Hong Leong Bank

Global Markets Research

Weekly Market Highlights

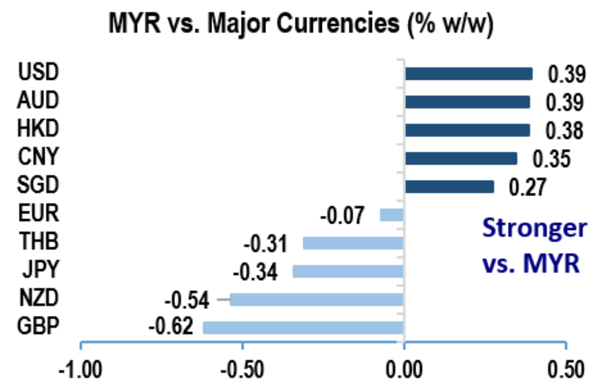
Market

	Last Price	WOW%	YTD %
Dow Jones Ind.	51,711.65	-1.60	7.59
S&P 500	7,408.30	-1.67	8.22
FTSE 100	10,639.17	0.63	7.13
Hang Seng	25,210.81	0.81	-2.88
KLCI	1,714.59	-0.44	1.52
STI	5,581.76	0.77	19.60
Dollar Index	101.44	0.68	3.13
WTI oil ($/bbl)	92.19	16.77	64.09
Brent oil ($/bbl)	100.69	19.54	65.14
Gold (S/oz)	4,050.20	1.46	-7.17
CPO (RM/ MT)	4,596.00	1.30	15.81
Copper ($$/MT)	13,594.50	-0.03	9.43
Aluminum($/MT)	3,188.00	0.09	6.43

Source: Bloomberg

- **Wall Street traded lower amid AI-spending worries:** US equities fell as AI-spending worries collided with an oil-driven inflation scare. Yesterday was the worst day — the S&P 500's biggest single-day drop in a month (-1.2%) — as an earnings shock met Brent crude's first close above $100 since early May, pushing 10-year yields to a year-high 4.70%. Tesla and Alphabet both fell double digits on the week, though earnings broadly held up: 86% of the ~24% of S&P 500 reporters beat estimates, led by financials (clean sweeps on beats, outperforming the market). Data was resilient — Philly Fed blew past expectations (41.4 vs. 12.5), sentiment rose to 54.4 from 49.5, and jobless claims fell to 187,000 (vs. 210,000 forecast) — but none of it eased equity pressure, as oil-driven inflation fears kept the 2-year yield up 21bps to 4.35% and the dollar firming to 101.44.
- **FOMC, BOE, BOJ and MAS policy meets in focus next week:** Geopolitiical and tariff development, as well as corporate earnings of mega caps aside, FOMC, BOE, BOJ and MAS policy meetings will take center stage and none are expected to move. The FOMC in particular, will be closely watched for any further changes in the modus operandi of the Fed under the Warsh era. On the data front, focus will be on advanced 2Q GDP, core PCE, personal income, and personal spending from the US. Eurozone and Hong Kong will also release their advanced 2Q GDP to offer more insights on how far growth has slowed at the peak of the geopolitical tension. On top of that, official China PMI manufacturing and non-manufacturing, as well as industrial profits will shed more lights on the state of the China economy, while focus will also shift to macro policies and outlook from the Politburo conference.

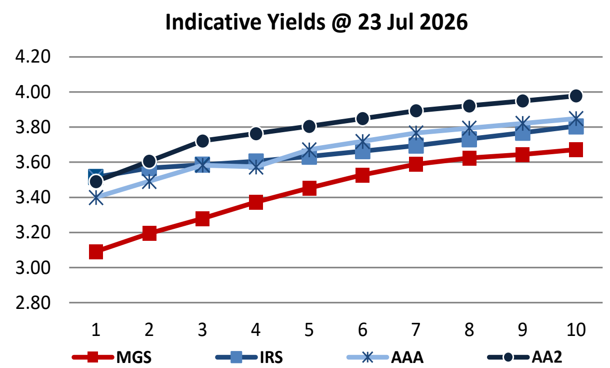
Forex



Source: Bloomberg

- **MYR:** MYR was softer against the USD in trading this week for the first week in four, losing ground by 0.4% w/w (prior: 0.1%) to 4.0890 from 4.0730 the week before, amidst advanced 2Q GDP coming out better than expected, while CPI for June unexpectedly cooled slightly and exports for the month remained firm. Against the rest of the G10, the MYR was mixed, but versus major regional currencies, the MYR was weaker across the board except against the THB (+0.3%) We remain ***Neutral-to-Slightly Bullish*** on USD/MYR for the week ahead, looking at a likely trading range of 4.0650 – 4.1250. The coming week sees little in terms of economic data releases domestically, with the focus likely to remain on the escalating situation in the Middle East.
- **USD:** The DXY advanced in trading this week, rising by 0.7% w/w (prior: -0.2%) to 101.44 from 100.71 the prior week, amidst the tensions in the Middle East escalating with Iran and the US trading daily blows and the Houthi's announcing a blockade of Saudi Arabia's ports. We are ***Neutral-to-Slightly Bullish*** on the USD for the coming week, foreseeing a possible trading range of 100.25 – 103.00 for the DXY. The week ahead looks set to be an eventful one, with the FOMC meeting to decide on policy where they are expected to leave rates on hold, and there is also quite a bit of economic data to pay attention to, with advanced 2Q GDP, the core PCE index for June, and the preliminary S&P Global US PMIs and the consumer confidence index from the Conference Board for July all set for release.

Fixed Income



Source: Bloomberg/ BPAM

- **UST:** US Treasuries declined in trading for the week in review, after a continued escalation in the situation in the Middle East drove oil prices higher, with Brent Crude breaching USD100 a barrel again for the first time since the second half of May. Fed Fund futures saw pricing of rate hikes by the Fed this year surge during the week, with 45bps of hikes priced in for 2026 (prior week: 27bps). **Overall benchmark yields for the week were higher by between 8 to 21bps w/w** (prior: -4 to +2bps). The benchmark 2Y UST yield surged by 21bps for the week to 4.35% while the benchmark 10Y UST saw its yield advance by 14bps for the week to 4.69%, resulting in the UST curve bear-flattening for the week. **We expect USTs to consolidate and trade with a more bullish bias for the week ahead**. The coming week brings the advanced 2Q GDP figures, the core PCE index for June and the preliminary S&P Global US PMIs for July, with the Fed set to decide on policy during the FOMC meeting, where we expect them to leave rates unchanged.
- **MGS/GII:** Local government bonds were softer for the week in review, amidst better-than-expected advanced 2Q growth figures and a bearish backdrop for global government bonds. Other economic data for the week saw CPI for June unexpectedly cool, while exports for the month continued to do well and imports surged, narrowing the trade balance. The re-opening auction of RM3.5bn of the benchmark 15Y MGS 1/41 saw decent demand, recording a moderate BTC of 2.056x. **Overall benchmark MGS/GII yields closed the week higher by between 1 to 6bps w/w** (prior: -1 to +3bps). The benchmark 5Y MGS 6/31 yield was 6bps higher for the week at 3.46%, while the benchmark 10Y MGS 7/35 yield also advanced by 6bps to 3.69%. **For the coming week, we expect local govvies to trade with a more constructive tone.** The week ahead sees little in the way of economic data, with the calendar empty for the week and government bond auction having already concluded for the month.

Macroeconomic Updates

- **Collision between AI spending credibility and a geopolitical oil shock:** The two forces reinforced each other to push all three major indices lower. The final session was the week's worst: the S&P 500 posted its largest single-day drop in a month (-1.2%), dragged lower by a simultaneous earnings shock and a surge in Brent crude through $100 — its first close above that level since early May — which drove the 10-year Treasury yield to 4.70%, its highest of the year, rekindling inflation concerns. The earnings season provided the week's sharpest single-stock moves. Both Tesla and Alphabet declined double-digit on the week. The broader earnings backdrop was, however, constructive. With approximately 24% of S&P 500 companies having reported, 86% beat EPS estimates. Financials were a standout: banking sector EPS beats ran 13-for-13, with financial services 15-for-15, and the sector outperformed the broader market on the week. Energy was the clear sector winner, gaining 4.7% on the week as Brent crude surged 19.5%, driven by escalating US-Iran tensions following Houthi attacks on Saudi oil tankers in the Red Sea and President Trump's threat to escalate the conflict.

- **No surprises from the ECB and PBoC:** The ECB left its three main rates unchanged at Wednesday's meeting — deposit facility at 2.25%, main refinancing rate at 2.40%, marginal lending facility at 2.65% — matching what all 63 economists surveyed had expected. The vote was unanimous, though Lagarde revealed that a few Governing Council members had pushed for an immediate move before the group agreed to hold off and wait for more data. Lagarde signaled a September hike is on the table, pointing out that the energy shock's full impact on inflation hasn't fully come through yet, while declining to commit to any specific path forward. Even with rates on hold, markets shifted firmly toward pricing in tightening — swaps priced in around 22bps of hikes for September, with a full 25bp increase essentially fully priced by year-end. China left its 1-year and 5-year Loan Prime Rate unchanged at 3.00% and 3.50% respectively as expected. While our house view called for no change in the LPR for the remaining of the year, we foresee risks of a cut taking cue from the weaker than expected 2Q growth.

- **Upbeat Philly Fed activity indices hint at a stronger ISM print:** Philly Fed non-manufacturing index bounced back to a positive 7.4 for the first time since Oct-24 (Jun: -25.8). The 6-month ahead regional business activity index also registered a massive turnaround from -10.5 to 15.7, and so was the firm business activity, which rebounded from -0.3 to 41.9 in July. The broadly positive index signalled a more upbeat services sector and is expected to translate into a stronger ISM services print for July. On the contrary, the leading index fell more than expected by 0.2% m/m in June (May: 0.1% m/m), pointing to a softer growth outlook in the next 3-6 months.

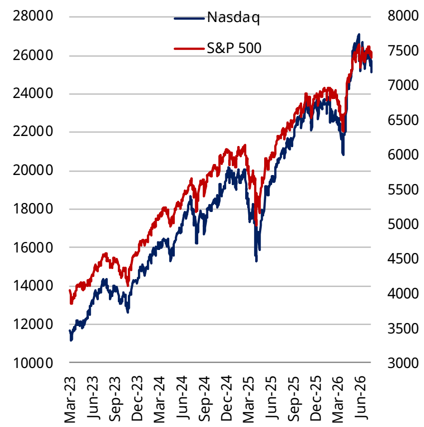
- **Softer job and inflation prints from the UK will keep BOE in a wait and see mode:** Outside of the US, average weekly earnings and payrolled employees from the UK came in on the weaker side although ILO unemployment rate was stable at 4.9% in the three months to May. Inflation readings also painted a softer inflation outlook. CPI tapered off more than expected to 2.6% y/y in June (May: 2.8% y/y), PPI output softened as expected to 3.5% y/y, while PPI input also surprised on the downside at 7.3% y/y for the month in review. This shall help curtail upside in consumer prices going forward, providing the BOE more policy flexibility in adopting a wait and see mode to better access policy needs. We are maintaining our view for a rate pause from the BOE this year.

- **Positive advanced 2Q GDP and exports from Malaysia; softer than expected CPI:** Advanced 2Q GDP growth surprised on the upside at 5.8% y/y (1Q: 5.4% y/y and consensus: 5.2% y/y), believed to be driven by net exports taking cue from the immense 5.5x jump in trade surplus in 2Q compared to 2Q last year. On the supply side, details were mixed and not as strong as the headline suggested. Manufacturing and the rebound in mining led growth, services and construction moderated, while agriculture declined. The net export boost came in very timely indeed, at a time when domestic demand is facing headwinds from higher cost pressures stemming from the Middle East standoff, and as business investment took on a more cautious stance in the wake of lingering geopolitical uncertainties. Looking ahead, we are cautiously optimistic that growth prospects of the Malaysian economy will remain sanguine, with full year growth averaging at the higher end of the official forecast range of 4.0-5.0%, probably at 4.8%, above our current forecast of 4.6%.

  In a separate release, CPI unexpectedly pulled back to 1.9% y/y in June (May: 2.0% y/y), below both ours as well as market expectations for a steady print. The three key components i.e. food, utilities, and transport that accounted for almost two third of overall CPI basket weightage, saw mild increases of 1.4%, 1.4% and 2.8% y/y respectively in June (May: 1.4%, 1.2% and 3.7% y/y). Core CPI that eased from 2.0% to 1.9% y/y, and steady gain in services CPI (2.4% y/y) also added to signs of a very benign inflation environment, with limited cost pass-through in the system. Given the rather positive growth backdrop and well-contained inflation, we expect BNM to keep OPR steady at 2.75% this year.

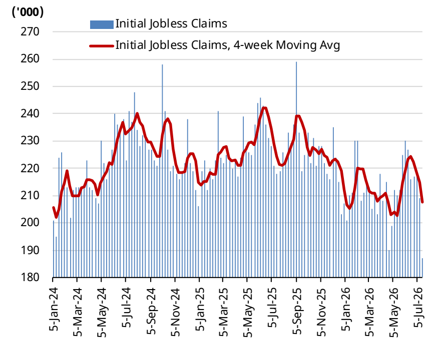
- **FOMC, BOE, BOJ and MAS policy meets in focus next week:** Geopolitiical and tariff development aside, corporate earnings of mega caps will be scrutinized on how capex on AI is translating into topline and bottomline. The economic calendar will also be very busy, with the FOMC, BOE, BOJ and MAS policy meetings taking center stage and none are expected to move. The FOMC in particular, will be closely watched for any further changes in the modus operandi of the Fed under the Warsh era. On the data front, focus will be on advanced 2Q GDP, core PCE, personal income, and personal spending from the US. Eurozone and Hong Kong will also release their advanced 2Q GDP to offer more insights on how far growth has slowed at the peak of the geopolitical tension. On top of that, official China PMI manufacturing and non-manufacturing, as well as industrial profits will shed more lights on the state of the China economy, while focus will also shift to macro policies and outlook from the Politburo conference. Other key data include Australia trimmed mean CPI, Singapore industrial production, Hong Kong advanced 2Q GDP and exports.

Decline in equities amid AI spending credibility and Brent crude breaking above $100 for the first time since May; energy and financial sectors outperformed for the week



Source: Bloomberg

US weekly initial jobless claims declined to the lowest level since 1969; indication that the US labour market remains robust



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Foreign Exchange

- **MYR:** MYR was softer against the USD in trading this week for the first week in four, losing ground by 0.4% w/w (prior: 0.1%) to 4.0890 from 4.0730 the week before, amidst advanced 2Q GDP coming out better than expected, while CPI for June unexpectedly cooled slightly and exports for the month remained firm. Against the rest of the G10, the MYR was mixed, but versus major regional currencies, the MYR was weaker across the board except against the THB (+0.3%) We remain ***Neutral-to-Slightly Bullish*** on USD/MYR for the week ahead, looking at a likely trading range of 4.0650 – 4.1250. The coming week sees little in terms of economic data releases domestically, with the focus likely to remain on the escalating situation in the Middle East.

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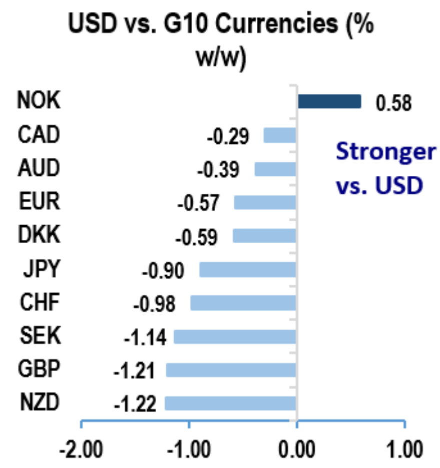
- **EUR**: EUR lost a little ground in trading this week, depreciating by 0.6% (prior: 0.1%) against the USD to 1.1377 from 1.1442 the week before, amidst the ECB leaving policy unchanged as expected in a unanimous decision and opening the door for a potential rate hike in September with President Lagarde revealing that there were members that asked whether or not a rate hike should be considered during the meet. We are ***Neutral-to-Slightly Bearish*** on the EUR/USD for the week ahead, eyeing a probable trading range of 1.1225 – 1.1500. The coming week sees the release of the advanced Eurozone 2Q GDP growth numbers, the unemployment rate and ECB inflation expectations for June, as well as the economic confidence index and preliminary Eurozone PMIs for July.

- **GBP**: The GBP declined against the greenback in trading this week for the first week in four, falling by 1.2% w/w (prior: 0.5% w/w) to 1.3315 from 1.3478 the prior week, amidst Andy Burnham becoming the new Prime Minister and ushering in a new cabinet while announcing several immediate measures to alleviate the cost of living. The CPI release for June was mixed, with the headline CPI coming in slightly softer than anticipated, while the core CPI and services CPI were a touch hotter than expected. We are ***Neutral-to-Slightly Bearish*** on the Cable for the coming week, looking at a likely trading range of 1.3150 – 1.3450 for the pair. The week ahead sees the release of the retail sales report and mortgage approval figures for June, with the Bank of England also due to decide on monetary policy.

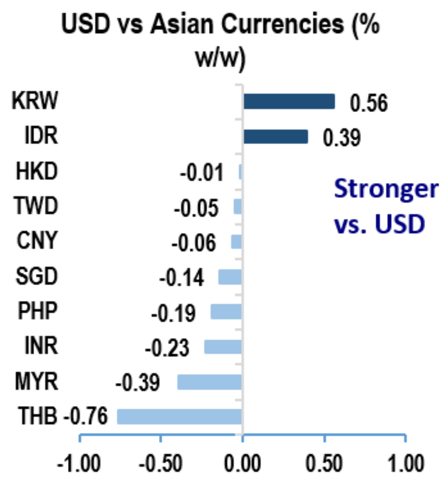
- **JPY**: The Japanese Yen depreciated against the USD in trading this week, losing ground by 0.9% (prior: 0.0%) to 163.86 from 162.39 the week before, amidst a renewed surge in oil and natural gas prices stemming from the escalation of hostilities in the Gulf and comments on the currency from Finance Minister Katayama reiterating that the Japanese government would take decisive action as needed. We are ***Slightly Bearish*** on USD/JPY for the week ahead, foreseeing a possible trading range of 160.50 – 165.00. After the national CPI figures for June came out mostly in line with expectations this morning, the coming week brings the release of the preliminary Japan PMIs for July and the department store sales figures for June as we build up towards the Bank of Japan's monetary policy decision next Friday.

- **AUD**: AUD fell against the USD in trading for the first week in four, declining by 0.4% (prior: 0.8%) to 0.6969 from 0.6996 the prior week, amidst a better-than-expected monthly employment report for June, which saw more jobs added to the economy than anticipated even as the unemployment rate held steady. We are ***Neutral-to-Slightly Bearish*** on AUD/USD for the coming week, eyeing a probable trading range of 0.6850 – 0.7075. The week ahead sees the focus lie on the quarterly CPI figures for 2Q, with building approvals and monthly CPI for June, as well as the preliminary Australian PMIs for July all also scheduled for release. There are also scheduled comments from the RBA's Hunter and Governor Bullock during the week to take heed off.

- **SGD**: SGD depreciated slightly against the USD in trading this week, inching lower by 0.1% (prior: 0.2%) to 1.2921 from 1.2903 the week before, amidst softer than anticipated export growth for June and CPI figures for the month that were cooler than expected. Against other G10 currencies, the SGD was firmer across for the week except for against the NOK (-0.8%), while versus major regional currencies it was a mixed bag, appreciating against the THB (+0.6%) and MYR (+0.3%) but losing ground versus the KRW (-0.7%) and IDR (-0.5%). We are ***Neutral*** on USD/SGD for the week ahead, looking at a likely trading range of 1.2800 – 1.3050. The coming week brings the quarterly MAS monetary policy statement as well as the industrial production figures and unemployment rate for June.



Source: Bloomberg



Source: Bloomberg

Forecasts

	Q3-26	Q4-26	Q1-27	Q2-27
DXY	102.28	100.86	99.42	98.07
EUR/USD	1.13	1.14	1.16	1.18
GBP/USD	1.29	1.30	1.32	1.33
USD/JPY	162	159	155	153
AUD/USD	0.68	0.70	0.71	0.72
USD/MYR	4.15	4.11	4.07	4.03
USD/SGD	1.31	1.30	1.28	1.27
USD/CNY	6.85	6.78	6.72	6.65
	Q3-26	**Q4-26**	**Q1-27**	**Q2-27**
EUR/MYR	4.68	4.71	4.73	4.75
GBP/MYR	5.37	5.36	5.36	5.36
AUD/MYR	2.83	2.86	2.87	2.89
SGD/MYR	3.18	3.17	3.17	3.17
CNY/MYR	0.61	0.61	0.61	0.61

Source: HLBB Global Markets Research

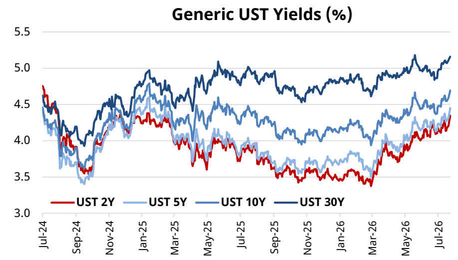
Fixed Income

- **UST:** US Treasuries declined in trading for the week in review, after a continued escalation in the situation in the Middle East drove oil prices higher, with Brent Crude breaching USD100 a barrel again for the first time since the second half of May. The Houthis entered the fray and announced a blockade of Saudi Arabia's ports in the critical Bab al-Mandab Strait in the Red Sea, adding to the pressure on trading routes with maritime traffic in the Straits of Hormuz coming to yet another standstill with the rising hostilities. Fed Fund futures saw pricing of rate hikes by the Fed this year surge during the week, with 45bps of hikes priced in for 2026 (prior week: 27bps). **Overall benchmark yields for the week were higher by between 8 to 21bps w/w** (prior: -4 to +2bps) as of the close of business on Thursday. The benchmark 2Y UST yield surged by 21bps for the week to 4.35% while the benchmark 10Y UST saw its yield advance by 14bps for the week to 4.69%, resulting in the UST curve bear-flattening for the week. **We expect USTs to consolidate and trade with a more bullish bias for the week ahead**. The coming week brings the advanced 2Q GDP figures, the core PCE index for June and the preliminary S&P Global US PMIs for July, with the Fed set to decide on policy during the FOMC meeting, where we expect them to leave rates unchanged with the futures markets pricing about a one in three chance of a 25bps hike.

- **MGS/GII:** Local government bonds were softer for the week in review, amidst better-than-expected advanced 2Q growth figures and a bearish backdrop for global government bonds. Other economic data for the week saw CPI for June unexpectedly cool, while exports for the month continued to do well and imports surged, narrowing the trade balance. The re-opening auction of RM3.5bn of the benchmark 15Y MGS 1/41 saw decent demand, recording a moderate BTC of 2.056x. **Overall benchmark MGS/GII yields closed the week higher by between 1 to 6bps w/w** (prior: -1 to +3bps), except for the 30Y GII which was correcting from previous off-market trades. The benchmark 5Y MGS 6/31 yield was 6bps higher for the week at 3.46%, while the benchmark 10Y MGS 7/35 yield also advanced by 6bps to 3.69%. Secondary market activity was little changed for the week, with the average daily secondary market volume for MGS/GII standing at RM4.63bn for the week in review versus the daily average of RM4.65bn seen the week before, with MGS trading advancing by 22% and GII trading declining by 15%. Trading for the week was led by benchmark 3Y GII 10/29, which saw RM3.03bn switching hands, while decent interest was also seen in the off-the-run GII 9/26 and the off-the-run MGS 5/27, with RM2.89bn and RM1.47bn traded respectively. GII trades totalled 51% of government bond trading for the week, easing from the 60% seen the prior week. **For the coming week, we expect local govvies to trade with a more constructive tone.** The week ahead sees little in the way of economic data, with the calendar empty for the week and government bond auction having already concluded for the month.

- **MYR Corporate bonds/ Sukuk**: Trading in the secondary corporate bond/sukuk market was better offered for the week in review. Secondary market activity eased, with the average daily volume traded declining by 31% to RM0.64bn (prior week: RM0.93bn). Trading for the week was led by the AAA-rated segment of the market. In the GG universe, the activity was led by DANA 4/37, with RM170m traded for the week and the bond last swapping hands at 3.84%. Good interest was also seen in PTPTN 1/42, with RM150m changing hands and last being traded at 4.03%. In the AAA-rated space, TENAGA 8/37 led the activity for the week, with RM300m traded and last switching hands at 3.95%. Strong interest was also seen in PUBLICBK 7/31, with RM200m traded and the paper last swapping hands at 3.78%. Over in the AA-rated arena, trading was led by GENM 5/30, with RM100m changing hands for the week and last being traded at 4.30%. Decent interest was also seen in MRCB 4/31, with RM80m traded and last switching hands at 4.00%. In the A-rated segment of the market, trading was led by YINSON 12/26 and AFFINBK 4.35% Perps, where RM40m of each bond swapped hands for the week with the bonds last traded at 3.85% and 4.32% respectively. Issuance activity eased slightly for the week and was led by government-guaranteed PTPTN who came to the market with RM1.825bn total of three IMTNs (RM230m 10yr at 3.81%, RM730m 15yr at 4.03% and RM865m 20yr at 4.15%). Also seen issuing during the week was AAA-rated YTL Power, who printed RM1bn worth of two IMTNs (RM500m 7yr at 4.165% and RM500m 10yr at 4.245%) and AAA-rated Public Bank issued RM500m of a 5yr Senior MTN at 3.78%.

- **Singapore Government Securities:** SGS plunged for the week in review, marking the fifth consecutive weekly decline, amidst a bearish environment for government bonds globally. Economic data for the week saw the CPI for June rise by less than expected at both the headline and core level. Benchmark yields closed the week higher by between 12 to 20bps (prior week: 4 to 10bps higher) as at the end of business on Thursday. **The benchmark SGS 2Y yield rose by 12bps for the week to 1.75%, while the benchmark SGS 10Y yield advanced by 20bps to 2.40%,** resulting in an 8bps steepening in the slope of the 2s10s SGS curve to +65bps. The decline in bond prices for the week resulted in Bloomberg's Total Return Index unhedged SGD declining by 1.3% for the week (prior week: -0.7%). The week ahead sees the MAS release their quarterly monetary policy statement, with the outcome less certain than the previous meeting in April where they tightened policy by raising the slope of the S$NEER curve, and industrial production figures for June are also due for release.



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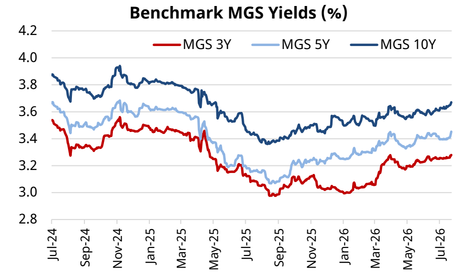

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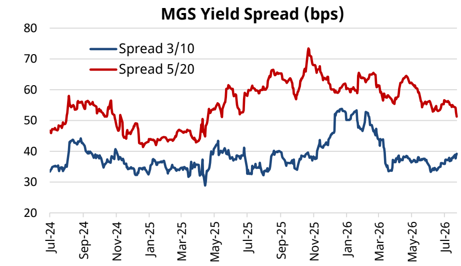

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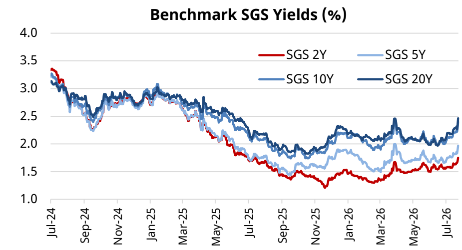


Source: Bloomberg

Rating Actions

Issuer	PDS Description	Rating/Outlook	Action
Projek Lintasan Sungai Besi-Ulu Klang Sdn Bhd	Sukuk Wakalah Programme of up to RM2bn Bank-guaranteed Facilities of up to RM500m	A+(s)/Stable AAA(bg)/Stable	Affirmed Affirmed
VS Capital Management Sdn Bhd	Islamic Medium-Term Notes programme of up to RM1bn	AA(cg)/Stable	Affirmed
AFFIN Bank Berhad and its banking subsidiaries, AFFIN Islamic Bank Berhad and Affin Hwang Investment Bank Berhad	Financial institution ratings	AA3/Stable/P1	Affirmed
Tanjung Bin Power Sdn Bhd	RM4.5bn Sukuk Ijarah Programme	AA2/Stable	Affirmed
Northern Gateway Infrastructure Sdn Bhd	RM340m MTN Programme (2017/2034)	A1/Stable	Affirmed

Source: MARC/RAM

Equities

- **US:** US equities retreated across the board as a pair of high-profile earnings misses overshadowed an otherwise solid reporting season. The S&P 500 fell 1.7% on the week, the Nasdaq Composite declined 2.9%, and the Nasdaq 100 shed 2.0%, oscillating around the 29,000 level before closing below it.

  Tesla was the week's most consequential single-stock event, falling 18.3% after reporting adjusted EPS of $0.33 against a $0.55 consensus — despite record deliveries of approximately 480,000 units (+25% YoY). Alphabet declined 10.4% on the week, with the bulk of the damage concentrated on the final session: a closing drop of 7.1% — its largest single-day decline since 22 June 2026 — after Q2 results revealed Google Cloud revenue of $24.77bn (+82% YoY) and full-year capex guidance of $195–205bn (raised from up to $190bn), alongside the company's first-ever negative free cash flow quarter.

  Not all signals were negative as the financial sector continued to deliver. Charles Schwab reporting a record 11.9 million daily average revenue trades in Q2, up 57% YoY. Brent crude surged 19.5% on the week, closing above $100 for the first time since early May, adding an energy-driven dimension to the week's cross-asset narrative.

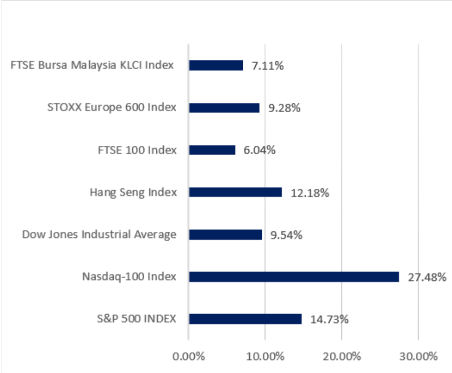
- **Asia:** The Hang Seng Index posted a modest weekly gain of 0.8%, its highest closing level since 4 June 2026 — a seven-week high — as mainland inflows provided support even as the technology segment came under pressure. Stock Connect recorded a net inflow of HK$7.52bn on 22 July before reversing to a net outflow of HK$4.23bn on 23 July. The Hang Seng Tech Index underperformed materially, falling 2.8% on the week. The sharpest single-session move came on 22 July, when HSTECH fell 3.1% as Tencent dropped 7.1% and NetEase declined 7.4%, both on regulatory and earnings-related concerns. HKEX and Bursa Malaysia signed an MOU during the week, with Bursa added as an HKEX recognised exchange — a structural development for cross-border market access in the region.

  The TAIEX endured the most volatile week of any major index in the region, falling 6.5% on the opening session of the week before recovering to close down 1.7%. TSMC mirrored the index's trajectory, falling 7.3% on the opening session before recovering to close the week down 2.6%. TSMC's earnings provided fundamental support for the recovery: the company guided Q3 revenue of $44.6–45.8bn against a $43.1bn consensus, raised full-year revenue growth guidance to slightly above 40%, and set full-year capex at $60–64bn. Reports also indicated that TSMC is reportedly in discussions with customers regarding price increases of up to 10% for 2027 node pricing.

  South Korea's equity market delivered the week's most dramatic reversal. The KOSPI fell 4.5% on 20 July — its first trading session of the week. From that trough, the index staged a recovery of 8.9%, closing the week up 4.1%. The final session alone contributed a gain of 4.4%, the second-largest single-session advance of the month. Semiconductors led the recovery. SK Hynix rose 6.4% on the week's final session and 6.4% for the week overall. Samsung Electronics gained 5.0% on the final session and 8.6% for the week. Regulators moved to contain speculative positioning, tripling the minimum deposit requirement for single-stock leveraged ETFs on both Samsung and SK Hynix.

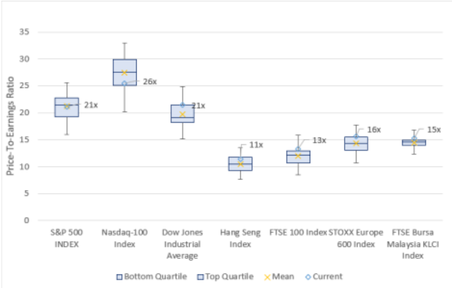
- **Malaysia:** The KLCI was the week's quietest major market, slipping 0.4% in low-volatility, range-bound trade. The HKEX–Bursa Malaysia MOU signed during the week represents a potential medium-term catalyst for foreign inflows into Malaysian-listed securities. The index's muted performance masked a busy week of corporate earnings, with results broadly constructive across the port, REIT, and consumer sectors. Westports was the standout earnings release of the week, reporting Q2 net income of MYR 360.9mn — up 56% YoY — on revenue of MYR 866.9mn (+25% YoY), driven by a 33% increase in operational revenue. IGB REIT similarly delivered a strong quarter, with Q2 net income rising 51% YoY to MYR 139.3mn on revenue of MYR 241.0mn (+51% YoY). Eco-Shop Marketing posted its highest-ever quarterly net profit of MYR 72.6mn for 4QFY2026, with revenue reaching a record MYR 772.9mn, bringing full-year core net profit to MYR 265mn (+24% YoY) — in line with consensus.

Figure 1: Earnings Per Share Growth Estimates (2027E)



Source: Bloomberg; HLBB Global Markets Strategy @ 24 July 2026

Figure 2: Valuations for Key Stock Market Indices



Source: Bloomberg; HLBB Global Markets Strategy @ 24 July 2026

Economic Calendar

Date	Time	Country	Event	Period	Prior
27-Jul	7:50	JN	PPI Services YoY	Jun	3.30%
	8:00	SI	Singapore MAS July 2026 Monetary Policy Statement		
	9:30	CH	Industrial Profits YTD YoY	Jun	18.80%
	13:00	SI	Industrial Production YoY	Jun	13.00%
	13:00	JN	Leading Index CI	May F	116.8
	13:00	JN	Coincident Index	May F	118.5
	16:30	HK	Exports YoY	Jun	40.80%
	20:30	US	Durable Goods Orders	Jun P	-4.50%
	22:30	US	Dallas Fed Manf. Activity	Jul	0.0
28-Jul	20:30	US	Advance Goods Trade Balance	Jun	-$105.8b
	20:30	US	Wholesale Inventories MoM	Jun P	0.10%
	21:00	US	FHFA House Price Index MoM	May	-0.10%
	21:00	US	S&P Cotality CS 20-City YoY NSA	May	1.14%
	22:00	US	Richmond Fed Manufact. Index	Jul	4
	22:00	US	Conf. Board Consumer Confidence	Jul	91.2
	22:30	US	Dallas Fed Services Activity	Jul	2.9
29-Jul	9:30	AU	CPI YoY	Jun	4.00%
	9:30	AU	CPI Trimmed Mean YoY	Jun	3.60%
	14:00	JN	Machine Tool Orders YoY	Jun F	52.80%
	16:30	UK	Mortgage Approvals	Jun	56.2k
	19:00	US	MBA Mortgage Applications	24-Jul	1.9%
30-Jul	2:00	US	FOMC Rate Decision (Upper Bound)		3.75%
	9:30	AU	Building Approvals MoM	Jun	-1.10%
	13:00	JN	Consumer Confidence Index	Jul	33.8
	17:00	EC	Economic Confidence	Jul	95
	17:00	EC	Industrial Confidence	Jul	-7.7
	17:00	EC	Services Confidence	Jul	3.2
	17:00	EC	Consumer Confidence	Jul F	--
	17:00	EC	GDP SA QoQ	2Q A	-0.20%
	17:00	EC	Unemployment Rate	Jun	6.20%
	19:00	UK	Bank of England Bank Rate		3.75%
	20:30	US	Personal Income	Jun	0.70%
	20:30	US	Personal Spending	Jun	0.70%
	20:30	US	Real Personal Spending	Jun	0.30%
	20:30	US	PCE Price Index YoY	Jun	4.10%
	20:30	US	Core PCE Price Index YoY	Jun	3.40%
	20:30	US	Initial Jobless Claims	25-Jul	187k
	20:30	US	GDP Annualized QoQ	2Q A	2.10%
30-31 Jul	-	SI	Unemployment rate SA	Jun	2.10%
31-Jul	7:30	JN	Tokyo CPI YoY	Jul	1.70%
	7:30	JN	Jobless Rate	Jun	2.50%
	7:50	JN	Retail Sales MoM	Jun	1.90%
	7:50	JN	Industrial Production MoM	Jun P	0.10%
	9:30	CH	Manufacturing PMI	Jul	50.3

9:30	CH	Non-manufacturing PMI	Jul	50.2
13:00	JN	Housing Starts YoY	Jun	33.90%
16:30	HK	GDP YoY	2Q A	5.90%
17:00	EC	CPI YoY	Jul P	2.80%
21:45	US	MNI Chicago PMI	Jul	56.7
22:00	US	U. of Mich. Sentiment	Jul F	54.4
-	JN	BOJ Target Rate		1.00%

Source: Bloomberg

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