

Market commentary

Top Economics News

February 2026



Malaysia

- ▶ Real GDP strengthened to +6.3% YoY in 4Q25 (revised 3Q25: +5.4%; previous: 5.2%), exceeding HLIB expectation of +6.0% as well as DOSM's advance estimate and consensus median forecast of +5.7%. This brings the 2025 GDP figure to +5.2% (2024: +5.1%).
- ▶ BNM's latest monetary policy statement (MPS) showed very little tweak to its tone or overall assessment. BNM acknowledged that downside risks to the global growth outlook have increased, while noting that the extent of the impact will depend on the length and severity of the conflict. On the inflation front, BNM indicated that inflationary pressures arising from greater volatility in global commodity prices are expected to be contained.

United States

- ▶ US producer prices increase strongly in January. U.S. producer prices accelerated in January, with the cost of goods outside the volatile food and energy category increasing by the most in more than three and a half years as businesses passed on import tariffs and raised prices at the start of 2026. (Reuters)
- ▶ US Weekly jobless claims increase slightly as labour market steadies. The number of Americans filing new applications for jobless benefits increased slightly last week and the unemployment rate appeared to hold steady in February amid a stable labour market. (Reuters)

Euro: Sovereign Debt Crisis Update

- ▶ Euro zone inflation jumps, faces quick hit from surging oil price. Euro zone inflation surged unexpectedly last month and may rise further in the coming months if war in the Middle East keeps energy prices high, possibly putting pressure on the European Central Bank to revisit its policy stance. (Reuters)
- ▶ The Euro Area unemployment rate has seen a significant decrease with seasonally adjusted unemployment rate falling to 6.1% in Jan 2026, marking an all-time low. This improvement is attributed to a healthier labour market, with the number of unemployed dropping by 184,000 to 10.77m people. Youth unemployment rate fell to 14.8%. (Reuters)

Disclaimer

This document is prepared for information purposes only and may not be published, circulated, reproduced or distributed in whole or part, whether directly or indirectly, to any other person without the prior written consent of Eastspring Investments Berhad. It should not be construed as an offer or solicitation for the subscription, purchase or sale of any securities mentioned herein. Whilst we have taken all reasonable care to ensure that the information contained in this document is not untrue or misleading at the time of publication, we cannot guarantee its accuracy or completeness. Any opinion or estimate contained in this document is subject to change without notice. Investors may wish to seek advice from a professional adviser before making a commitment to invest in units of any of our funds. Eastspring Investments Berhad and its related and affiliated corporations together with their respective directors and officers may have or may take positions in the securities mentioned in this document and may also perform or seek to perform other investment services for the corporations whose securities are mentioned in this document as well as other parties. The graphs or charts are included for illustrative purposes only. Past performance is not necessarily a guide to future performance. The predictions, projections, or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of Eastspring Investments Berhad or any funds managed by Eastspring Investments Berhad. The value and any income accruing to the investments, if any, may fall as well as rise. An investment is subject to investment risks, including the possible loss of the principal amount invested. Eastspring Investments is an ultimately wholly owned subsidiary of Prudential plc. Prudential plc, is incorporated and registered in England and Wales. Registered office: 5th Floor, 10 Old Bailey, London, EC4M 7NG, UK. Prudential plc is a holding company, some of whose subsidiaries are authorized and regulated, as applicable, by the Hong Kong Insurance Authority and other regulatory authorities. Prudential plc is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company Limited, a subsidiary of M&G plc, a company incorporated in the United Kingdom.