

Chinese GDP growth expected to slow down.

- ▶ US consumer sentiment fell in October.
- ▶ Chinese CPI was flat; PPI fell in September.
- ▶ Commodities rose, equities fell on Friday.

Chart of the Day: China GDP growth rate expected to decline.



Source: Bloomberg, and ADCB Asset Management.

Macroeconomic news

- ▶ US consumer sentiment index fell for a third month in a row in October. Inflation expectations rose, however labour market strength was likely to continue supporting consumer spending.
- ▶ China's consumer prices were flat in September, while factory-gate prices shrank but at a slower pace, official data showed on Friday. CPI was unchanged y-o-y in September. PPI fell 2.5% y-o-y in September, slightly over expectations of a 2.4% fall. Signs are emerging that the world's second-largest economy is stabilising but concerns over the strength of recovery momentum remain.

Rates and Fixed Income

- ▶ 10Y UST yields fell on Friday. 10Y German Bund yields and 10Y UK Gilt yields both rose.
- ▶ Fixed income indices were mixed with Global Corporate outperforming. EM LCY Sovereign underperformed.

Currencies

- ▶ Broader USD inched higher on Friday.
- ▶ EUR and GBP weakened against the USD on Friday. JPY strengthened against the USD.

Equities

- ▶ Global equities fell on Friday with the exception of DJIA.
- ▶ UAE stocks fell on Friday with DFM underperforming. GCC equity indices were mostly down on Sunday.

Commodities

- ▶ BBG Commodity index continued to rise on Friday.
- ▶ Oil rose over 5% while gold rose 3.42% due to geopolitical uncertainty. Copper fell.

Key events in the day ahead

- ▶ US Empire State Manufacturing
- ▶ Italy CPI EU Harmonized

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.31	0.00	1.00	26.00
UAE Eibor 3m	5.38	9.00	21.72	1.47
UAE Eibor 12m	5.58	-6.36	11.68	7.42
US 3m Bills	5.48	-0.51	1.31	11.22
US 10yr Treasury	4.61	-8.45	31.31	81.33
German 10yr Bund	2.74	1.90	8.60	25.20
UK 10yr Gilt	4.39	5.80	3.90	-3.60
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	435	0.07	-2.11	-5.53
Global Treasuries	187	-0.01	-2.12	-6.35
Global Corporate	250	0.22	-2.01	-4.39
EM USD Sovereign	340	0.03	-3.39	-5.09
EM LCY Sovereign	136	-0.24	-1.82	-4.34
Global High Yield	1,390	-0.10	-2.22	-2.62
Currencies				
Dollar Index	106.65	0.05	1.13	6.60
EUR USD	1.0510	-0.17	-1.56	-6.33
GBP USD	1.2143	-0.26	-1.79	-6.98
USD JPY	149.57	-0.16	-1.22	-7.17
Equities				
S&P 500	4,328	-0.50	-3.00	-3.66
Dow Jones	33,670	0.12	-2.54	-1.58
NASDAQ	13,407	-1.23	-2.89	-4.99
STOXX 600	449	-0.98	-0.93	-2.19
DAX	15,187	-1.55	-2.99	-5.91
Nikkei 225	32,316	-0.55	-0.59	0.36
FTSE 100	7,600	-0.59	1.14	3.18
SENSEX	66,283	-0.19	-1.76	1.42
Hang Seng	17,813	-2.33	-1.03	-7.18
MSCI World	2,862	-0.76	-3.03	-4.77
MSCI EM	951	-1.18	-2.26	-6.26
Regional Equities				
ADX	9,483	-1.14	-2.73	-1.20
DFM	3,965	-2.27	-2.05	-0.66
Tadawul**	10,543	-0.41	-5.47	-8.90
DSM**	10,126	0.06	-1.87	-0.89
MSM30**	4,760	-0.54	0.73	-0.70
BHSE**	1,943	-0.13	0.61	0.97
KWSE**	6,569	-0.81	-6.53	-9.69
Commodities				
BBG Commodity Index	105.3	1.87	-1.56	0.74
Brent USD/bbl	90.9	5.69	-3.25	13.78
Gold USD/t oz	1,932.8	3.42	-0.70	-1.78
Copper USD/MT	7,891.0	-0.66	-5.53	-8.08
Volatility				
VIX	19.32	15.76	43.32	41.95
MOVE	128.33	1.55	25.99	14.84

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on October 16, 2023 unless stated otherwise.

**Data of Sunday Performance. Performance in local currency terms.

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