

Wealth Daily

Friday, 11 September 2026

Oil shock lifts yields as cloud earnings divide

Today's Must-Know News

Market Movers: Oil reclaimed the centre of the risk map. Brent settled 6.3% higher at US\$107.63 after briefly moving above US\$108 as the Iran conflict continued to impede crude flows. The S&P 500 fell 0.6% to 7,591.70, the Dow lost 0.6% and the Nasdaq dropped 0.7%; the US 10-year yield jumped to 4.95%. The cross-asset message is that energy-led inflation can compress equity multiples even when nominal growth remains firm. Favour pricing power, shorter-duration cash flows and tactical hedges over indiscriminate cyclical. (Associated Press)

Macro: US producer prices rose 0.4% month on month and 5.4% year on year in August; energy drove more than three-quarters of the 1.1% rise in final-demand goods. Initial jobless claims nevertheless eased by 1,000 to 206,000. Sticky pipeline inflation beside resilient labour data leaves the Federal Reserve facing a higher bar to look through the oil shock, with Friday's CPI now the next decisive read. That mix supports the dollar but challenges richly valued equities and lower-quality borrowers. (US Bureau of Labor Statistics / US Department of Labor)

Artificial Intelligence: Cloud results separated demand strength from execution risk. Oracle's fiscal first-quarter revenue grew 30% to US\$19.3 billion, OCI revenue rose 121% to US\$7.4 billion and remaining obligations reached US\$664 billion. Adobe reported US\$6.76 billion of quarterly revenue and said AI-first ARR expanded by more than 150%. Backlog and adoption are accelerating, but capital intensity and conversion into free cash flow remain the valuation hinge. Selectivity favours funded customers, contracted capacity and visible unit economics. (Oracle / Adobe)

Policy: The ECB raised all three policy rates by 25 basis points, taking the deposit rate to 2.50%, and projected headline inflation of 3.0% in 2026 and 2.5% in 2027. Its explicit warning that Middle East energy pressure may keep inflation above target reinforces a regime of wider rate dispersion. For diversified portfolios, duration should be sized deliberately rather than treated as an automatic hedge while oil remains elevated. Currency volatility may rise as the ECB and Fed reaction functions diverge. (European Central Bank)

Trader's Corner (Details on Page 5-6)

Ticker	Security	Rec.	Support	Resistance
3690.HK	Meituan	-	HKD 63.65 / 58.20	HKD 80.20 / 83.20
0100.HK	MiniMax	-	HKD 188.40 / 110.20	HKD 393.00 / 448.00

Overnight Markets

Indices

	Price	1D	YTD
Straits Times	5,689.75	-0.70%	+22.46%
KLCI	1,705.52	-0.51%	+1.51%
Dow Jones	52,064.10	-0.60%	+8.32%
S&P 500	7,591.70	-0.58%	+10.90%
Nasdaq	26,081.72	-0.65%	+12.22%
Hang Seng	24,954.47	-1.27%	-2.64%
CSI 300	4,548.39	-0.53%	-1.76%
Nikkei 225	65,270.95	+0.20%	+29.66%

Government Bond Yields

Term	Yield	1D	YTD
US 10-year	4.95%	+12bp	+78bp

Precious Metals

	Price	1D	YTD
Gold	US\$4,357.80	-1.32%	+0.74%
Silver	US\$64.02	-5.77%	-8.72%

Currencies & Crude Oil

	Price	1D	YTD
DX	99.09	+0.32%	+0.82%
EUR/USD	1.1613	-0.18%	-1.14%
USD/JPY	154.44	+0.56%	-1.26%
Brent	US\$108.99	+7.69%	+79.11%
WTI	US\$103.86	+8.13%	+80.88%

Must Watch Events

Date / SGT	Event
11 Sep, 20:00	Kroger Q2 results call
11 Sep, 20:30	US CPI and real earnings
17 Sep, 02:00	FOMC decision and projections
17 Sep, 02:30	Federal Reserve press conference

AI

- **Oracle's AI backlog grew faster than its revenue base.** Fiscal first-quarter revenue advanced 30% to US\$19.3 billion, cloud revenue increased 62% to US\$11.6 billion and OCI revenue surged 121% to US\$7.4 billion. Remaining performance obligations reached US\$664 billion after US\$209 billion of year-on-year growth. The demand signal is powerful, but investors should monitor delivery cadence, financing needs and the conversion of contracted capacity into cash earnings. (Oracle)
- **Adobe showed monetisation broadening beyond generative features.** Quarterly revenue rose 13% to US\$6.76 billion, non-GAAP EPS reached US\$6.13 and subscription revenue increased 14% to US\$6.56 billion. Management said AI-first ARR grew by more than 150% and lifted the full-year revenue range to US\$26.576-26.626 billion. The key follow-through is whether adoption sustains double-digit ARR growth without diluting margins. (Adobe)
- **IBM and NASA opened a lunar foundation model to developers.** The partners released an open-source model trained for lunar-science use, extending enterprise AI tooling into scientific workflows. Commercial impact is not immediate, yet the announcement matters for model distribution: domain-specific, open systems can widen inference demand while shifting value toward trusted data, infrastructure and workflow integration. (IBM)
- **Salesforce put governance around enterprise agents.** Its new Enterprise AI Harness combines context, agency, action, governance, security and model choice within a common architecture. The commercial signal is that model access alone is becoming less differentiated; durable value may accrue to platforms that control permissions, business data and audit trails across agent workflows. (Salesforce)
- **Anthropic's misuse report raised the cost of frontier capability.** The company said it blocked attempts to use its models for cyberattacks, surveillance and research that could have supported biological weapons, and added stronger safeguards. For investors, safety controls are moving from reputational overlay to product infrastructure, with implications for compute, compliance spending and the speed at which advanced functions can be released. (Associated Press)

Americas

- **Oil and yields overrode an otherwise resilient earnings tape.** The S&P 500 recorded a fourth straight decline as Brent briefly exceeded US\$108 and the 10-year Treasury yield reached 4.95%. Long-duration growth shares remain most exposed to a higher discount rate, while the muted reaction in energy equities suggests that investors are already balancing stronger realised prices against demand destruction and policy risk. (Associated Press)
- **US producer inflation accelerated to 5.4%.** Final-demand prices increased 0.4% in August, while goods prices rose 1.1% as energy climbed 4.2%. Diesel jumped 24.1%, making transport and supply-chain pass-through the near-term watchpoint. The report strengthens the case for maintaining inflation protection and limiting unhedged duration until the oil impulse shows signs of fading. (US Bureau of Labor Statistics)

- **Claims data kept the soft-landing argument alive.** Initial claims slipped to 206,000 and the four-week average fell to the same level; continuing claims eased to 1.774 million. Labour resilience reduces immediate recession risk, but in combination with firmer producer prices it also gives the Fed less latitude to cushion markets. Friday's CPI will determine whether rate expectations move further toward tightening. (US Department of Labor)
- **Macy's raised guidance, but the share price still fell.** Second-quarter net sales rose 1.1% to US\$4.9 billion and comparable sales increased 2.7%. Management lifted 2026 adjusted EPS guidance to US\$2.15-2.35, yet the stock fell about 4.7% as the company retained a cautious view of discretionary spending. The reaction illustrates how stronger results may not offset macro risk when input costs and household budgets are under pressure. (Macy's / Associated Press)
- **Energy producers did not fully follow the crude spike.** Brent futures rose 7.7% and WTI gained 8.1%, while the US energy-sector ETF slipped 0.6%. This divergence warns against treating spot-oil strength as a one-for-one equity catalyst: investors are also discounting weaker end demand, political intervention and higher financing costs. Balance-sheet quality and realised hedging remain more useful filters than headline beta. (Yahoo Finance)
- **Precious metals sold off as real-rate pressure returned.** Gold futures declined 1.3% to US\$4,357.80 and silver dropped 5.8% to US\$64.02 as the dollar firmed and Treasury yields rose. The move shows that geopolitical stress does not guarantee an immediate haven bid when rate expectations reprice. Strategic allocations still diversify portfolios, but tactical entries should respect volatility and liquidity. (Yahoo Finance)

Greater China

- **Hong Kong and mainland equities tracked the regional risk-off move.** The Hang Seng closed about 1.3% lower at 24,954.47 and the CSI 300 lost roughly 0.5% as higher oil and global yields revived inflation concerns. The combination is unfriendly to valuation-sensitive internet names and import-heavy businesses, while banks may benefit only if steeper curves are not accompanied by weaker credit quality. (Reuters / Yahoo Finance)
- **Alibaba led the pressure among portfolio-linked China names.** Alibaba fell 2.6% to HK\$106.90, while PetroChina dropped 3.3% and Weichai Power declined 3.7%. The lack of an oil-price lift for upstream exposure points to broad de-risking rather than a clean sector rotation. For existing positions, the near-term focus should remain earnings revisions and cash returns rather than assuming macro beta will dominate. (Yahoo Finance)
- **Sun Hung Kai Properties delivered higher full-year profit.** Revenue increased to HK\$94.2 billion from HK\$79.7 billion and net income rose to HK\$21.4 billion from HK\$19.3 billion; basic EPS improved to HK\$7.39. The result gives a cleaner operating backdrop for Hong Kong property, though high global yields keep cap-rate and financing assumptions central to net-asset-value upside. (S&P Capital IQ)
- **The active Hong Kong IPO calendar was empty at cutoff.** No company was in an active public-subscription period after a cluster of early-September debuts. That pause makes aftermarket liquidity and price discovery in recent listings more relevant than primary allocation. New-economy names have shown wide dispersion, so position sizing should reflect limited trading history and elevated event risk. (HKEX / Hong Kong Economic Journal)

Asia ex. China

- **Foreign investors returned to Asian equities in August.** Net buying across Taiwan, South Korea, India, Indonesia, Thailand, Vietnam and the Philippines reached US\$4.72 billion after nine months of selling. Taiwan attracted US\$11.15 billion, underscoring that the reversal was concentrated in AI-linked supply chains. The flow support is constructive, but it also raises crowding risk if US technology spending expectations soften. (Reuters)
- **MediaTek's August sales accelerated sharply.** Monthly revenue rose 44.1% year on year to NT\$64.2 billion, taking year-to-date revenue to NT\$414.0 billion, up 5.8%. The jump strengthens the near-term semiconductor demand signal outside the most crowded US names. Investors should still distinguish volume recovery from mix and margin gains before extrapolating the pace. (MediaTek)
- **Singapore corporate actions highlighted balance-sheet discipline.** KORE US REIT secured a S\$120 million facility expected to address about 65% of 2027 maturities, while Sembcorp cancelled a S\$105 million Philippine solar acquisition as priorities evolved. DBS separately rejected a S\$1.298 billion damages claim and said no provision was required. The common investor lens is capital allocation under a higher-cost funding regime. (The Business Times)
- **Japan held up better than most regional peers.** The Nikkei 225 edged 0.2% higher to 65,270.95 after technology shares recovered from early losses, while Korea and Taiwan declined. Japan's relative resilience is useful diversification, although elevated domestic and global bond yields still argue for selectivity among long-duration growth franchises. (Reuters)

EMEA and Others

- **The ECB delivered a second 2026 rate increase.** The 25-basis-point move took the deposit rate to 2.50%. Staff now sees headline inflation averaging 3.0% in 2026, 2.5% in 2027 and 2.1% in 2028, while 2026 growth is projected at 0.9%. Rate-sensitive real estate and leveraged balance sheets remain vulnerable until the energy shock and second-round inflation risks recede. (European Central Bank)
- **Primark's weak quarter overshadowed ABF's earnings message.** Associated British Foods expects full-year adjusted EPS above expectations, but Primark like-for-like sales are set to fall about 3% in the fourth quarter and continental Europe remained difficult. Plans for Great Britain home delivery may support incremental growth; execution costs and the durability of value-led demand are the near-term watchpoints. (Associated British Foods)
- **Genus paired profit growth with a new buyback.** Adjusted operating profit including joint ventures rose 25%, adjusted EPS increased 35% and free cash flow climbed to £62.0 million. The animal-genetics group also announced a £60 million repurchase programme after leverage fell to 0.4 times. The setup supports capital returns, though revenue declined 2% and China-related milestones boosted profit comparisons. (Genus)
- **FirstRand's core franchise offset a UK conduct provision.** Reported earnings fell 5% to R39.7 billion after the UK motor-commission charge, but normalised earnings excluding that item rose 10% and continuing earnings increased 13%. The CET1 ratio was 13.9%, supporting a 16% rise in the full-year dividend to 539 cents. The quality of ongoing South African returns matters more than the discontinued UK drag. (FirstRand)

Traders' Corner



Meituan (3690.HK)

Last Price: HKD 74.75

Support: HKD 63.65 (-14.8%) /
HKD 58.20 (-22.1%)

Resistance: HKD 80.20 (+7.3%) /
HKD 83.20 (+11.3%)

Our Technical View

- Price remains trading below its support-turned-resistance zone, maintaining an intact downside framework via a falling window.
- The RSI remains positioned beneath its neutral 50-midline and continues to fall.
- We could expect a sustained downward trajectory toward lower support targets.

Traders' Corner



MiniMax (0100.HK)

Last Price: HKD 292.00

Support: HKD 188.40 (-35.5%) /
HKD 110.20 (-62.3%)

Resistance: HKD 393.00 (+34.6%) /
HKD 448.00 (+53.4%)

Our Technical View

- Price was capped by its previous price high resistance zone, keeping the market capped beneath an overhead ceiling.
- The RSI has fallen below its neutral 50-midline.
- As long as price action remains capped below this key resistance ceiling, path-of-least-resistance dynamics favours a continued downward movement and expanding momentum toward lower targets.

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