

Global Markets Research

Daily Market Highlights

1 Dec: Short and sweet end to US stocks

US stocks closed November higher in a shortened trading day; USTs and DXY fell

CAD outperformed G10 peers, GBP lagged; regional currencies closed mixed vs USD

Slump in official China's PMI for November; all eyes on the US ISM manufacturing today

- Trading was short and sweet last Friday, with US stocks rallying for the fifth trading day and was broad-based despite a CME Group outage that disrupted futures trading. As it is, largely supporting the risk sentiment lately was revived AI enthusiasm and wide expectations of a December Fed rate. The tech-heavy Nasdaq rallied 0.7% d/d, while the S&P 500 and the Dow also settled 0.5% d/d and 0.6% d/d higher.
- Stoxx Eur 600 also closed the session 0.3% d/d up. Most sectors closed in green led by the mining and energy shares. Amongst individual stocks, Delivery Hero soared 15% d/d following a shareholder call for a strategic review. Asian bourses closed mixed, with Nikkei 225 rising 0.2% d/d while Hang Seng tumbled 0.3% d/d.
- In the bond space, treasuries were weaker amid the risk-on appetite. The benchmark 2Y yield closed the day 1bps higher at 3.49%, while the 10Y rose 2bps to 4.01%. 10Y European bond yields closed mixed between -1 to +3bps.
- Trading in the FX space was subdued with US markets closed for Thanksgiving on Thursday and amid the disruption at the CME. DXY inched down 0.1% d/d to 99.46 with the Dollar weakening against all its G10 peers save GBP, the latter closing just below its flatline at 1.3235. CAD (+0.4% d/d) outperformed its peers after the Canadian economy rebounded sharply in 3Q, while JPY appreciated 0.1% d/d to 156.18 after data showed that Tokyo's inflation held steady and Japan's IPI and retail sales print beat expectations, keeping BOJ's rate hike expectations alive. Regional currencies closed mixed and muted in tune to +/-0.3% d/d against the greenback. MYR closed just below its flatline at 4.1328, while SGD appreciated 0.1% d/d to 1.2967.
- Crude oil prices were lower by 0.2% d/d with traders keeping an eye on the Russia-Ukraine peace talks, as well as OPEC+ meeting over the weekend for potential output changes. Brent and the WTI closed the day at \$63.20/barrel and \$58.55/barrel respectively. That said, geopolitical tension after President Trump declared Venezuela airspace closed amid attack fears will likely keep prices well supported today.

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	47,716.42	0.61
S&P 500	6,849.09	0.54
NASDAQ	23,365.69	0.65
Stoxx Eur 600	576.43	0.25
FTSE 100	9,720.51	0.27
Nikkei 225	50,253.91	0.17
CSI 300	4,526.66	0.25
Hang Seng	25,858.89	-0.34
Straits Times	4,523.96	0.32
KLCI 30	1,604.47	-0.80
FX		
Dollar Index	99.46	-0.08
EUR/USD	1.1598	0.02
GBP/USD	1.3235	-0.04
USD/JPY	156.18	-0.08
AUD/USD	0.6550	0.24
USD/CNH	7.0708	-0.05
USD/MYR	4.1328	0.03
USD/SGD	1.2967	-0.05
USD/KHR	4,008.50	0.01
USD/THB	32.20	-0.13
Commodities		
WTI (\$/bbl)	58.55	-0.17
Brent (\$/bbl)	63.20	-0.22
Gold (\$/oz)	4,218.30	1.27
Copper (\$/MT)	11,189.00	2.28
Aluminum(\$/MT)	2,868.00	1.40
CPO (RM/tonne)	4,022.50	0.81

Source: Bloomberg, HL Bank

* Closing as of 27 Nov for CPO

Unexpectedly pickup in Australia's private sector credit

- Private sector credit unexpectedly accelerated to 0.7% m/m in October from 0.6% m/m previously with business loans (0.8% m/m vs 0.5% m/m) picking up momentum. Housing credit remained steady at 0.6% m/m, while other-personal lending eased to 0.2% m/m (prior: 0.5% m/m).

Slump in China's manufacturing and non-manufacturing activities

- China's factory improved less than expected, but remained contractionary at 49.2 in November (prior:49.0), while non-manufacturing, which includes construction and services, also dipped to 49.5 from 50.1 previously, its first contraction and its worst since 2022, the latter a sign of down-drift in domestic demand. Despite a clear loss of momentum in 4Q, we do not expect any additional stimulus for the rest of the year with the annual growth target of around 5.0% within reach for 2025.

House View and Forecasts

FX	This Week	1Q-26	2Q-26	3Q-26	4Q-26
DX	98-101	97.33	95.92	94.52	93.15
EUR/USD	1.14-1.18	1.17	1.19	1.21	1.23
GBP/USD	1.31-1.34	1.32	1.34	1.35	1.37
USD/CHF	0.78-0.82	0.80	0.79	0.78	0.77
USD/JPY	153-159	151	148	145	142
AUD/USD	0.64-0.67	0.66	0.67	0.68	0.68
NZD/USD	0.55-0.58	0.57	0.57	0.58	0.59
USD/CNY	7.08-7.13	7.03	6.94	6.86	6.77
USD/MYR	4.10-4.17	4.12	4.08	4.05	4.05
USD/SGD	1.28-1.31	1.28	1.26	1.25	1.24
USD/THB	32.31-32.55	32.30	32.20	32.10	32.00
FX	Last close	1Q-26	2Q-26	3Q-26	4Q-26
SGD/MYR	3.1835	3.21	3.23	3.24	3.27
EUR/SGD	1.5038	1.51	1.50	1.51	1.52
GBP/SGD	1.7159	1.69	1.69	1.69	1.70
AUD/SGD	0.8493	0.85	0.84	0.85	0.85
Rates, %	Current	1Q26	2Q26	3Q26	4Q26
Fed	3.75-4.00	3.25-3.50	3.00-3.25	3.00-3.25	3.00-3.25
ECB	2.00	2.00	2.00	2.00	2.00
BOE	4.00	3.50	3.50	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.50	0.75	0.75	0.75	0.75
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: HL Bank

Up Next

Date	Events	Prior
1-Dec	AU S&P Global Australia PMI Mfg (Nov F)	51.6
	JN Capital Spending YoY (3Q)	7.60%
	AU Melbourne Institute Inflation YoY (Nov)	3.10%
	JN S&P Global Japan PMI Mfg (Nov F)	48.8
	MA S&P Global Malaysia PMI Mfg (Nov)	49.5
	VN S&P Global Vietnam PMI Mfg (Nov)	54.5
	CH RatingDog China PMI Mfg (Nov)	50.6
	UK Nationwide House Px NSA YoY (Nov)	2.40%
	HK Retail Sales Value YoY (Oct)	5.90%
	EC HCOB Eurozone Manufacturing PMI (Nov F)	49.7
	UK Mortgage Approvals (Oct)	65.9k
	UK S&P Global UK Manufacturing PMI (Nov F)	50.2
	US ISM Manufacturing (Nov)	48.7
	AU Building Approvals MoM (Oct)	12.00%
2-Dec	JN Consumer Confidence Index (Nov)	35.8
	EC Unemployment Rate (Oct)	6.30%
	EC CPI Core YoY (Nov P)	2.40%
	SI Purchasing Managers Index (Nov)	50

Source: Bloomberg

Note: Due to lapse in government services, US release dates are subject to change

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