0.78	0.78	0.78	0.78
USD/JPY	152-158	153	149	147	147

AUD/USD	0.69-0.72	0.68	0.69	0.70	0.69
NZD/USD	0.58-0.62	0.58	0.59	0.59	0.58
USD/CNY	6.88-6.92	6.90	6.83	6.85	6.90
USD/MYR	3.88-3.95	4.00	3.97	3.97	4.00
USD/SGD	1.25-1.28	1.26	1.23	1.23	1.24
USD/THB	30.50-31.90	32.2	32,1	32.0	30.8

FX	Last close	1Q-26	2Q-26	3Q-26	4Q-26
EUR/MYR	4.5887	4.78	4.82	4.85	4.84
GBP/MYR	5.2608	5.44	5.45	5.45	5.41
AUD/MYR	2.7684	2.72	2.75	2.78	2.76
CNY/MYR	0.5684	0.58	0.58	0.58	0.58
SGD/MYR	3.0780	3.17	3.21	3.23	3.22

Rates, %	Current	1Q26	2Q26	3Q26	4Q26
Fed	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50	3.00-3.25
ECB	2.00	2.00	2.00	2.00	2.00
BOE	3.75	3.50	3.50	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	0.75	0.75	1.00	1.00
RBA	3.85	3.85	4.10	4.10	4.10
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
27-Feb	AU Private Sector Credit MoM (Jan)	0.80%
	HK Exports YoY (Jan)	26.10%
	US PPI Final Demand YoY (Jan)	3.00%
	US MNI Chicago PMI (Feb)	54
	US Construction Spending MoM (Dec)	0.50%
	US Kansas City Fed Services Activity (Feb)	2
2-Mar	AU S&P Global Australia PMI Mfg (Feb F)	51.5
	AU Melbourne Institute Inflation YoY (Feb)	3.60%
	JN S&P Global Japan PMI Mfg (Feb F)	52.8
	MA S&P Global Malaysia PMI Mfg (Feb)	50.2
	VN S&P Global Vietnam PMI Mfg (Feb)	52.5
	CH RatingDog China PMI Mfg (Feb)	50.3
	UK Nationwide House Px NSA YoY (Feb)	1.00%
	EC HCOB Eurozone Manufacturing PMI (Feb F)	50.8
	UK Mortgage Approvals (Jan)	61.0k
	UK S&P Global UK Manufacturing PMI (Feb F)	52
	SI Purchasing Managers Index (Feb)	50.5
	US S&P Global US Manufacturing PMI (Feb F)	51.2
US ISM Manufacturing (Feb)	52.6	

Source: Bloomberg

### Hong Leong Bank Berhad

Fixed Income & Economic Research,  
Global Markets  
Level 8, Hong Leong Tower  
6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel: 603-2081 1221  
Fax: 603-2081 8936

[HLMarkets@hlbb.hongleong.com.my](mailto:HLMarkets@hlbb.hongleong.com.my)

**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad (“HLBB”) to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group (“HLB Group”). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favourable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.