30 January 2026

Global Markets Research
Daily Market Highlights

30 Jan: Jittery over AI weighed on Wall Street

S&P 500 & Nasdaq traded lower; UST yields and DXY saw a slight downshift
Gold retreated after topping $5.5k/oz; geopolitical tension kept oil elevated
Mixed economic data from the US and Japan; Senate approved funding bill

- Disappointing earnings and soft guidance by Microsoft fed into a tech sell-off on Thursday, dragging down the S&P 100 (-0.1% d/d) and Nasdaq (-0.7% d/d) with it. Other notable losers were software providers like ServiceNow and Salesforce. Meta Platform bucked the trend with a post-earnings rally, while Apple reported results after the bell, trouncing street estimate on iPhone sales.
- In Washington, the Senate has just approved a massive funding bill, averting a government shutdown, while President Trump also said that he will announce his Fed Chair nominee next week.
- In Europe, Stoxx 600 (-0.2% d/d) erased early gains with Microsoft shares spurring AI worries and after SAP's cloud revenue fell short of expectations. Major Asian bourses closed mostly in green after the FOMC held its policy rate. Nikkei 225 closed just above its flatline, while Hang Seng and CSI 300 gained 0.5% d/d and 0.8% d/d.
- Treasuries rose with traders slightly seeking refuge from the slide in US equities, sending yields down 0-1bps across the curve. Both the 2Y and 10Y yields fell 1bps to 3.56% and 4.23% respectively. 10Y European bond yields inched down 1-4bps save for the Norwegian bonds.
- In the FX space, DXY (-0.2% d/d to 96.28) traded softer alongside the lower UST yields, with NOK (0.6% d/d), CHF (0.5% d/d) and CAD (0.5% d/d) outperforming their regional peers. GBP (closed above flatline at 1.3809) and AUD (0.1% d/d to 0.7049) lagged, the latter tracking prices for precious metals.
- THB (-0.4% d/d), PHP (-0.3% d/d) and IDR (-0.3% d/d) led losses amongst Asian FX, while MYR and SGD weakened at a narrower pace of 0.1-0.2% d/d to 3.9293 and 1.2646, the SGD paring early gains after MAS policy decision.
- In the commodity space, gold retreated amid profit-taking after breaking through $5.5k/oz. Still, the previous metal closed 0.3% d/d up just above the $5.3k/oz level. Crude oil

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	49,071.56	0.11
S&P 500	6,969.01	-0.13
NASDAQ	23,685.12	-0.72
Stoxx Eur 600	607.14	-0.23
FTSE 100	10,171.76	0.17
Nikkei 225	53,375.60	0.03
CSI 300	4,753.87	0.76
Hang Seng	27,968.09	0.51
Straits Times	4,930.03	0.42
KLCI 30	1,730.89	-1.46
FX		
Dollar Index	96.28	-0.17
EUR/USD	1.1971	0.14
GBP/USD	1.3809	0.01
USD/JPY	153.11	-0.20
AUD/USD	0.7049	0.11
USD/CNH	6.9447	0.01
USD/MYR	3.9293	0.24
USD/SGD	1.2646	0.13
USD/KHR	4,022.50	0.02
USD/THB	31.16	0.35
Commodities		
WTI ($/bbl)	65.42	3.50
Brent ($/bbl)	70.71	3.38
Gold ($/oz)	5,318.40	0.28
Copper ($/MT)	13,618.00	4.06
Aluminum($/MT)	3,218.50	-1.18
CPO (RM/tonne)	4,180.00	0.86

Source: Bloomberg, HLBB Global Markets Research
** Closing as of 28 Jan for CPO*

prices extended gains by more than 3.0% d/d with President Trump threatening Iran, sending WTI up to $65.42/barrel and the Brent at $70.71/barrel, highest since last September.

US trade deficit widened sharply due to strong import growth; factory orders rebounded on aircraft; jobless claims fell in line with stability in the labour market

- Trade deficit was higher than expected, nearly doubling from $29.2bn in October to $56.8bn in November. Trade data has been volatile since Trump's tariff announcement, but November's data saw strong domestic demand, partially seasonal, driving imports up 5.0% m/m, outpacing export growth at 3.6% m/m (prior: -3.0% m/m and 3.0% m/m). Notably, imports were driven by the still tariff-exempt pharmaceuticals, as well as capital goods like semiconductor and computers. China remains one of US' largest trade partner despite sharp narrowing in trade deficit to $189.4m YTD (YTD 2024: -$270.3m) due to the 28.4% plunge in imports.
- Factory orders rebounded more than expected by 2.7% m/m in November (Oct: -1.2% m/m) as demand for commercial aircraft surged. Demand for electronics and electrical goods were flat m/m (prior: 0.2% m/m), but were still higher on a yearly basis in line with the AI boom.
- New jobless claims fell 1k to 209k for the week ended January 4 (prior: 11k increase), still consistent with a relatively low level of layoffs and solid momentum for the economy. Continuing claims also slid 38k to 1827k the week prior (Jan 10: -10k), in line with Fed's stance that the labour market is broadly stabilizing. It should be noted that claims can be volatile during the holiday season and could even be choppier ahead amid the winter storm.

Broad-based increase in confidence for the Eurozone

- January's Economic Sentiment Indicator (ESI) increased markedly and more than expected by 2.2ppts to 99.4 for the Euro area, a positive sign for the economy for at least 1Q. The upturn close to its 100 long term average was underpinned by improved confidence in all sectors save construction. The increase was also broad-based across countries, especially amongst its largest economies.

Japan's mixed indicators reaffirm our gradual rate hike view

- Consumer confidence unexpectedly improved to 37.9 in January from 37.2 previously. This marks its highest reading since April 2024, with broad-based gains observed. Notably, willingness to buy durable goods sub-index suggests that consumers will hold the fort in the coming year and that the BOJ will continue with its tightening cycle going forward.

- Data this morning was nonetheless, mixed, suggests any tightening ahead will remain gradual. On a positive note, labour market remained steady (unemployment rate: 2.6%), but retail sales (worse than expected at -2.0% m/m vs 0.7% m/m) and IPI (better than expected at -0.4% m/m vs -2.7% m/m) contracted for the month of December.
- Tokyo's core-inflation, a leading indicator, for nationwide trend, also cooled more than expected to 2.0% y/y in January (prior: 2.3% y/y), while headline slowed to 1.5% y/y, dropping below 2.0% for the first time since October 2024. Prices were broadly softer across the board, but the core-CPI at this level remains at BOJ's 2.0% target.

House View and Forecasts

FX	This Week	1Q-26	2Q-26	3Q-26	4Q-26
DXY	94-100	96.71	95.13	94.70	95.49
EUR/USD	1.16-1.22	1.20	1.22	1.22	1.21
GBP/USD	1.33-140	1.36	1.37	1.37	1.35
USD/CHF	0.76-0.82	0.78	0.78	0.78	0.78
USD/JPY	150-161	153	149	147	147
AUD/USD	0.67-0.71	0.68	0.69	0.70	0.69
NZD/USD	0.56-0.61	0.58	0.59	0.59	0.58
USD/CNY	6.94-6.98	6.90	6.83	6.85	6.90
USD/MYR	3.90-4.00	4.00	3.97	3.97	4.00
USD/SGD	1.25-1.30	1.26	1.23	1.23	1.24
USD/THB	30.70-31.70	32.2	32,1	32.0	30.8

FX	Last close	1Q-26	2Q-26	3Q-26	4Q-26
EUR/MYR	4.6981	4.78	4.82	4.85	4.84
GBP/MYR	5.4237	5.44	5.45	5.45	5.41
AUD/MY	2.7727	2.72	2.75	2.78	2.76
CNY/MYR	0.5657	0.58	0.58	0.58	0.58
SGD/MYR	3.1086	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	3.00-3.25	2.75-3.00
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	3.60	3.60	3.60	3.60	3.60
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
30-Jan	AU Private Sector Credit MoM (Dec)	0.60%
	UK Mortgage Approvals (Dec)	64.5k
	EC GDP SA QoQ (4Q A)	0.30%
	EC Unemployment Rate (Dec)	6.30%
	US PPI Final Demand YoY (Dec)	3.00%

	US MNI Chicago PMI (Jan)	43.5
	HK GDP Annual YoY (2025 A)	2.50%
2-Feb	AU S&P Global Australia PMI Mfg (Jan F)	52.4
	JN S&P Global Japan PMI Mfg (Jan F)	51.5
	MA S&P Global Malaysia PMI Mfg (Jan)	50.1
	VN S&P Global Vietnam PMI Mfg (Jan)	53
	CH RatingDog China PMI Mfg (Jan)	50.1
	UK Nationwide House Px NSA YoY (Jan)	0.60%
	EC HCOB Eurozone Manufacturing PMI (Jan F)	49.4
	SI Electronics Sector Index (Jan)	50.9
	SI Purchasing Managers Index (Jan)	50.3
	US S&P Global US Manufacturing PMI (Jan F)	51.9
	US ISM Manufacturing (Jan)	47.9

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

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