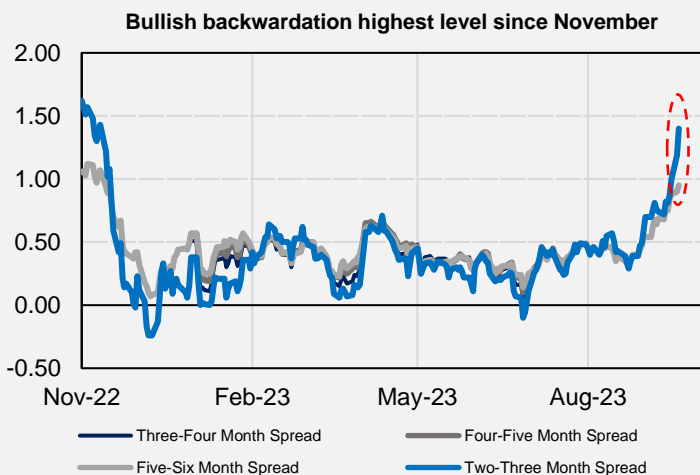


Market uncertainty starting to linger.

- ▶ Global macro releases upcoming this week.
- ▶ Oil prices, a government shutdown and a wages dispute add fears.
- ▶ Mixed performances across all asset classes.

Chart of the day: Brent Timespreads Creep Higher



Source: Bloomberg, and ADCB Asset Management

Macroeconomic news

- ▷ An expected increase in UK inflation is making the BoE's already difficult decision on whether to pause rate hikes even harder.
- ▷ Rising oil prices, a possible government shutdown in less than two weeks and a strike amongst autoworkers could all slow a U.S. economy that is still running strong with the pace of inflation too high.

Rates and Fixed Income

- ▷ Yields on 10Y European sovereign bonds rose on Monday while 10Y UST yields retreated.
- ▷ Global bond indices continued to decline with EM LCY Sovereign underperforming.

Currencies

- ▷ Broader USD declined ahead of the central bank meetings.
- ▷ GBP/USD remained unchanged, EUR and JPY strengthened against the USD.

Equities

- ▷ US equities barely moved, other global equities declined with the exception of Nikkei 225 which rose 1%.
- ▷ Most GCC equities declined with the exception of DFM and DSM which rose slightly.

Commodities

- ▷ On Monday, Copper continued to decline over China demand concerns.
- ▷ Gold rose as USD strength retreated. Oil rally continued with Brent rising just over half a percent.

Key events in the day ahead (September 19)

- ▷ Fed meeting commences
- ▷ Eurozone CPI YoY
- ▷ UK CPI (20th September)

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.31	1.00	1.00	25.00
UAE Eibor 3m	5.12	-12.86	-19.77	-2.21
UAE Eibor 12m	5.60	0.15	11.57	26.12
US 3m Bills	5.45	0.18	-0.57	20.88
US 10yr Treasury	4.30	-2.98	5.19	54.52
German 10yr Bund	2.71	11.50	8.60	23.40
UK 10yr Gilt	4.39	11.00	-28.40	-2.10
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	442	-0.03	-0.66	-2.75
Global Treasuries	190	-0.08	-1.10	-3.60
Global Corporate	254	0.00	-0.04	-1.26
EM USD Sovereign	352	-0.08	0.49	-0.04
EM LCY Sovereign	138	-0.24	-0.38	-2.06
Global High Yield	1420	-0.04	0.84	1.26
Currencies				
Dollar Index	105.20	-0.11	1.70	2.83
EUR USD	1.07	0.33	-1.95	-2.17
GBP USD	1.24	0.00	-2.95	-3.22
USD JPY	147.61	-0.16	-1.05	-3.92
Equities				
S&P 500	4454	0.07	2.06	1.38
Dow Jones	34624	0.02	0.60	1.48
NASDAQ	13710	0.01	3.22	0.34
STOXX 600	457	-1.12	1.94	-1.67
DAX	15727	-1.05	0.98	-3.85
Nikkei 225	33533	1.10	4.08	0.32
FTSE 100	7653	-0.76	5.54	1.14
SENSEX	67597	-0.36	4.12	7.08
Hang Seng	17931	-1.37	0.54	-8.80
MSCI World	2956	-0.16	2.18	0.23
MSCI EM	976	-0.89	1.44	-4.09
Regional Equities				
ADX	9817	-0.64	0.19	4.17
DFM	4048	0.12	-0.05	7.13
Tadawul	11036	-0.61	-3.29	-2.96
DSM	10272	0.18	-2.83	0.06
MSM30	4711	-0.02	-1.56	0.69
BHSE	1922	-0.14	-1.56	0.71
KWSE	7005	-0.09	-1.55	0.01
Commodities				
BBG Commodity Index	107.4	-0.07	3.03	2.15
Brent USD/bbl	94.4	0.53	12.11	24.94
Gold USD/t oz	1933.8	0.52	1.95	-0.95
Copper USD/MT	8320	-1.22	1.76	-2.82
Volatility				
VIX	14.0	1.52	-19.08	3.40
MOVE	99.3	2.81	-17.58	-4.89

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on September 19, 2023 unless stated otherwise. Performance in local currency terms.

Prepared by the Investment Strategy Team

Ahmed Al Falahi

Analyst

Tel: +971 (0)2 497 3934

ahmed.a5@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 696 2358

kishore.muktinutalapati@adcb.com

Mohammed Al Hemeiri

Analyst

Tel: +971 (0)2 696 2236

mohammed.alhemeiri@adcb.com

Nura Al Suwaidi

Analyst

Tel: +971 (0)2 497 9520

nura.alsuwaidi@adcb.com

Prerana Seth

Fixed Income Strategist

Tel: +971 (0)2 696 2878

prerana.seth@adcb.com

Visit [Investment Strategy Webpage](#) to read our other reports

Disclaimer

ADCB Asset Management Limited ("AAML"), is a member of ADCB Group, licensed by Financial Services Regulatory Authority in Abu Dhabi Global Markets under financial services permission number 170036.

This publication is intended for general information purposes only. It should not be construed as an offer, recommendation or solicitation to purchase or dispose of any securities or to enter in any transaction or adopt any hedging, trading or investment strategy. Neither this publication nor anything contained herein shall form the basis of any contract or commitment whatsoever. Distribution of this publication does not oblige ADCB Group to enter into any transaction.

The content of this publication should not be considered as legal, regulatory, credit, tax or accounting advice. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in this publication. Investment products are not available to US persons.

Information and opinions contained herein is are based on various sources, including but not limited to public information, annual reports and statistical data that AAML considers accurate and reliable. However, AAML makes no representation or warranty as to the accuracy or completeness of any statement made in or in connection with this publication and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this publication. This publication is intended for customers who are either retail or professional investors.

Charts, graphs and related data or information provided in this publication are intended to serve for illustrative purposes only. The information contained in this publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. All statements as to future matters are not guaranteed to be accurate. AAML expressly disclaims any obligation to update or revise any forward looking statement to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

ADCB Group does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its publications. As a result, recipients of this publication should be aware that any or all of foregoing services may at time give rise to a conflict of interest that could affect the objectivity of this publication. Opinions expressed herein may differ from opinions expressed by other businesses or affiliates of ADCB Group.

Past performance does not guarantee future results. Investment products are not bank deposits and are not guaranteed by ADCB Group. They are subject to investment risk, including possible of loss of principal amount invested. This publication may not be reproduced or circulated without ADCB Group written authority. The manner of circulation and distribution may be restricted by law or regulation in certain jurisdictions. Persons who come into possession of this document are required to inform themselves of, and to observe such restrictions. Any unauthorized use, duplication, or disclosure of this document is prohibited by law and may result in prosecution.