27 August 2026

Global Markets Research
Daily Market Highlights

27 Aug: Risk-on likely after Nvidia's upbeat revenue outlook

US stocks wavered ahead of Nvidia's earnings; 70% sales growth for fiscal 2028
UST yields and DXY closed up with no surprises from the core-PCE print
Steady Australia's trimmed mean CPI; robust Singapore manufacturing output

- Overnight, US stocks wavered in the run up to Nvidia's earnings, while in the bond space, treasury yields were fractionally higher with Fed's preferred inflation gauge coming in mostly in line with estimates. The benchmark 2Y yield rose 3bps to 4.21%, while the 10Y closed up 2bps to 4.65%.
- The 3 major US equity indices settled 0-0.2% d/d lower, but with Nvidia reporting better-than-expected 2Q result and issuing guidance that topped estimates, this could lift sentiment for risks and the equity markets today. Notably, Nvidia expects revenue to jump 70% in fiscal 2028.
- In Europe, Stoxx 600 was little changed with banking stocks the biggest gainers, while healthcare stocks lagged. 10Y sovereign bond yields were mostly higher between 1-4bps. Major Asian bourses closed in green, with Nikkei 225, Hang Seng and CSI 300 up 0.6% d/d, 0.6% d/d and 0.9% d/d.
- In the forex space, the Dollar extended early gains against most of its G10 peers after the PCE report and the DXY closed up 0.3% d/d at 99.17. AUD was the outlier, appreciating 0.1% d/d to 0.7170) after its trimmed mean CPI came above consensus forecast, while SEK (-0.8% d/d), NZD (-0.5% d/d) and CHF (-0.5% d/d) lagged their G10 peers. EUR, GBP and JPY depreciated at a narrower pace between 0.1-0.4% d/d to 1.1651, 1.3595 and 159.31.
- Regional currencies closed mixed against the Dollar. MYR outshined its peers with a 0.4% d/d gain to 4.0265, while CNH and SGD traded 0.1-0.2% d/d weaker at 6.7225 and 1.2719.
- In the commodity space, the Brent and WTI tumbled 0.2-0.8% d/d $87.84/barrel and $82.23/barrel as traders weighed the Ukraine war escalation and the Iran- Oman deal to share revenue from Hormuz.

Steady core-PCE and soft spending in the US support a FOMC pause

- Data overnight showed that core-PCE came in line with forecast, accelerating to 0.2% m/m in July (prior: 0.1% m/m)

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	53,463.88	-0.21
S&P 500	7,675.70	-0.02
NASDAQ	26,130.20	-0.08
Stoxx Eur 600	656.41	-0.01
FTSE 100	10,878.12	-0.07
Nikkei 225	66,262.16	0.62
CSI 300	4,590.79	0.85
Hang Seng	25,652.97	0.56
Straits Times	5,721.59	-0.25
KLCI 30	1,748.54	0.70
FX		
Dollar Index	99.17	0.25
EUR/USD	1.1651	-0.21
GBP/USD	1.3595	-0.40
USD/JPY	159.31	0.08
AUD/USD	0.7170	0.10
USD/CNH	6.7225	0.08
USD/MYR	4.0265	-0.40
USD/SGD	1.2719	0.20
USD/KHR	4,046.50	-0.01
USD/THB	32.76	0.09
Commodities		
WTI ($/bbl)	82.23	-0.16
Brent ($/bbl)	87.84	-0.84
Gold ($/oz)	4,598.20	-0.86
Copper ($/MT)	14,253.00	-0.67
Aluminum($/MT)	3,225.00	-0.40
CPO (RM/MT)	4,630.00	-1.91

Source: Bloomberg, HLBB Global Markets Research and holding steady at 3.3% on a yearly basis. The headline inflation rate was a touch firmer than expected at 0.2% m/m and 3.7% y/y (prior: -0.1% m/m vs 3.7% y/y), but with inflation making slow progress towards target and consumer fundamentals broadly softer, there is no change our view of an extended pause for Fed rates for the whole of 2026.

- Details suggest that portfolio management fees account for the bulk of the core inflation, while other sub-categories were soft. Within goods, durable goods prices accelerated led by motor vehicles and consumer electronics, while furnishings & durable household equipment fell, likely reflecting fading tariff effects and housing-market weakness (separate data overnight showed that mortgage applications fell 1.0% m/m for the week ended Aug 21 vs -0.4% m/m).
- While 2Q GDP and personal consumption growth was left unrevised at 1.5% q/q and 3.4% q/q (prior: 2.1% q/q and 0.5% q/q) and temporary factors (paybacks from Amazon Prime Day, World Cup related spending) exaggerated the weakness, data showed that real personal spending stagnated (prior: 0.4% m/m) despite higher personal income (0.4% m/m vs 0.2% m/m), suggesting a soft start for consumption in 3Q of the year.
- Other prints, meanwhile, signalled another strong quarter for capex, with orders for durable goods orders picking up pace at 1.1% m/m (prior: 0.5% m/m), while capital goods orders nondef ex-air also grew 0.2% m/m (prior: 1.7% m/m). The latter was below forecast, reflecting volatility in AI-related spending and led by metals and machinery.

Upward surprise to Australia's trimmed mean CPI

- Trimmed mean CPI surprised on the upside, and held steady at 3.6% y/y in July as housing costs picked up on a monthly basis with builders passing on higher costs for materials and labour, amid higher energy prices during the month and the partial unwinding of the federal government's fuel excise relief measures.
- Its leading index, meanwhile, grew at a slightly softer pace of 0.03% m/m for the same month (prior: 0.05% m/m), still suggesting a below trend growth momentum with the main drag coming from financial conditions and labour market. As it is, the RBA next meets on September 28–29. We expect it to leave the cash rate unchanged again, but is prepared to hike should inflation prove more persistent than expected.

Singapore's manufacturing output growth remained resilient

- Matching consensus forecasts, manufacturing output growth eased slightly to 6.8% y/y in July from 7.5% y/y previously. All clusters recorded output growth on a yearly basis, except the biomedical manufacturing and chemicals clusters, the latter weighed down by plant maintenance, softer demand and feedstock supply disruptions. Growth for the linchpin electronics cluster also slowed, but still grew double digit at 11.2% y/y (prior: 21.1% y/y) led by the infocomms & consumer electronics and semiconductors segments, on the back of sustained AI-related demand.

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	4.6968	4.68	4.71	4.73	4.75
GBP/MYR	5.4869	5.37	5.36	5.36	5.36
AUD/MYR	2.8917	2.83	2.86	2.87	2.89
CNY/MYR	0.5991	0.61	0.61	0.61	0.61
SGD/MYR	3.1702	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

Up Next

Date	Events	
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
28-Aug	JN Tokyo CPI Ex-Fresh Food YoY (Aug)	1.90%
	JN Jobless Rate (Jul)	2.50%
	EC Economic Confidence (Aug)	96.9
	US MNI Chicago PMI (Aug)	57.6
	US Prelim. Benchmark Payrolls Revision (2026)	-911k
	US U. of Mich. Sentiment (Aug F)	51

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US Kansas City Fed Services Activity (Aug)	14

Source: Bloomberg