

30 April 2026

Global Markets Research

Daily Market Highlights

30 Apr: FOMC and Bank of Canada maintained rates

**Powell's presser and hawkish note in policy statement suggest a hold for now
UST yields, DXY rose as Powell took the podium for the last time as Fed Chair
ECB and BOE likely to join the FOMC in keeping rates unchanged later today**

- US stocks closed mixed, bond yields rose and energy prices continued to rally as Jerome Powell's took the podium as Fed Chair for the last time and warned that inflation has not peaked.
- In his presser, Fed Chair Powell also said that Fed's independence is at risk, and that he will be staying on the Fed board until the investigation into the renovation of the central bank headquarters is truly over with "transparency and finality." Most importantly, he opined that the policy stance is in a "good place" for wait and see, in line with our view that the Fed is firmly on hold for now.
- At the same time, Kevin Warsh won the backing of the Senate Banking Committee in a 13-11 vote, putting him on track to be confirmed by the full Senate as the next Fed Chair by May 15.
- In the bond space, treasuries slumped with traders boosting bets that the Fed may raise rates in 2027 to address this persistent inflationary pressure, and as oil prices continued to charge higher with no end in sight to the US-Iran war, choking off energy flows through the Strait of Hormuz.
- The WTI and Brent surged more than 6% d/d each to \$106.88/barrel and \$118.03/barrel, while UST yields jumped 7-11bps across the board led by the shorter tenures. The 2Y yield closed the day at 3.95% (+11bps) and the 10Y at 4.43% (+8bps).
- In the equity space, the Dow slipped 0.6% d/d, S&P closed below its flatline while Nasdaq closed just above its flatline. The broad index narrowed its losses following Powell's press conference and ahead of corporate results from some of the tech titans after the bell.
- Outside of Wall Street, Stoxx Eur 600 closed down 0.6% d/d, while major Asian bourses closed mixed. Hang Seng and CSI 300 gained 1.7% d/d and 1.1% d/d respectively as at yesterday's close but Nikkei fell 1.0% on the day.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	48,861.81	-0.57
S&P 500	7,135.95	-0.04
NASDAQ	24,673.24	0.04
Stoxx Eur 600	602.96	-0.60
FTSE 100	10,213.11	-1.16
Nikkei 225	59,917.46	-1.02
CSI 300	4,810.35	1.10
Hang Seng	26,111.84	1.68
Straits Times	4,860.97	-0.55
KLCI 30	1,720.42	-0.53
FX		
Dollar Index	98.96	0.33
EUR/USD	1.1677	-0.30
GBP/USD	1.3475	-0.31
USD/JPY	160.41	0.49
AUD/USD	0.7116	-0.91
USD/CNH	6.8474	0.11
USD/MYR	3.9518	-0.04
USD/SGD	1.2813	0.32
USD/KHR	4,008.45	0.05
USD/THB	32.69	0.57
Commodities		
WTI (\$/bbl)	106.88	6.95
Brent (\$/bbl)	118.03	6.08
Gold (\$/oz)	4,561.50	-0.65
Copper (\$/MT)	13,004.50	-0.25
Aluminum(\$/MT)	3,488.50	-1.41
CPO (RM/tonne)	4,484.50	-0.50

Source: Bloomberg, HLBB Global Markets Research

* Closing as of 28 Apr for CPO, Nikkei 225

- In the forex space, the DXY advanced further (0.3% d/d to 98.96), with the AUD (-0.9% d/d to 0.7116) and NZD (-1.0% d/d) the worst performers against the greenback. CAD closed little changed after the Bank of Canada held rates as expected, while GBP and EUR weakened 0.3% d/d each to 1.3475 and 1.1677 ahead of the ECB's and BOE's decisions later today, where holds are expected as well.
- JPY weakened 0.5% d/d to 160.41, but we opine that intervention and mixed Japan data this morning will likely keep further losses in check. Of note, Japan retail sales data came in stronger than expected at 1.3% m/m in March (prior: -2.0% m/m) but IPI disappointed with a 0.5% m/m contraction, narrowing from -2.0% m/m previously.
- On the regional front, KRW (-1.1% d/d) and THB (-0.6% d/d) led losses against the greenback, and CNH and SGD traded 0.1-0.3% d/d weaker at 6.8474 and 1.2813. MYR was the outlier and closed just above its flatline at 3.9518.

FOMC maintained rates as expected in a split vote; no change in house view for a 25bps cut for now

- The FOMC kept its fed funds rate unchanged at 3.50-3.75% as expected. **The decision was not unanimous and very split**, with Stephen Miran voting to lower the policy rate by 25bps, while Beth Hammack, Neel Kashkari, and Lorie Logan, who supported maintaining the target rate but did not support inclusion of an easing bias in the statement.
- Key highlights from the statement include: 1) FOMC members continue to opine that **the economy has been expanding at a solid pace, job gains have remained low on average** (on average has been newly added to the statement), and that the unemployment rate has been little changed in recent months. 2) **Inflation assessment has been upgraded to elevated** from "somewhat elevated" previously. 3) FOMC members opined that **"developments in the Middle East are contributing to a high level of uncertainty** about the economic outlook," rather than citing economic uncertainty from the Middle East conflict previously.
- On the data front, housing activities were mixed. Mortgage applications fell for the first time since early April by 1.6% w/w for the week ended April 24 (prior: 7.9% w/w) as mortgage rates ticked up slightly to 6.37%. Housing starts surged 10.8% m/m (prior: -3.0% m/m) in March but a decline in building permits (-10.8% m/m vs 11.0% m/m) suggests that this may not be sustainable in the medium term.
- Solid spending on AI saw orders for core capital goods jumping 3.3% m/m in March (prior: 1.6% m/m) while bookings for durable goods also beat expectations at 0.8%

(prior: -1.2% m/m). The uptick for capex marks its strongest growth since 2022, and signals sustained firm investment activities into 2Q.

- Albeit lower than expected, goods trade deficit widened for second month to \$87.9bn in March (prior: -\$83.5bn) as import growth (3.3% m/m vs 5.1% m/m) rose sharply and outpaced exports (2.5% m/m vs 5.9% m/m), suggesting that trade was likely a drag on economic growth in 1Q. Driving the surge for imports were motor vehicles, while there were also solid increases for imports of food, industrial supplies, consumer and capital goods.

Slump in Eurozone's economic confidence

- After a brief recovery earlier in the year, the Economic Confidence index plummeted to 93.0 in April from 96.2 previously. Sentiment was worse than expected, sharply below its long-term average of 100.0 and saw confidence weakening across all sectors, in particularly services and retail trade. Selling price expectations also surged, giving the ECB hawks to argue for a rate hike.

Spike in Australia's CPI due to fuel; underlying inflation steady and elevated

- Although below expectations, inflation accelerated to 4.6% y/y in March from 3.7% y/y previously. This marks its highest since September 2023, largely reflecting the impact of the Middle East conflict on fuel prices, and to a lesser extent, still elevated housing cost.
- Trimmed mean, a measure of underlying inflation held steady but above RBA's target at 3.3% y/y as expected, and as such, there is no change in our view that the RBA will deliver another rate hike in 2Q of this year.

House View and Forecasts

FX	This Week	2Q-26	3Q-26	4Q-26	1Q-27
DXY	97-100	100.63	99.80	97.96	96.48
EUR/USD	1.15-1.19	1.14	1.15	1.17	1.19
GBP/USD	1.33-1.36	1.31	1.32	1.34	1.35
USD/CHF	0.76-0.81	0.79	0.78	0.76	0.75
USD/JPY	157-161	159	155	152	152
AUD/USD	0.70-0.73	0.68	0.69	0.70	0.71
NZD/USD	0.56-0.61	0.57	0.58	0.58	0.59
USD/CNY	6.80-6.85	6.93	6.88	6.84	6.77
USD/MYR	3.93-4.00	3.98	3.96	3.93	3.90
USD/SGD	1.26-1.29	1.29	1.28	1.27	1.25
USD/THB	31.70-32.60	31.60	31.80	31.80	31.40
FX	Last close	2Q-26	3Q-26	4Q-26	1Q-27
EUR/MYR	4.6224	4.55	4.55	4.60	4.66

GBP/MYR	5.3361	5.23	5.23	5.26	5.28
AUD/MYR	2.8256	2.72	2.72	2.75	2.77
CNY/MYR	0.5782	0.58	0.58	0.58	0.58
SGD/MYR	3.0928	3.09	3.10	3.11	3.12

Rates, %	Current	2Q26	3Q26	4Q26	1Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.25-3.50	3.25-3.50
ECB	2.00	2.00	2.00	2.00	2.00
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.75	1.00	1.00	1.00	1.00
RBA	4.10	4.35	4.35	4.35	4.35
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-Apr	CH Manufacturing PMI (Apr)	50.4
	CH Non-manufacturing PMI (Apr)	50.1
	AU Private Sector Credit MoM (Mar)	0.60%
	CH RatingDog China PMI Mfg (Apr)	50.8
	JN Consumer Confidence Index (Apr)	33.3
	EC GDP SA QoQ (1Q A)	0.20%
	EC Unemployment Rate (Mar)	6.20%
	EC CPI Core YoY (Apr P)	2.30%
	UK Bank of England Bank Rate	3.75%
	EC ECB Deposit Facility Rate	2.00%
	EC ECB Main Refinancing Rate	2.15%
	EC ECB Marginal Lending Facility	2.40%
	US Personal Income (Mar)	-0.10%
	US Personal Spending (Mar)	0.50%
	US Core PCE Price Index YoY (Mar)	3.00%
	US Initial Jobless Claims	214k
	US Employment Cost Index (1Q)	0.70%
	US GDP Annualized QoQ (1Q A)	0.50%
	US MNI Chicago PMI (Apr)	52.8
	US Leading Index (Mar)	-0.10%
1-May	JN Tokyo CPI Ex-Fresh Food YoY (Apr)	1.70%
	JN S&P Global Japan PMI Mfg (Apr F)	54.9
	AU PPI YoY (1Q)	3.50%
	UK Mortgage Approvals (Mar)	62.6k
	UK S&P Global UK Manufacturing PMI (Apr F)	53.6
	US S&P Global US Manufacturing PMI (Apr F)	54.0
	US ISM Manufacturing (Apr)	52.7

Source: Bloomberg

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