Global Markets Research

Weekly Market Highlights

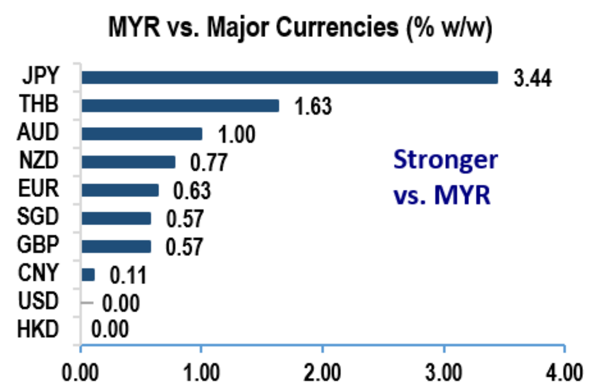
Market

	Last Price	WOW%	YTD %
Dow Jones Ind.	53,885.10	3.21	12.11
S&P 500	7,709.96	3.66	12.63
FTSE 100	10,867.89	-0.27	9.43
Hang Seng	25,530.28	-1.27	-0.39
KLCI	1,737.15	0.97	3.40
STI	5,638.99	-0.61	21.37
Dollar Index	99.93	0.07	1.64
WTI oil ($/bbl)	77.29	-7.54	34.60
Brent oil ($/bbl)	82.49	-7.35	35.56
Gold (S/oz)	4,242.00	3.46	-2.28
CPO (RM/ MT)	4,534.00	-0.44	12.56
Copper ($$/MT)	14,103.50	2.18	13.53
Aluminum($/MT)	3,259.00	1.99	8.80

Source: Bloomberg

- **Geopolitical landscape, corporate earnings moved markets:** President Trump's latest pivot back to diplomacy sent oil prices lower for most of the week, and in Wall Street, hopes of an agreement to finally reopen the Strait of Hormuz allayed inflation fears, sent UST yields lower and risk appetite for stocks broadly improving, Market sentiment, no doubt, turned risk adverse on Thursday given signs of a flare up in the conflict and no signs of a US-Iran deal. Consequently, this saw the 3 US equity indices narrowing their gains but still closing the week 3.2-4.9% w/w higher, while for oil, prices narrowed their losses to close the week 7% w/w lower.
- **Inflation takes center stage**: **US CPI (Wednesday)** is the week's defining release; any upside surprise would complicate the Fed's easing path just as the labor market is showing early signs of softening. **PPI (Thursday)** follows and **Retail sales (Friday)** rounds out the week. Tonight's July NFP print (consensus 80k, prior 57k) will set the immediate risk tone heading into the weekend. **RBA's expected to maintain cash rate next week, 2Q GDPs up on deck**: While it will be a quieter end in terms of the number of economic data, next week will see the release of 1st tier numbers like the final 2Q GDP prints for the Eurozone, UK, Singapore and Malaysia, on top of the monetary policy decision by the RBA.

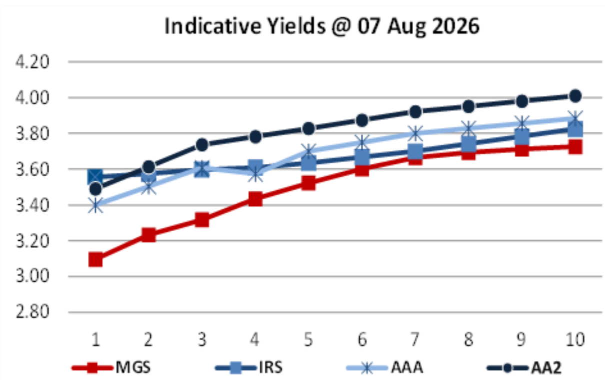
Forex



Source: Bloomberg

- **MYR:** MYR was little changed again in trading against the USD for the week (prior: 0.0%), settling at 4.0900, exactly the same as where it was the week before, amidst the S&P Global Malaysia manufacturing PMI for July coming in unchanged from the level in June, and comments from Second Finance Minister Amir Hamzah that economic performance in the second quarter "should be okay" ahead of the final GDP release next week. Against the rest of the G10 and major regional currencies, the MYR was mostly weaker across the board, except against the CHF (+0.9%) and KRW (+0.0%). We are ***Neutral-to-Slightly Bullish*** on USD/MYR for the week ahead, eyeing a probable trading range of 4.0675 – 4.1175. The coming week brings the release of the industrial production figures for June, before the final 2Q GDP numbers are due next Friday.
- **USD:** The DXY made up some ground in trading this week, inching higher by 0.1% w/w (prior: -1.6%) to 99.93 from 99.86 the prior week, amidst the ISM manufacturing index surging in July by more than expected and a marginal rise in the services index for the month, and labour market indicators that were weaker than anticipated with the ADP employment change and JOLTS job openings both falling short of expectations. We are ***Neutral-to-Slightly Bullish*** on the USD for the coming week, looking at a likely trading range of 98.75 – 101.25 for the DXY. The week ahead sees the focus lie on the monthly employment report for July later tonight, with the CPI and PPI indices and existing home sales figures for the month also scheduled for release during the week.

Fixed Income



Source: Bloomberg/ BPAM

- **UST:** US Treasuries were little changed in trading for the week in review, giving up gains seen earlier in the week, amidst the ISM Manufacturing index rising by more than expected and a mixed slew of labour market indicators, and a backdrop of ongoing negotiations in the Middle East to cease the war and re-open the Straits of Hormuz. **Overall benchmark yields for the week were higher by between 0 to 1bp w/w** (prior: -10 to +5bps) as of the close of business on Thursday. The benchmark 2Y UST yield was little changed for the week at 4.25% while the benchmark 10Y UST yield was also unchanged at 4.68%. **We expect USTs to trade with a bullish bias for the week ahead**. The coming week brings the monthly employment report for July as well as consumer prices and producer prices for the month, with the price action likely to continue to be impacted by news flow out of the Gulf. The US Treasury will also be conducting their quarterly refunding in the week ahead, with USD125bn of issuance hitting the markets.
- **MGS/GII:** Local government bonds traded on a softer note for the week in review, amidst a change in government for the state of Negeri Sembilan following the state elections over the weekend, and the re-opening auction of RM5bn of the 5Y GII 10/31, which saw decent demand and drew a moderate BTC of 2.402x. **Overall benchmark MGS/GII yields closed the week mixed by between -3 to +3bps w/w** (prior: 0 to 7bps higher). The benchmark 5Y MGS 6/31 yield was 2bps higher for the week at 3.53%, while the benchmark 10Y MGS 7/35 yield advanced by 1bps to 3.72%. **For the coming week, we expect local govvies to consolidate and trade on a more constructive note.** The week ahead brings the release of the industrial production figures for June, and we will also get the announcement and auction of the re-opening of the benchmark 30Y MGS 7/55, where we expect RM3bn to be put up for sale and a further RM2bn to be privately placed.

Macroeconomic Updates

- **Geopolitical landscape, corporate earnings moved markets:** President Trump's latest pivot back to diplomacy sent oil prices lower for most of the week, and in Wall Street, hopes of an agreement to finally reopen the Strait of Hormuz allayed inflation fears, sent UST yields lower and risk appetite for stocks broadly improving, Market sentiment, no doubt, turned risk adverse on Thursday given signs of a flare up in the conflict and no signs of a US-Iran deal. Consequently, this saw the 3 US equity indices narrowing their gains but still closing the week 3.2-4.9% w/w higher, while for oil, prices narrowed their losses to close the week 7% w/w lower.

- **BOJ maintained rate at 1.00%, Ueda turned hawkish:** Policy wise, the Bank of Japan (BOJ) held its policy rate at 1.00% as expected. The decision was nonetheless not unanimous, with board member Takata dissenting again in favour of an immediate hike. Despite the hold, Governor Ueda's appeared mildly to moderately hawkish during his presser, highlighting that the yen's pass-through to domestic prices is now larger than before, that upside CPI risks must be monitored more closely, and that the BOJ will "keep raising rates in response to economic and price developments." With wages growth still strong (3.4% y/y in June vs 3.3% yin May), this further reinforces our case for another rate hike by the BOJ later this year.

- **Divergence in regional PMIs:** Datawise, fresh July regional PMIs released were mixed but notably, disappointing for China and were robust for Singapore, the latter seeing both the official and S&P PMIs inching up to 51.4 and 59.2 respectively (prior: 51.3 and 57.4) buoyed by the AI-driven semiconductor supercycle. Firms also maintained a positive view on output expectations for the coming year. China, on the other hand, saw both the official and S&P PMIs surprising on the downside and weakening for both manufacturing (official: 49.2 vs 50.3, S&P: 50.9 vs 51.7) as well as for non-manufacturing (official: 49.0 vs 50.2, S&P: 50.4 vs 54.1). With business confidence easing, domestic demand sluggish and the official headline PMI (49.3 vs 50.6) turning contractionary, this will likely accelerate the need for targeted easing measures. Performance for the other Asian economies were mixed. Hong Kong's headline PMI (51.0 vs 52.0) suggests that the private sector expanded at a milder pace in July, Malaysia's PMI was steady at 50.7, while Vietnam saw an improvement to 52.9 from 51.8 previously.

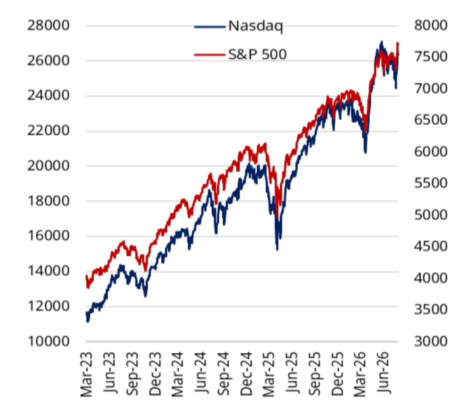
- **Consumer spending prints have largely moderated:** On the demand side, save Singapore (4.0% y/y in June vs 2.9% y/y in May), consumer spending data released broadly showed some moderation as consumers, notably those from the lower inome households, felt the pinch from the recent rise in oil prices and costs of living due to the US-Iran war. Eurozone's retail sales unexpectedly fell 0.3% m/m in June after gaining 0.4% y/y previously, while in Japan, household spending also surprised on the downside at -3.3% y/y (prior: -0.4% y/y). Australia's household spending growth remained expansionary, although moderated to 0.8% m/m (prior: 1.2% m/m). Simillarly, Hong Kong's retail sales growth decelerated sharply to 4.6% y/y in from 7.9% y/y previously. With this, there is no change in our view that central bankers will remain cautious in any further tightening and in tandem with this, there is also no change in our view that the Reserve Bank of Australia (RBA) will maintain its cash rate unchanged at 4.35% next week.

- **Labour demand cooled in the US:** Zooming to the US and ahead of the highly watched NFP tonight, labour data released showed that labour demand cooled, partially due to the unwinding in temporary hiring for the World Cup, workers continue to show little confidence in their job prospects, yet layoffs remained limited, consistent with a still stable labour market.

  According to JOLTs, available positions fell to 7359k from a downwardly revised 7537k previously, with pull-backs seen for healthcare, leisure & hospitality, wholesale trade and business services. The number and rate of layoffs were largely steady at 1.8m and 1.1%, while the number and rate of quits were unchanged at 3.2m and 2.0%. According to ADP, private sector employers added less jobs at 44k in July (prior: 95k), while the employment sub-index for July's services ISM(47.4 vs 51.2) dipped below its 12-month average of 48.7. On the flipside, its manufacturing counterpart showed a jump of +3.1ppts to 52.8, while the Challenger, Gray and Christmas showed that layoffs (-46.1%y/y to 33.4k vs -4.5% y/y to 45.8k). This marks its lowest in 2 years, and the fifth time this year cuts are lower than the corresponding month one year earlier.

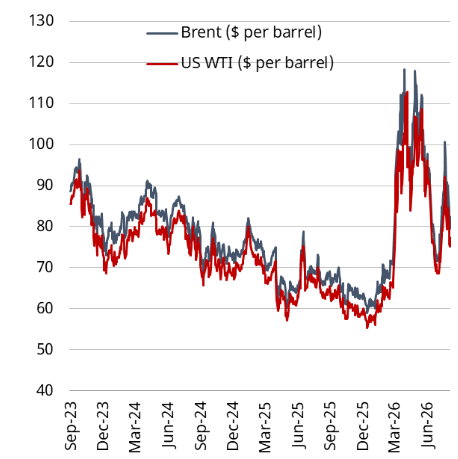
- **RBA's expected to maintain cash rate next week, 2Q GDPs up on deck:** While it will be a quieter end in terms of the number of economic data, next week will see the release of 1st tier numbers like the final 2Q GDP prints for the Eurozone, UK, Singapore and Malaysia, US CPI and retail sales data, on top of the monetary policy decision by the RBA.

Softer crude oil prices supported risk sentiment early in the week



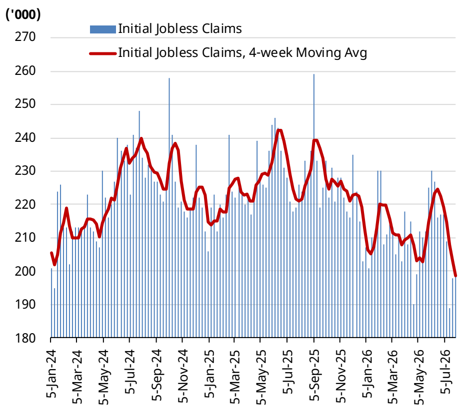
Source: Bloomberg

Trump's pivot to diplomacy kept a lid on oil prices for most of the week



Source: Bloomberg

US jobless claims stayed below the 200k level for the third week



Source: Bloomberg

Foreign Exchange

- **MYR:** MYR was little changed again in trading against the USD for the week (prior: 0.0%), settling at 4.0900, exactly the same as where it was the week before, amidst the S&P Global Malaysia manufacturing PMI for July coming in unchanged from the level in June, and comments from Second Finance Minister Amir Hamzah that economic performance in the second quarter "should be okay" ahead of the final GDP release next week. Against the rest of the G10 and major regional currencies, the MYR was mostly weaker across the board, except against the CHF (+0.9%) and KRW (+0.0%). We are ***Neutral-to-Slightly Bullish*** on USD/MYR for the week ahead, eyeing a probable trading range of 4.0675 – 4.1175. The coming week brings the release of the industrial production figures for June, before the final 2Q GDP numbers are due next Friday.

- **USD:** The DXY made up some ground in trading this week, inching higher by 0.1% w/w (prior: -1.6%) to 99.93 from 99.86 the prior week, amidst the ISM manufacturing index surging in July by more than expected and a marginal rise in the services index for the month, and labour market indicators that were weaker than anticipated with the ADP employment change and JOLTS job openings both falling short of expectations. We are ***Neutral-to-Slightly Bullish*** on the USD for the coming week, looking at a likely trading range of 98.75 – 101.25 for the DXY. The week ahead sees the focus lie on the monthly employment report for July later tonight, with the CPI and PPI indices and existing home sales figures for the month also scheduled for release during the week.

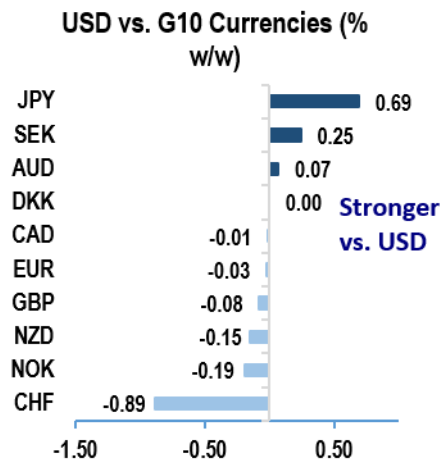
- **EUR**: EUR was little changed in trading this week (prior: +1.3%), settling against the USD on Thursday at 1.1525 from 1.1528 the week before, amidst a slight upward surprise in the preliminary Eurozone core CPI figure for July and retail sales for June that were softer than expected. We are ***Neutral-to-Slightly Bearish*** on the EUR/USD for the week ahead, foreseeing a possible trading range of 1.1375 – 1.1650. The coming week will be pretty light in terms of economic data, with the industrial production figures for June the only tier-1 release ahead of the release of the second reading of Eurozone 2Q GDP next Friday.

- **GBP**: The GBP depreciated slightly against the greenback in trading this week, inching lower by 0.1% w/w (prior: +1.1% w/w) to 1.3455 from 1.3466 the prior week, amidst a rather light data week with Nationwide reporting a mild increase in house prices in July that was as expected and the final UK composite PMI for the month being revised slightly higher on strength in the services sector. We are ***Neutral-to-Slightly Bearish*** on the Cable for the coming week, eyeing a probable trading range of 1.3300 – 1.3575 for the pair. The week ahead brings both the preliminary UK 2Q GDP and monthly GDP figures for June, with the manufacturing production numbers for June and the RICS House Price balance for July also scheduled for release.

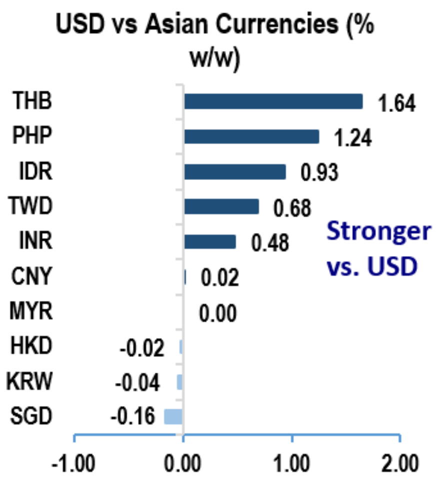
- **JPY**: The Japanese Yen was firmer against USD in trading this week for a second straight week, appreciating by 0.7% (prior: +2.7%) to 158.43 from 159.53 the week before, amidst firmer than expected wages data for June, hotter than expected Tokyo CPI for July and a monthly contraction in retail sales for June that was larger than anticipated. The Bank of Japan held steady on policy as expected, revising up their GDP forecast and lowering their core CPI forecast for the present year. We are ***Neutral*** on USD/JPY for the week ahead, looking at a likely trading range of 156.00 – 160.75. The coming week is a lighter one, with only producer prices and preliminary machine tool orders for July to look out for on the economic calendar, with the Bank of Japan summary of opinions for its July monetary policy meeting also scheduled for release.

- **AUD**: AUD appreciated against the USD in trading this week for a second week running, inching higher by 0.1% (prior: +0.8%) to 0.7032 from 0.7027 the prior week, amidst better-than-expected private sector credit growth and household spending figures for June, while Australian producer prices for 2Q accelerated versus the previous quarter and the PMIs for July were revised up in their final reading. We are ***Neutral-to-Slightly Bearish*** on AUD/USD for the coming week, foreseeing a possible trading range of 0.6900 – 0.7150. The week ahead sees the RBA decide on policy, where the markets expect them to keep rates unchanged, with business confidence figures for July also schedule for release during the week, before RBA Governor Bullock is due to testify before the Australian parliament next Friday.

- **SGD**: SGD declined against the USD in trading this week, falling by 0.2% (prior: +0.8%) to 1.2837 from 1.2817 the week before, amidst the PMI and Electronic Sector index for July inching higher, while retail sales for June fell slightly short of expectations and the unemployment rate for the month held steady versus the downwardly revised level for May. Against other G10 and major regional currencies, the SGD was softer across the board for the week except against the CHF (+0.7%). We are ***Neutral*** on USD/SGD for the week ahead, eyeing a probable trading range of 1.2725 – 1.2950. The coming week brings the release of the final 2Q GDP figures.



Source: Bloomberg



Source: Bloomberg

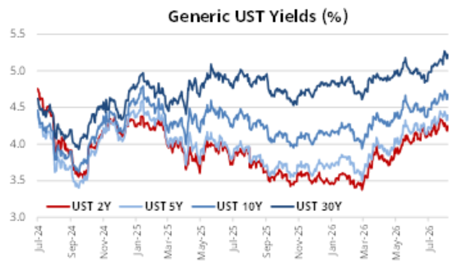
Forecasts

	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

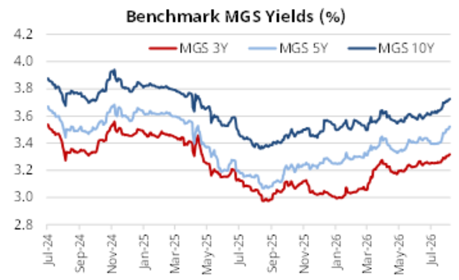
Fixed Income

- **UST:** US Treasuries were little changed in trading for the week in review, giving up gains seen earlier in the week, amidst the ISM Manufacturing index rising by more than expected and a mixed slew of labour market indicators, and a backdrop of ongoing negotiations in the Middle East to cease the war and re-open the Straits of Hormuz. Fed Fund futures saw the pricing of rate hikes by the Fed this year were little changed during the week, with 34bps of hikes priced in for 2026 (prior week: 33bps). **Overall benchmark yields for the week were higher by between 0 to 1bp w/w** (prior: -10 to +5bps) as of the close of business on Thursday. The benchmark 2Y UST yield was little changed for the week at 4.25% while the benchmark 10Y UST yield was also unchanged at 4.68%. **We expect USTs to trade with a bullish bias for the week ahead**. The coming week brings the monthly employment report for July as well as consumer prices and producer prices for the month before next Friday's retail sales report, with the price action likely to continue to be impacted by news flow out of the Gulf. The US Treasury will also be conducting their quarterly refunding in the week ahead, with USD125bn of issuance hitting the markets.



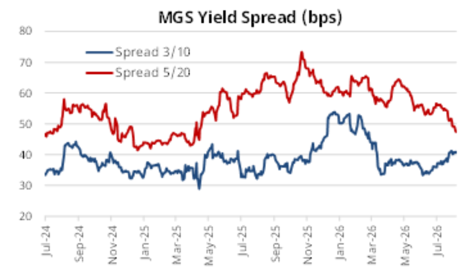
Source: Bloomberg

- **MGS/GII:** Local government bonds traded on a softer note for the week in review, amidst a change in government for the state of Negeri Sembilan following the state elections over the weekend and the S&P Global Malaysia manufacturing PMI for July holding steady from the previous month's level. Government bond funding for the month began with the re-opening auction of RM5bn of the 5Y GII 10/31, which saw decent demand and drew a moderate BTC of 2.402x. **Overall benchmark MGS/GII yields closed the week mixed by between -3 to +3bps w/w** (prior: 0 to 7bps higher), except for the 30Y GII which was skewed by an off-market trade. The benchmark 5Y MGS 6/31 yield was 2bps higher for the week at 3.53%, while the benchmark 10Y MGS 7/35 yield advanced by 1bps to 3.72%. Secondary market activity rose for the week, with the average daily secondary market volume for MGS/GII climbing by 24% to RM6.01bn for the week in review versus the daily average of RM4.86bn seen the week before, driven by a 32% rise in GII trading for the week. Trading for the week was again led by the off-the-run GII 9/26, which saw RM5.96bn changing hands, while decent interest was also seen in the off-the-run MGS 11/26 and the off-the-run GII 7/28, with RM2.57bn and RM1.97bn traded respectively. GII trades totalled 52% of government bond trading for the week, rising from the 49% seen the prior week. **For the coming week, we expect local govvies to consolidate and trade on a more constructive note.** The week ahead brings the release of the industrial production figures for June, ahead of next Friday's final 2Q GDP numbers, and we will also get the announcement and auction of the re-opening of the benchmark 30Y MGS 7/55, where we expect RM3bn to be put up for sale and a further RM2bn to be privately placed.



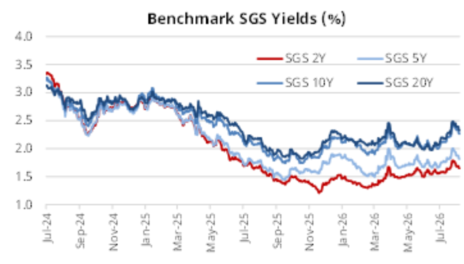
Source: Bloomberg

- **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 receding by 14% to RM0.94bn (prior week: RM1.09bn). Trading for the week was again led by the AAA-rated segment of the market. In the GG universe, the interest was led by DANA 6/55, with RM105m traded for the week and the bond last switching hands at 4.24%. Good interest was also seen in DANA 3/34, with RM90m swapping hands and last being traded at 3.82%. In the AAA-rated space, PBBANK 7/31 led the activity for the week, with RM800m traded and last changing hands at 3.78%. Keen interest was also seen in CAGA 2/29, with RM200m traded and the paper last switching hands at 3.56%. Over in the AA-rated arena, trading was led by MAYBANK 10/32, with RM200m swapping hands for the week and last being traded at 3.65%. Good interest was also seen in WMSCB 11/30, with RM175m traded and last changing hands at 4.70%. In the A-rated segment of the market, trading was led by MUAMALAT 5/36, where RM50m switched hands for the week with the bond last traded at 4.08%. Issuance activity picked up versus week before, led by AAA-rated Infracap, with came to the market with a total of RM5.3 billion of issuance, printing eleven IMTNs with maturities ranging from 3yrs to 14yrs and coupons ranging from 3.70% to 4.21%. Also seen in the primary market was government-guaranteed Prasarana, which printed a total of RM2.11bn total of five IMTNs with coupons ranging from 3.62% to 4.19% on maturities between 5yrs and 22yrs. AAA-rated Cagamas was also seen issuing, printing two IMTNs totaling RM400m of a 1yr at 3.50%.



Source: Bloomberg

- **Singapore Government Securities:** SGS were firmer in trading for the week in review for the first week in seven, amidst a slight rise seen in the PMI and Electronic Sector index for July and slightly poorer than expected retail sales figures for June. Benchmark yields closed the week lower by between 9 to 14bps (prior week: -3 to +1bp) as at the end of business on Thursday. **The benchmark SGS 2Y yield fell by 9bps for the week to 1.65%, while the benchmark SGS 10Y yield declined by 14bps to 2.27%**, resulting in a flattening in the slope of the 2s10s SGS curve to +62bps. The higher nature of bond prices for the week resulted in Bloomberg's Total Return Index unhedged SGD rising by 1.1% for the week (prior week: 0.0%). The week ahead sees the release of the final 2Q GDP figures.



Source: Bloomberg

Rating Actions

Issuer	PDS Description	Rating/Outlook	Action
Telekosang Hydro One Sdn Bhd	RM470 mil ASEAN Green SRI Sukuk (2019/2037) RM120 mil ASEAN Green Junior Bond (2019/2039)	BBB1/Negative BB2/Negative	Downgraded Downgraded
Alliance Bank Malaysia Berhad and Alliance Islamic Bank Berhad	Financial institution ratings	AA3/Stable/P1	Affirmed
George Kent (Malaysia) Berhad	Islamic Medium-Term Notes (IMTN) Programme	A+/Stable	Affirmed
Tune Protect Group Berhad	Corporate credit ratings	A2/Stable/P1	Affirmed
Zecon Medivest Sdn Bhd	Proposed Islamic Medium-Term Notes of up to RM700m	AA2/Stable	Assigned preliminary rating
F&N Capital Sdn Bhd	Islamic Medium-Term Notes/ Islamic Commercial Papers Programmes with a combined limit of up to RM3bn	AAA(cg)/Stable/MARC-1	Affirmed
HSBC Amanah Malaysia Berhad	Proposed RM20bn Multi-Currency Sukuk Programme (2026/-) Financial Institution Rating Existing RM3bn Multi-Currency Sukuk Programme (2012/2032)	AAA/Stable AAA/Stable/P1 AAA/Stable	Assigned Affirmed Affirmed
SAJ Capital Sdn Bhd	Sukuk Murabahah Programme of up to RM650m	AA/Stable	Upgraded
Eco World Capital Berhad	RM3bn Sukuk Wakalah Programme	AA-(cg)/Stable	Affirmed
Eco World Perpetual Capital Berhad	RM2bn Perpetual Sukuk Programme	A(cg)/Stable	Affirmed
IGB Real Estate Investment Trust	Corporate credit ratings	AAA/Stable/P1	Affirmed
IGB REIT MVS Capital Berhad	Secured and unsecured Medium-Term Notes issued under MTN Programme of up to RM5bn	AAA(s)/Stable	Affirmed
IGB REIT Capital Sdn Bhd	RM1.2bn Second Tranche Medium-Term Notes issued under RM5bn MTN Programme	AAA/Stable	Affirmed
Pengurusan Air Selangor Sdn Bhd	Islamic Medium-Term Notes Programme (2020/-) and Islamic Commercial Papers Programme (2020/2027), with a combined limit of RM20bn	AAA/Stable/P1	Affirmed

Source: MARC/RAM

Equities

- **US**: US equities posted their strongest week in over a month, with the **S&P 500 +3.7%**, the **Dow +3.2%**, the **Nasdaq Composite +4.9%**, and the **Nasdaq-100 +4.5%**. The dominant driver was a powerful earnings-led re-rating of the mega-cap technology complex. **Amazon surged +15.6%** on AWS revenue of $42.2bn (+37% YoY) and a capex commitment of $200bn that the market read as a structural demand signal rather than a cost concern. **Microsoft added +10.8%** as Azure's 43% constant-currency growth continued to attract institutional flows into the week. **Meta recovered +9.4%** as investors reassessed its AI investment cycle more constructively following the prior week's sell-off. **Apple was the sole major laggard at -6.3%**, with weak Q4 guidance continuing to weigh. **AMD's results provided the semiconductor sector's defining moment** - EPS of $1.40 vs consensus $1.09, revenue of $11.5bn vs $11.3bn, and data centre revenue of $6.7bn beating the $6.6bn consensus and more than doubling year-on-year, confirming AI chip demand remains structurally intact. **Information Technology led all S&P 500 sectors at +5.9%**, followed by Communication Services at +3.5% and Industrials at +3.4%. Utilities was the only meaningful laggard at -2.8%.

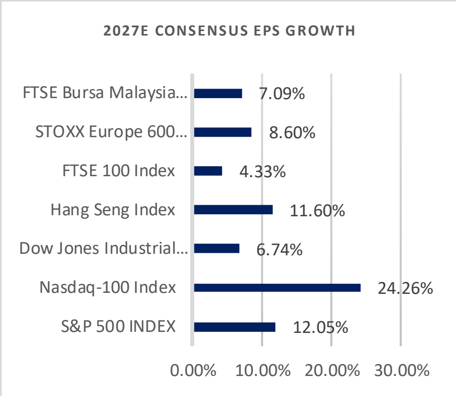
- **Asia**: Asia produced the most dramatic intra-regional divergence of the year. Korea and Taiwan staged violent recoveries from crisis lows while Hong Kong consolidated and **China** found tentative footing - all within the same five-session window. The **CSI 300 gained +2.2%**, as domestic institutional demand absorbed the macro uncertainty. The PMI numbers were largely weak, signalling an economy that has yet to find its footing. Continued ETF inflows and corporate buyback activity provided a technical floor, with the market finding support from the same domestic bid that has underpinned A-shares through the regional volatility.

  Hong Kong gave back ground after the prior week's powerful AI-driven surge. The **HSI fell -1.3%** while the **HSTECH edged up +0.4%**, as profit-taking set in across the platform names that had led the prior week's rally. **Tencent gained a modest +1.6%** and **Meituan was flat at -0.5%**. The standout was **Alibaba, which surged +11.3%** - the divergence reflecting a rotation within the sector into the next earnings catalyst ahead of Alibaba's results, confirmed for 28 August.

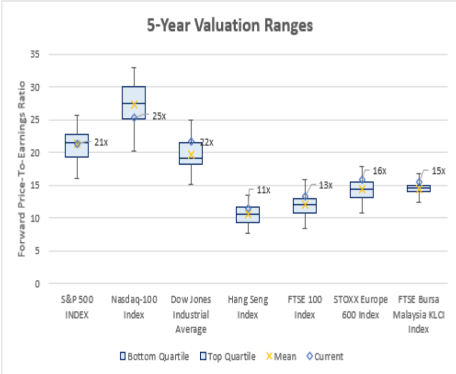
  South Korea's market was defined by a single extraordinary session. The **KOSPI gained +12.6%** on the week, but the net figure obscures the violence of the move: the index opened the week at its low of 5,593.56 following three sessions of forced deleveraging and geopolitical-driven selling, before surging a **record +17.9% on 31 July** as the government announced a 20 trillion won sovereign wealth fund injection, the SK Group Chairman made a direct personal share purchase, and circuit breakers triggered a limit-up session. The index then gave back ground over the remainder of the week as foreign selling resumed.

  China's CPI and PPI data release on Saturday 9 August - ahead of the trading week, will set the immediate tone for A-shares and HK on Monday open. Credit and money supply data would provide the first read on whether domestic credit conditions are easing sufficiently to support the recovery. **Alibaba reports on 28 August** - the most consequential HK-listed result of the month, but pre-positioning is likely to build from next week. In Korea, the government's sovereign wealth fund deployment timeline and any further policy announcements will determine whether the KOSPI can stabilise above 6,000.

- **Malaysia**: The **KLCI gained +1.0%** over the week, as data center contract momentum drove sector rotation into technology and construction names. **Technology (KLTEC +7.8%)** was the best-performing Bursa sector, followed by Construction **(KLCON +5.2%)**. The construction outperformance was underpinned by a pair of high-profile data center contract wins: Gamuda Engineering secured a MYR 1.71bn hyperscale data center contract in Port Dickson from a US-based multinational, while Sunway Construction won a MYR 1.02bn MEP fit-out contract for a data center in Johor. **Gamuda rose +5.4%** on the week; IJM Corp also advanced, hitting a five-month high on 6 August. Within financials, **AMMB Holdings was the standout KLCI performer at +11.4%**, with **RHB Bank adding +4.2%**. **Sunway Healthcare gained +5.7%**. On the downside, **Axiata fell -4.5%** and **MR DIY -3.8%**. The **domestic calendar is light**, keeping Malaysia externally anchored. US CPI on Wednesday is the primary global risk event - a hot print would tighten global financial conditions and weigh on ringgit-denominated assets. Tonight's July NFP print will set the immediate risk tone heading into next week.



Source: Bloomberg



Source: Bloomberg

Economic Calendar

Date	Time	Country	Event	Period	Prior
10-Aug	7:50	JN	Bank Lending Ex-Trusts YoY	Jul	6.30%
	13:00	JN	Eco Watchers Survey Outlook SA	Jul	45.7
	16:30	EC	Sentix Investor Confidence	Aug	-3.1
11-Aug	9:30	AU	NAB Business Confidence	Jul	-5
	12:00	MA	Industrial Production YoY	Jun	8.40%
	12:00	MA	Manufacturing Sales Value YoY	Jun	8.90%
	12:30	AU	RBA Cash Rate Target	0:00	4.35%
	18:00	US	NFIB Small Business Optimism	Jul	97.4
	22:00	US	Existing Home Sales MoM	Jul	-2.40%
11-17 Aug		CH	FDI YTD YoY CNY	Jul	-5.00%
12-Aug	9:30	AU	Wage Price Index YoY	2Q	3.30%
	9:30	AU	Home Loans Value QoQ	2Q	-3.80%
	19:00	US	MBA Mortgage Applications	7-Aug	-2.60%
	20:30	US	Core CPI YoY	Jul	2.60%
13-Aug	7:50	JN	PPI YoY	Jul	7.10%
	14:00	UK	GDP QoQ	2Q P	0.60%
	17:00	EC	Industrial Production SA MoM	Jun	-0.20%
	20:30	US	Initial Jobless Claims	8-Aug	199k
	20:30	US	PPI Final Demand YoY	Jul	5.50%
14-Aug	12:00	MA	GDP YoY	2Q F	5.80%
	16:30	HK	GDP YoY	2Q F	4.30%
	17:00	EC	GDP SA QoQ	2Q S	0.40%
	17:00	EC	Trade Balance NSA	Jun	-7.8b
	17:00	EC	Employment QoQ	2Q P	0.10%
	20:30	US	Retail Sales Advance MoM	Jul	0.20%
	22:00	US	U. of Mich. Sentiment	Aug P	55.2
	22:00	US	U. of Mich. 1 Yr Inflation	Aug P	4.20%
	22:00	US	U. of Mich. 5-10 Yr Inflation	Aug P	3.30%

Source: Bloomberg

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