7 August 2025

Global Markets Research

Daily Market Highlights

7 Aug: All eyes on the BOE today

Apple to raise investment in the US by $100bn, boosting tech stocks and Nasdaq

Trump vowed 100% tariff on chips; 0% for investors like Apple; additional 25% for India

Treasuries closed mixed; USD weakened against all G10 peers; mixed against Asian FX

- A rally in Apple and other big tech stocks sent Nasdaq near its record. Nasdaq surged 1.2% d/d overnight, while the S&P 500 and Dow chalked smaller gains of 0.7% d/d and 0.2% d/d respectively. Apple climbed 5.1% after a White House official said that the iPhone maker is going to boost its investment in domestic manufacturing by $100bn.
- Meanwhile, trade developments continue to unfold. For buying Russian oil, ***Trump's administration slapped an additional 25% tariff on goods from India bringing it to 50%,*** while the President warned that Russia must strike a peace deal with Ukraine soon or risk severe penalties. The President also vowed a 100% tariff on chips, but 0% for US investors like Apple.
- Elsewhere, pharma stocks in Europe and semiconductor shares in Asia tumbled following Trump's recent threat of tariffs for these sectors. Stoxx Eur 600 closed the day 0.1% d/d lower, while the broad equity indices in Asia still managed to close in greens led by Nikkei 225 (+0.6% d/d).
- In the bond space, Treasury yields closed mixed with the long-end underperforming. The 2Y yield slid 1bps to 3.71%, while the 10Y yield rose 2bps to 4.23% after the 10Y auction saw poor demand. Save for Norwegian sovereign bonds, 10Y European bonds were modestly higher between 1-4bps (prior: +/-2bps).
- In the forex space, the greenback weakened against all its G10 peers, pushing the DXY down 0.6% d/d to 98.18. EUR (+0.7% d/d to 1.1660) was the best performer, while CHF (+0.2% d/d) trailed as the US-Swiss trade negotiation got underway. On the regional front, Asian currencies closed mixed against USD, with SGD appreciating 0.2% d/d to 1.2855, while MYR closed just below its flatline at 4.2295.
- Oil prices see-sawed with traders waiting on Trump's move against Russia, and closed the day lower for the fifth day. The WTI fell 1.2% d/d to $64.35/barrel, while Brent slid 1.1% d/d to $66.89/barrel.

US mortgage applications continued to be driven by rates

- Borrowers seeking to take advantage of the lower mortgage rates (30Y fixed rate: 6.77%) saw mortgage applications

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	44,193.12	0.18
S&P 500	6,345.06	0.73
NASDAQ	21,169.42	1.21
Stoxx Eur 600	541.07	-0.06
FTSE 100	9,164.31	0.24
Nikkei 225	40,794.86	0.60
CSI 300	4,113.48	0.24
Hang Seng	24,910.63	0.03
Straits Times	4,227.70	0.45
KLCI 30	1,541.48	0.18
FX		
Dollar Index	98.18	-0.61
EUR/USD	1.1660	0.73
GBP/USD	1.3357	0.44
USD/JPY	147.37	-0.17
AUD/USD	0.6503	0.46
USD/CNH	7.1853	-0.05
USD/MYR	4.2295	0.03
USD/SGD	1.2855	-0.18
USD/KHR	4,006.75	-0.02
USD/THB	32.40	0.06
Commodities		
WTI ($/bbl)	64.35	-1.24
Brent ($/bbl)	66.89	-1.11
Gold ($/oz)	3,380.00	-0.06
Copper ($$/MT)	9,676.00	0.39
Aluminum($/MT)	2,609.00	1.81
CPO (RM/tonne)	4,235.50	1.53

Source: Bloomberg, HL Bank
** Closing as of 5 Aug for CPO*

rebounding by 3.1% w/w for the week ended August 1 (prior: -3.8% w/w). Both purchase and refinance applications increased over the week, with the latter at its strongest pace in 4 weeks.

Eurozone's retail sales rebounded; crucial to support growth in 2H

- Retail sales matched expectations and rebounded in June, rising by 0.3% m/m after contracting 0.3% previously. Y/y growth was also higher at 3.1% y/y (prior: +1.9% y/y). Amid a still resilient labour market, this suggests that household consumption could support growth in 2H amid headwinds from the tariffs and stronger EUR on external demand.

Still robust data from Vietnam

- Mixed but still resilient July prints from Vietnam. Inflation eased more than expected to 3.2% y/y from 3.6% y/y previously, retail sales unexpectedly accelerated to 9.2% y/y (prior: +8.3% y/y) but industrial output eased more than expected to 8.5% y/y (prior: +10.8% y/y). Trade data remained robust, easing less than expected to +16.0% y/y and 17.8% y/y for exports and imports respectively (prior: +16.3% y/y and +17.8% y/y), the former as buyers continue to race ahead to avoid the 20% tariff on exports to the US.
- Just a recap, the government is targeting GDP growth of 6.5-7.5%, while Prime Minister Pham Minh Chinh is aiming for 8%. With growth of 7.5% y/y in 1H, we opine that the official target is achievable but the 8% aim is a challenge given anticipation of slower economic growth ahead and tariff uncertainties, paybacks from the front-loading and higher base effects in 2H of 2024.

House View and Forecasts

FX	This Week	3Q-25	4Q-25	1Q-26	2Q-26
DXY	98.50-101.50	98.32	96.29	94.99	93.77
EUR/USD	1.12-1.16	1.16	1.19	1.20	1.22
GBP/USD	1.31-1.34	1.36	1.38	1.39	1.40
USD/CHF	0.78-0.82	0.81	0.80	0.79	0.78
USD/JPY	147-153	147	144	140	137
AUD/USD	0.62-0.66	0.63	0.65	0.67	0.68
NZD/USD	0.57-0.62	0.59	0.60	0.61	0.61
USD/CNY	7.15-7.23	7.20	7.16	7.12	7.10
USD/MYR	4.23-4.30	4.28	4.25	4.22	4.18
USD/SGD	1.28-1.31	1.29	1.26	1.24	1.22
USD/THB	32.20-32.70	32.70	32.50	32.30	32.30

Rates, %	Current	3Q-25	4Q25	1Q26	2Q26
Fed	4.25-4.50	4.00-4.25	3.75-4.00	3.50.-3.75	3.25.-3.50
ECB	2.00	2.00	2.00	2.00	2.00
BOE	4.25	4.00	3.75	3.50	3.50
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	0.50	0.50	0.50	0.75	0.75

RBA	3.85	3.60	3.35	3.10	3.10
RBNZ	3.25	3.00	2.75	2.75	2.75
BNM	2.75	2.75	2.75	2.75	2.75

Source: HL Bank

Up Next

Date	Events	Prior
7-Aug	AU Exports MoM (Jun)	-2.70%
	MA Industrial Production YoY (Jun)	0.30%
	MA Manufacturing Sales Value YoY (Jun)	2.40%
	JN Leading Index CI (Jun P)	104.8
	MA Foreign Reserves	$120.9b
	EC ECB Publishes Economic Bulletin	
	UK Bank of England Bank Rate	4.25%
	US Nonfarm Productivity (2Q P)	-1.50%
	US Unit Labor Costs (2Q P)	6.60%
	US Initial Jobless Claims	218k
	UK DMP 1 Year CPI Expectations (Jul)	3.30%
	US NY Fed 1-Yr Inflation Expectations (Jul)	3.02%
	CH Exports YoY (Jul)	5.80%
	CH Imports YoY (Jul)	1.10%
	US Consumer Credit (Jun)	$5.102b
8-Aug	JN Household Spending YoY (Jun)	4.70%
	JN Bank Lending Ex-Trusts YoY (Jul)	3.00%
	JN Eco Watchers Survey Outlook SA (Jul)	45.9

Source: Bloomberg

General Disclaimer by the Bank

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained in this report does not constitute the provision of investment advice and is not to be regarded as an offer to sell or a solicitation of an offer to buy with respect to the purchase or sale of any of the financial instruments mentioned in this report and/or to participate in any trading strategy. This report will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by HL Bank to be reliable and in good faith, but no warranties or guarantees, representations are made by HL Bank with regard to the accuracy, completeness, correctness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HL Bank or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected in this report may change without notice and the opinions do not necessarily correspond to the opinions of HL Bank. HL Bank does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient in the event that any matter stated in this report, or any opinion, projection, forecast, valuation or estimate in this report, changes or subsequently becomes inaccurate. The information contained in this report may be incomplete, condensed and it may not contain all material information concerning the company or currency referred to in this report.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter nor will any liability be accepted for any loss whatsoever that may arise from any use and/or reliance on this report. HL Bank may, to the extent permitted by law, buy, sell or hold significantly long or short positions; act as investment and/or commercial bankers; be represented on the board of the issuers; and/or engage in 'market making' of securities or currencies mentioned in this report. The past performance of financial instruments is not indicative of future results. The value of and the income that is produced by the financial instruments mentioned in this report may fluctuate so that an investor may get back less than originally invested. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described in this report would yield favorable investment results. Recipients should seek the advice of their independent financial advisor before taking any investment decision based on any recommendations that may be contained in this report. Any recommendation that may be contained in this report does not consider the specific investment objectives, financial situation, suitability and the particular needs of a particular customer. This report is for the information of the addressee only and is not to be taken in substitution for the exercise of judgment by the addressee who should obtain separate independent legal or financial advice.

Past performance does not always indicate future performance or future results. The value of any investment or income from any investment may go up as well as down. All investments involve an element of risk including the potential to lose the entire amount that is invested.

HL Bank may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HL Bank endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HL Bank does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced, copied, duplicated or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HL Bank. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient agrees to be bound by all limitations contained in this report.

This report is being distributed in Singapore by HL Bank (Company registration number S56FC1182L) to Accredited Investors, Expert Investors or Institutional Investors, as defined in the Securities and Futures Act (Chapter 289 of Singapore). HL Bank is an Exempt Financial Adviser, as defined in the Financial Advisers Act (Chapter 110 of Singapore), and regulated by the Monetary Authority of Singapore. HL Bank is a branch of Hong Leong Bank Berhad, a limited liability company incorporated in Malaysia. HL Bank holds a full bank license in Singapore. Hong Leong Bank Berhad is also a member of the Hong Leong Group Malaysia.