

28 September 2026

Global Markets Research

Daily Market Highlights

28 Sep: Persistent inflation worries will continue to haunt markets

Global bond sell-off eased and pushed stocks higher; Trump rejected Iran's ceasefire deal
Dollar weakened against most G10 and regional currencies; JPY outperformed
Better than expected capex data for US; slump in consumer confidence

- US stocks wrapped up the eventful week with gains amid a pause in the global bond rout and lower energy prices last Friday. The Dow led gains with a 0.9% d/d jump, while Nasdaq and S&P 500 rose at a milder pace of 0.5% d/d each, the latter as information and industrial stocks outperformed, while energy and communication services lagged and closed in red.
- The drama continued in the bond market. The benchmark 10Y UST yield hit a high of 5.20%, but closed the day 4bps lower at 5.16% (prior: +8bps). The 30Y climbed 1bps to 5.49% (prior: +8bps), its highest level since 2004. The 2Y yield on the other hand, edged down 7bps to 4.85% after increasing 3bps the previous day. This was in line with softer crude oil prices (WTI: -2.3% d/d to \$92.41/barrel, Brent: -2.1% d/d to \$104.32/barrel) recorded during the day.
- Still, with Trump reportedly rejecting Iran's conditional ceasefire proposal, geopolitical uncertainty should keep oil prices higher today, while persistent inflation worries could keep bond yield elevated and keep the Fed on a rate hiking path.
- Like its US counterparts, Stoxx Eur 600 gained 0.4% d/d with trading in the 10Y sovereign bonds muted (+/-3bps vs +3 to +7bps), while the 2Y yields fell 1-7bps. Major Asian bourses closed mixed, with the Nikkei 225 gaining 1.3% d/d, while Hang Seng and CSI 300 fell 1.0% d/d and 1.7% d/d.
- On the forex front, most G10 and regional FX strengthened against the greenback, while JPY outperformed as Japanese officials met with their US counterparts to discuss yen's ongoing weakness. DXY closed 0.3% d/d lower at 100.97, while JPY appreciated 1.0% d/d to 157.28 against the greenback last Friday. EUR, GBP and AUD appreciated 0.1-0.2% d/d to 1.1391, 1.3247 and 0.7023, while MYR strengthened 0.3% d/d to 4.0738 and SGD gained 0.2% d/d to 1.2773 against the USD.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	51,828.62	0.93
S&P 500	7,743.41	0.51
NASDAQ	27,068.72	0.48
Stoxx Eur 600	638.65	0.35
FTSE 100	10,695.25	0.14
Nikkei 225	66,364.20	1.30
CSI 300	4,439.15	-1.73
Hang Seng	24,510.09	-1.01
Straits Times	5,711.12	0.49
KLCI 30	1,671.62	-0.04
FX		
Dollar Index	100.97	-0.31
EUR/USD	1.1391	0.10
GBP/USD	1.3247	0.21
USD/JPY	157.28	-0.99
AUD/USD	0.7023	0.16
USD/CNH	6.7227	0.10
USD/MYR	4.0738	-0.31
USD/SGD	1.2773	-0.16
USD/KHR	4,056.83	-0.02
USD/THB	33.36	-0.35
Commodities		
WTI (\$/bbl)	92.41	-2.33
Brent (\$/bbl)	104.32	-2.14
Gold (\$/oz)	4,287.80	0.53
Copper (\$/MT)	14,622.50	0.01
Aluminum(\$/MT)	3,268.00	0.55
CPO (RM/MT)	4,475.00	-1.95

Source: Bloomberg, HLBB Global Markets Research

Still strong capex data for the US amid AI infrastructure buildout

- August's durable and capital goods orders were better than expected, pointing to another quarter of robust business spending on equipment amid an AI infrastructure buildout for the US economy. Non-defence capital goods orders excluding aircraft, a closely watched proxy for business spending, jumped 1.6% m/m from 0.6% m/m previously, while bookings for all durable goods were flat after gaining 0.9% m/m previously, the latter as bookings for transportation equipment fell, while orders for primary metals, machinery, computers and electrical equipment rose.
- The final University of Michigan Sentiment index was revised 0.3ppts higher to 48.1 in September. Despite the upward revision, September marks its lowest reading in 4 months as views of current (50.9 vs 51.9) and year-ahead expected (46.3 vs 51.5) personal finances both weakened as concerns over high prices continued to climb. Accordingly, year-ahead inflation expectations jumped from 4.0% last month to 4.6% in September, while long-run inflation expectations ticked up to 3.4%, ending three consecutive months at 3.3%.
- Although better than expected, the Kansas City Fed Services Activity index was flat in September (prior: -3), while expectations for future activity rose modestly. Indices for input prices and selling price growth increased moderately, and the increase in selling prices outpaced input prices.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DX	100-103	102.28	100.86	99.42	98.07
EUR/USD	1.12-1.16	1.13	1.14	1.16	1.18
GBP/USD	1.30-1.34	1.29	1.30	1.32	1.33
USD/CHF	0.81-0.84	0.81	0.81	0.80	0.79
USD/JPY	156-162	162	159	155	153
AUD/USD	0.69-0.72	0.68	0.70	0.71	0.72
NZD/USD	0.55-0.58	0.56	0.56	0.57	0.57
USD/CNY	6.68-6.73	6.85	6.78	6.72	6.65
USD/MYR	4.06-4.12	4.15	4.11	4.07	4.03
USD/SGD	1.27-1.30	1.31	1.30	1.28	1.27
USD/THB	32.90-33.80	32.50	32.30	32.0	32.0
FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.6409	4.68	4.71	4.73	4.75
GBP/MYR	5.3938	5.37	5.36	5.36	5.36
AUD/MYR	2.8630	2.83	2.86	2.87	2.89
CNY/MYR	0.6069	0.61	0.61	0.61	0.61
SGD/MYR	3.1879	3.18	3.17	3.17	3.17
Rates, %	Current	3Q26	4Q26	1Q27	2Q27
Fed	3.75-4.00	3.75-4.00	4.00-4.25	4.00-4.25	4.00-4.25

ECB	2.50	2.50	2.75	2.75	2.75
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.25	1.25	1.25	1.50	1.50
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	3.00	3.00

Source: HLBB Global Markets Research

Up Next

Date	Events	
28-Sep	JN PPI Services YoY (Aug)	3.60%
	CH Industrial Profits YTD YoY (Aug)	17.60%
	SI Industrial Production SA MoM (Aug)	2.30%
	US Dallas Fed Manf. Activity (Sep)	11.6
29 Sep	AU Household Spending MoM (Aug)	1.10%
	AU RBA Cash Rate Target	4.35%
	JN Leading Index CI (Jul F)	117.9
	UK Net Consumer Credit (Aug)	2.0b
	UK Mortgage Approvals (Aug)	56.1k
	EC Economic Confidence (Sep)	98.4
	US FHFA House Price Index MoM (Jul)	0.00%
	US S&P Cotality CS US HPI YoY NSA (Jul)	1.52%
	US Conf. Board Consumer Confidence (Sep)	89.4
	US JOLTS Job Openings (Aug)	7271k
	US Dallas Fed Services Activity (Sep)	4.2

Source: Bloomberg

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