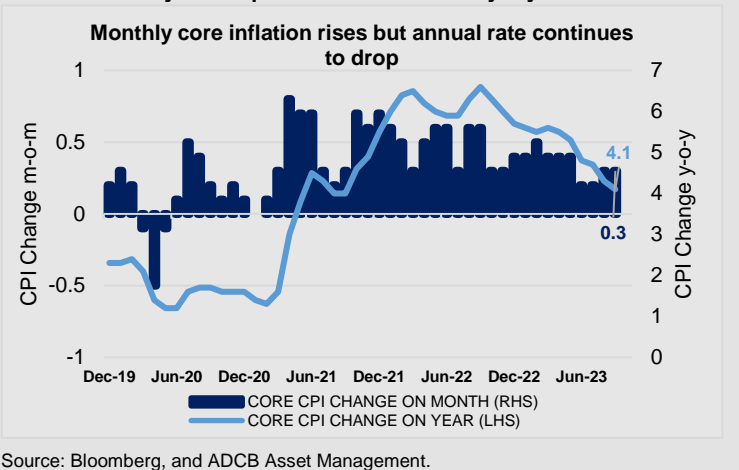


Mixed US CPI September print.

- ▶ OPEC and EIA demand forecast gap widens.
- ▶ Bond yields ended higher, equities mixed.
- ▶ Copper and oil rose, gold declined.

Chart of the Day: US Sep. Core CPI m-o-m and y-o-y.



Macroeconomic news

- ▶ US headline CPI increased in September 0.4% m-o-m and 3.7% y-o-y, slightly above forecasts. Core CPI rose 0.3% m-o-m and increased 4.1% y-o-y, in line with expectations.
- ▶ Latest reports show that OPEC and EIA oil demand view continue to differ as the gap between their forecasts on 2024 global oil demand growth widens. OPEC kept its forecasts unchanged due to buoyant China-led growth while EIA lowered its forecast suggesting harsher global economic conditions and progress on energy efficiency.

Rates and Fixed Income

- ▶ 10Y UST yields rose on higher US CPI data. 10Y German Bunds rose while 10Y UK Gilt yields inched lower.
- ▶ Fixed income indices declined with Global Corporate declining the most.

Currencies

- ▶ Broader USD rose on Thursday.
- ▶ EUR and GBP weakened against the USD on Thursday. USDJPY inched lower.

Equities

- ▶ Global equities were mixed with main US stocks underperforming. EM outperformed DM.
- ▶ GCC equity indices ended mostly up but UAE stocks declined. Saudi outperformed.

Commodities

- ▶ BBG Commodity index rose on Thursday.
- ▶ Copper rose over 1%, oil prices jumped but gold prices declined.

Key events in the day ahead

- ▶ US Sep Retail Sales
- ▶ US University of Michigan Consumer Sentiment (Oct)

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.31	0.00	1.00	25.00
UAE Eibor 3m	5.20	-17.68	-11.19	-3.84
UAE Eibor 12m	5.60	-5.86	21.07	18.07
US 3m Bills	5.49	-0.34	2.84	9.18
US 10yr Treasury	4.70	13.87	40.95	89.46
German 10yr Bund	2.79	1.10	14.30	20.80
UK 10yr Gilt	4.42	-0.30	0.70	-9.10
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	434	-0.71	-2.05	-4.88
Global Treasuries	187	-0.65	-2.00	-5.62
Global Corporate	249	-0.82	-2.10	-3.86
EM USD Sovereign	340	-0.49	-3.37	-4.39
EM LCY Sovereign	136	-0.01	-1.36	-3.40
Global High Yield	1,391	-0.39	-2.02	-1.91
Currencies				
Dollar Index	106.60	0.74	1.57	6.65
EUR USD	1.0528	-0.87	-1.75	-6.09
GBP USD	1.2175	-1.12	-2.37	-7.17
USD JPY	149.81	0.43	-1.49	-7.78
Equities				
S&P 500	4,350	-0.61	-2.39	-2.35
Dow Jones	33,631	-0.51	-2.86	-1.56
NASDAQ	13,574	-0.63	-1.40	-2.29
STOXX 600	454	0.11	-0.27	-0.60
DAX	15,425	-0.23	-1.85	-3.73
Nikkei 225	32,495	1.75	-0.26	2.42
FTSE 100	7,645	0.36	1.72	4.20
SENSEX	66,408	-0.10	-1.21	1.88
Hang Seng	18,238	1.93	1.23	-2.50
MSCI World	2,884	-0.52	-2.26	-2.98
MSCI EM	963	0.62	-1.17	-3.70
Regional Equities				
ADX	9,592	-0.58	-1.55	-0.01
DFM	4,057	-0.61	-0.03	2.10
Tadawul	10,586	0.13	-5.01	-8.67
DSM	10,120	0.97	-2.56	-0.03
MSM30	4,786	0.16	1.92	-0.25
BHSE	1,946	0.34	0.58	1.33
KWSE	6,623	0.46	-5.48	-8.64
Commodities				
BBG Commodity Index	103.4	0.31	-3.24	-0.03
Brent USD/bbl	86.0	0.21	-5.70	6.49
Gold USD/t oz	1,868.9	-0.29	-1.64	-4.27
Copper USD/MT	7,995.0	1.11	-4.11	-4.45
Volatility				
VIX	16.69	3.73	17.29	23.26
MOVE	126.37	-0.64	20.23	10.78

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on October 13, 2023 unless stated otherwise. Performance in local currency terms.

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