

# The Weekly Market View

Investment Strategy | February 02 2026

## Geopolitics, trade frictions, and policy signals shape market direction

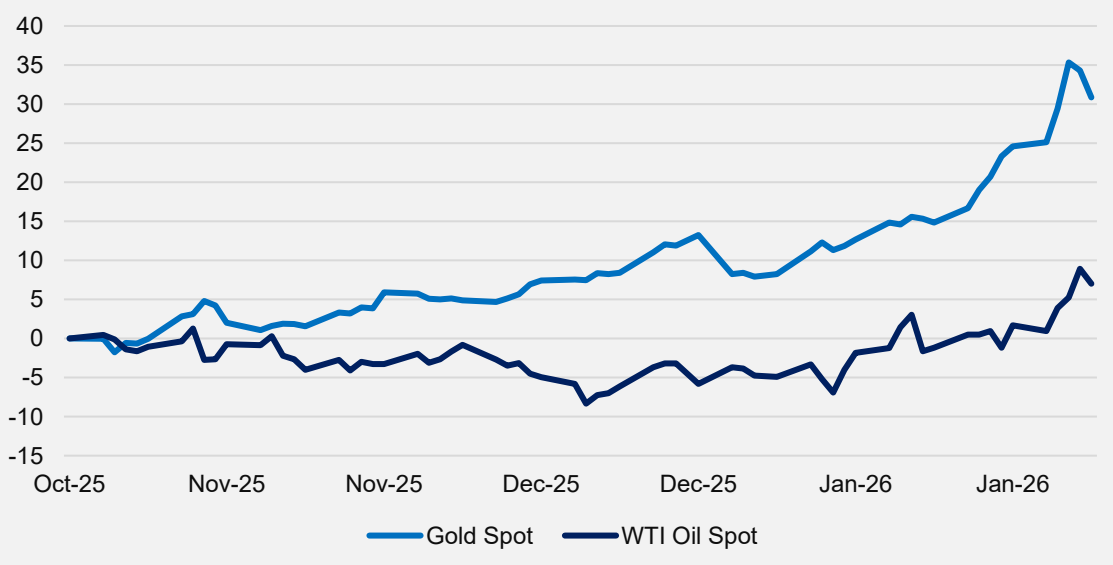
### Macro headlines

The macroeconomic narrative during the week was dominated by heightened geopolitical tensions, shifting trade policy, and cautious central-bank positioning. President Trump widened the US tariff front, targeting South Korean autos, Canada, and threatening further action linked to Greenland and Iran, before partially softening his stance as diplomatic engagement resumed with Europe and NATO. Trade uncertainty was compounded by new measures affecting AI chips and evolving US positions toward Venezuela, Iran, and China, while Europe prepared potential retaliatory steps. Political risk remained elevated domestically, with a brief US government shutdown, debate over immigration enforcement, and the nomination of a new Federal Reserve chair adding to institutional uncertainty. Central banks broadly held rates steady: the Federal Reserve paused at 3.50–3.75% after three cuts, signaling patience amid firmer growth and tentative labor-market stabilization, while policymakers in the UAE, Canada, Brazil, Sweden, South Africa, and Japan also adopted cautious stances. Economic data were mixed but resilient. In the US, durable goods orders rebounded strongly, regional manufacturing surveys improved, productivity rose sharply, and earnings momentum remained solid, offset by softer housing indicators and weaker consumer confidence. Europe saw gradual improvement in sentiment and industrial activity, while Asia delivered stronger signals, led by India's robust industrial production, Taiwan's surge in exports and manufacturing, and improving PMI readings across several economies.

### Market performances

Financial markets navigated the volatile macro backdrop with relative resilience. Global equities ended the week modestly higher, with the MSCI World up 0.5% w/w, supported by strong gains in emerging markets, where the MSCI EM rose 1.8% w/w. Performance across developed markets was mixed: the S&P 500 gained 0.3% w/w, while the Dow Jones and NASDAQ declined 0.4% and 0.2%, respectively, reflecting sector rotation amid earnings and policy uncertainty. European equities outperformed, with the STOXX 600 up 0.4% w/w and the FTSE 100 rising 0.8%, while Asian equity markets were mixed, with gains in Hong Kong offset by declines in Japan. Fixed-income markets posted solid returns as yields remained relatively contained, with global aggregate bonds up 0.8% w/w and global treasuries gaining 1.0%, alongside positive performance in credit and emerging-market debt. The US dollar weakened further, with the dollar index down 0.6% w/w, supporting gains in the euro and sterling, while the yen strengthened modestly. Commodities advanced, led by energy, as Brent and WTI rose more than 6% on the week, while industrial metals were supported by strong copper gains. Precious metals corrected after recent record highs, and digital assets underperformed, with Bitcoin and major altcoins posting notable weekly declines. Volatility increased modestly, reflecting ongoing sensitivity to geopolitical and policy developments.

### Chart of the Week: Oil and Gold price geopolitical uncertainty



Source: Bloomberg, and ADCB Asset Management

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## Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	3.65	0.00	-57.00	-22.00
UAE Eibor 3m	3.61	3.43	2.44	13.10
UAE Eibor 12m	3.62	-5.26	-12.78	0.32
US 3m Bills	3.64	-1.03	-14.70	2.73
US 10yr Treasury	4.24	1.03	15.80	6.85
German 10yr Bund	2.84	-6.30	21.00	-1.20
UK 10yr Gilt	4.52	1.00	11.30	4.30
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	506	0.80	1.43	0.94
Global Treasuries	210	0.96	0.98	0.87
Global Corporate	306	0.49	1.69	0.87
EM USD Sovereign	460	0.05	1.17	0.24
EM LCY Sovereign	164	0.58	2.44	1.07
Global High Yield	1,881	0.25	2.55	0.99
Currencies				
Dollar Index	97.08	-0.62	-2.82	-1.35
EUR USD	1.1868	0.19	2.72	0.98
GBP USD	1.3686	0.32	4.06	1.74
USD JPY	154.95	-0.59	0.51	-1.31
Equities				
S&P 500	6,939	0.34	1.44	1.37
Dow Jones	48,892	-0.42	2.80	1.73
NASDAQ	23,462	-0.17	-1.11	0.95
STOXX 600	611	0.44	6.84	3.18
DAX	24,539	-1.45	2.42	0.20
Nikkei 225	53,028	-0.97	1.74	5.93
FTSE 100	10,224	0.79	5.21	2.94
SENSEX	80,556	0.90	-1.99	-3.46
Hang Seng	26,794	2.38	5.71	6.85
MSCI World	4,528	0.50	3.12	2.19
MSCI EM	1,528	1.80	9.03	8.81
Regional Equities				
ADX	10,282	-0.04	1.80	2.89
DFM	6,435	-0.76	6.20	6.42
Tadawul*	11,382	2.23	-2.35	8.50
DSM*	11,310	-0.23	3.23	5.09
MSM30*	6,330	1.87	12.83	7.90
BHSE*	2,044	-0.44	-0.91	-1.09
KWSE*	8,566	-3.38	-5.16	-3.84
Commodities				
BBG Commodity Index	116.5	0.93	12.49	10.04
Brent USD/bbl	66.4	7.30	8.64	16.17
WTI USD/bbl	62.4	6.78	6.94	13.57
Gold USD/t oz	4,672.0	-1.87	22.27	13.24
Silver USD/t oz	78.0	-17.44	74.99	18.89
Platinum USD/t oz	2,079.3	-20.99	39.45	6.54
Aluminum	3,129.0	-1.02	8.70	5.04
Copper USD/MT	13,369.5	3.48	22.64	6.92
Digital Assets				
Bitcoin	75,982.3	-5.69	-23.09	-3.98
Ether	2,229.2	-8.14	-30.00	-9.27
Solana	99.6	-7.69	-37.23	-5.64
XRP	1.6	-9.86	-31.20	-6.07
Volatility				
VIX	17.44	8.39	0.00	16.66
MOVE	59.20	5.24	-11.12	-7.44

Source: Bloomberg, and ADCB Asset Management | Notes: \*Data as of January 30 2026 unless stated otherwise; \*\*Data as of January 29 2026.

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## Forthcoming important economic data/events

### United States



Date & Time (GST)	Indicator	Period	Expected	Prior
2/02/2026 18:45	<b>S&amp;P Global US Manufacturing PMI</b>	Jan F	--	51.9
2/02/2026 19:00	<b>ISM Manufacturing</b>	Jan	48.3	47.9
2/02/2026 19:00	ISM Prices Paid	Jan	--	58.5
2/03/2026 19:00	JOLTS Job Openings	Dec	7100k	7146k
2/04/2026 16:00	<b>MBA Mortgage Applications</b>	30-Jan	--	-8.50%
2/04/2026 17:15	ADP Employment Change	Jan	48k	41k
2/04/2026 18:45	<b>S&amp;P Global US Services PMI</b>	Jan F	--	52.5
2/04/2026 19:00	ISM Services Index	Jan	53.5	54.4
2/05/2026 17:30	<b>Initial Jobless Claims</b>	31-Jan	--	209k
2/05/2026 17:30	<b>Continuing Claims</b>	24-Jan	--	1827k
2/06/2026 17:30	Change in Manufact. Payrolls	Jan	--	-8k
2/06/2026 17:30	Average Hourly Earnings YoY	Jan	3.60%	3.80%
2/06/2026 17:30	Unemployment Rate	Jan	4.40%	4.40%
2/06/2026 17:30	Labor Force Participation Rate	Jan	--	62.40%
2/06/2026 17:30	Underemployment Rate	Jan	--	8.40%
2/06/2026 19:00	<b>U. of Mich. Sentiment</b>	Feb P	55.5	56.4
2/06/2026 19:00	U. of Mich. Current Conditions	Feb P	--	55.4
2/06/2026 19:00	U. of Mich. Expectations	Feb P	--	57
2/06/2026 19:00	<b>U. of Mich. 1 Yr Inflation</b>	Feb P	--	4.00%
2/06/2026 19:00	<b>U. of Mich. 5-10 Yr Inflation</b>	Feb P	--	3.30%
2/07/2026 0:00	Consumer Credit	Dec	--	\$4.229b

### Japan



Date & Time (GST)	Indicator	Period	Expected	Prior
2/03/2026 3:50	Monetary Base YoY	Jan	--	-9.80%
2/04/2026 4:30	<b>S&amp;P Global Japan PMI Services</b>	Jan F	--	53.4
2/06/2026 3:30	Household Spending YoY	Dec	0.10%	2.90%
2/06/2026 9:00	Leading Index CI	Dec P	109.8	109.9
2/06/2026 9:00	Coincident Index	Dec P	114.4	114.9

### Eurozone



Date & Time (GST)	Indicator	Period	Expected	Prior
2/02/2026 12:50	<b>France HCOB Manufacturing PMI</b>	Jan F	--	51
2/02/2026 12:55	<b>Germany HCOB Manufacturing PMI</b>	Jan F	--	2/02/2026 12:55
2/02/2026 13:00	<b>Eurozone HCOB Manufacturing PMI</b>	Jan F	--	49.4
2/03/2026 11:45	France CPI EU Harmonized YoY	Jan P	--	0.70%
2/03/2026 11:45	<b>France CPI YoY</b>	Jan P	--	0.80%
2/04/2026 12:50	<b>France HCOB Services PMI</b>	Jan F	--	47.9
2/04/2026 12:55	<b>Germany HCOB Services PMI</b>	Jan F	--	53.3
2/04/2026 13:00	<b>Eurozone HCOB Services PMI</b>	Jan F	--	51.9
2/04/2026 14:00	<b>Eurozone PPI YoY</b>	Dec	--	-1.70%
2/04/2026 14:00	<b>Eurozone CPI Estimate YoY</b>	Jan P	--	1.90%
2/04/2026 14:00	<b>Eurozone CPI Core YoY</b>	Jan P	--	2.30%
2/05/2026 11:00	Germany Factory Orders WDA YoY	Dec	--	10.50%
2/05/2026 11:45	<b>France Industrial Production MoM</b>	Dec	--	-0.10%
2/05/2026 11:45	France Manufacturing Production MoM	Dec	--	0.30%
2/05/2026 14:00	<b>Eurozone Retail Sales YoY</b>	Dec	--	2.30%
2/05/2026 17:15	Eurozone ECB Deposit Facility Rate	5-Feb	--	2.00%
2/05/2026 17:15	Eurozone ECB Main Refinancing Rate	5-Feb	--	2.15%
2/05/2026 17:15	Eurozone ECB Marginal Lending Facility	5-Feb	--	2.40%
2/06/2026 11:00	<b>Germany Industrial Production WDA YoY</b>	Dec	--	0.80%

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## United Kingdom

Date & Time (GST)	Indicator	Period	Expected	Prior
2/02/2026 13:30	S&P Global UK Manufacturing PMI	Jan F	--	51.6
2/04/2026 13:30	S&P Global UK Services PMI	Jan F	54.2	54.3
2/05/2026 13:30	S&P Global UK Construction PMI	Jan	--	40.1
2/05/2026 16:00	Bank of England Bank Rate	5-Feb	3.75%	3.75%

## China & India

Date & Time (GST)	Indicator	Period	Expected	Prior
2/04/2026 5:45	China RatingDog PMI Services	Jan	51.7	52
2/04/2026 9:00	India HSBC PMI Services	Jan F	--	59.3
2/06/2026 8:30	India RBI Repurchase Rate	6-Feb	5.25%	5.25%

## GCC

Date & Time (GST)	Indicator	Period	Expected	Prior
2/03/2026 8:15	Saudi Arabia S&P PMI	Jan	--	57.4
2/03/2026 13:00	Qatar S&P PMI	Jan	--	50
2/04/2026 8:15	United Arab Emirates S&P PMI	Jan	--	54.2
2/04/2026 8:15	Dubai S&P PMI	Jan	--	54.3

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