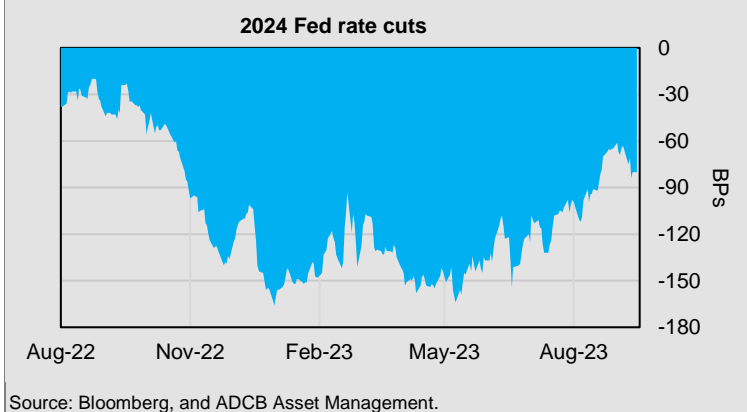


Bond yields fell on Tuesday

- ▶ IMF revises global growth to 2.9% from 3.0% for 2024.
- ▶ Italy industrial production rose in August.
- ▶ Equities jump, oil retreats while copper continues to rise.

Chart of the Day: Markets price three to four rate cuts in 2024



Macroeconomic news

- ▶ The IMF left global growth forecast for 2023 unchanged at 3% and revised its forecast for 2024 2.9%, 0.1% down from its outlook in July.
- ▶ Italy industrial production in August rose 0.2% m-o-m against forecasts of a 0.3% decline and -0.7% figure the previous month.

Rates and Fixed Income

- ▶ Global sovereign bond yields fell on Tuesday with yields on 10Y USTs, German Bunds, and UK Gilts all falling more than 10bp.
- ▶ Fixed income indices rose with EM USD Sovereigns outperforming.

Currencies

- ▶ Broader USD Index fell on Tuesday.
- ▶ EUR/USD and GBP/USD rose 0.36% and 0.40% respectively on Tuesday. USD/JPY rose 0.13%.

Equities

- ▶ Global equities rose on Tuesday on falling bond yields and declining oil prices. Japan's Nikkei 225 outperformed.
- ▶ GCC equity indices rose on Tuesday with the exception of UAE stocks.

Commodities

- ▶ Oil prices retreated slightly on Tuesday.
- ▶ Gold inched lower while copper continued to rise.

Key events in the day ahead

- ▶ US MBA Mortgage Applications
- ▶ US Sep PPI Final Demand
- ▶ EIA short-term energy outlook
- ▶ FOMC meeting minutes
- ▶ Fed speech (Waller and Bostic)

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.31	-1.00	1.00	25.00
UAE Eibor 3m	5.37	5.89	13.47	-2.22
UAE Eibor 12m	5.66	-0.10	10.34	10.69
US 3m Bills	5.47	-3.74	2.84	10.45
US 10yr Treasury	4.65	-14.79	35.06	66.86
German 10yr Bund	2.78	-10.90	16.50	13.50
UK 10yr Gilt	4.43	-14.70	0.30	-21.40
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	436	0.61	-1.81	-3.25
Global Treasuries	187	0.52	-1.89	-3.97
Global Corporate	250	0.86	-1.84	-2.26
EM USD Sovereign	339	0.98	-3.82	-3.21
EM LCY Sovereign	136	0.37	-1.24	-2.47
Global High Yield	1,393	0.77	-1.86	-0.44
Currencies				
Dollar Index	105.83	-0.24	1.17	3.99
EUR USD	1.0605	0.36	-1.33	-3.65
GBP USD	1.2287	0.40	-1.72	-4.94
USD JPY	148.71	0.13	-1.51	-5.69
Equities				
S&P 500	4,358	0.52	-2.11	-0.78
Dow Jones	33,739	0.40	-2.35	-0.07
NASDAQ	13,563	0.58	-1.39	-0.70
STOXX 600	452	1.96	-0.37	1.37
DAX	15,424	1.95	-2.04	-1.59
Nikkei 225	31,747	2.43	-2.04	-0.71
FTSE 100	7,628	1.82	2.13	5.97
SENSEX	66,079	0.87	-0.78	1.45
Hang Seng	17,665	0.84	-2.74	-3.61
MSCI World	2,888	1.02	-1.90	-1.00
MSCI EM	945	0.98	-2.83	-3.23
Regional Equities				
ADX	9,614	-0.17	-0.73	0.61
DFM	4,051	-0.12	-0.33	2.20
Tadawul	10,640	0.61	-4.29	-7.10
DSM	9,852	0.16	-4.78	-2.50
MSM30	4,768	0.35	1.54	-0.10
BHSE	1,943	0.07	0.07	1.82
KWSE	6,651	0.33	-5.28	-7.30
Commodities				
BBG Commodity Index	103.6	-0.15	-2.34	1.42
Brent USD/bbl	87.7	-0.57	-2.93	10.81
Gold USD/t oz	1,860.4	-0.05	-3.24	-3.74
Copper USD/MT	7,907.5	0.26	-3.86	-4.57
Volatility				
VIX	17.03	-3.79	23.05	13.01
MOVE	136.17	7.53	30.51	3.37

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on October 11, 2023 unless stated otherwise.

Performance in local currency terms.

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