

# The Weekly Market View

Investment Strategy | November 03 2025

## Markets balance trade truce and policy turns as October closes

### Macro headlines

Global developments during the week reflected a pivotal blend of trade diplomacy, shifting monetary policy, and persistent geopolitical friction. President Trump's Asia tour dominated headlines as he met Japan's newly elected Prime Minister Sanae Takaichi, reinforcing strategic ties and concluding new rare earth and trade agreements. The trip culminated in a landmark summit with President Xi Jinping in Busan – their first meeting since 2019 – where both leaders reached a limited détente, agreeing to suspend additional tariffs and ease technology restrictions in exchange for China's pledges to curb fentanyl exports, resume soybean purchases, and allow US firms partial ownership of domestic operations such as TikTok. The breakthrough followed weeks of rising pressure, including extended shutdown negotiations in Washington, which entered their 27th day, and Trump's hints at a new Fed leadership nomination. The Federal Reserve cut rates by 25 bps to 3.75–4.00%, ending quantitative tightening and committing to reinvest maturing securities – a dovish pivot mirrored by the Bank of Canada's rate reduction to 2.25%. The ECB and BoJ held policy steady amid modest Eurozone GDP growth (+0.2% Q3) and easing German inflation (2.3%). In China, October PMIs showed continued contraction in manufacturing (49.0) and stagnation in services, underscoring uneven recovery momentum despite policy pledges for fiscal and industrial stimulus. Japan's industrial output rose 2.2% in September on semiconductor demand, while Europe's inflation cooled to 2.1% — its lowest in over two years. Meanwhile, President Xi used the APEC summit to call for a global AI governance framework, signaling Beijing's ambition to shape future tech regulation. Elsewhere, OPEC+ announced a modest December output increase but deferred further hikes amid signs of oversupply.

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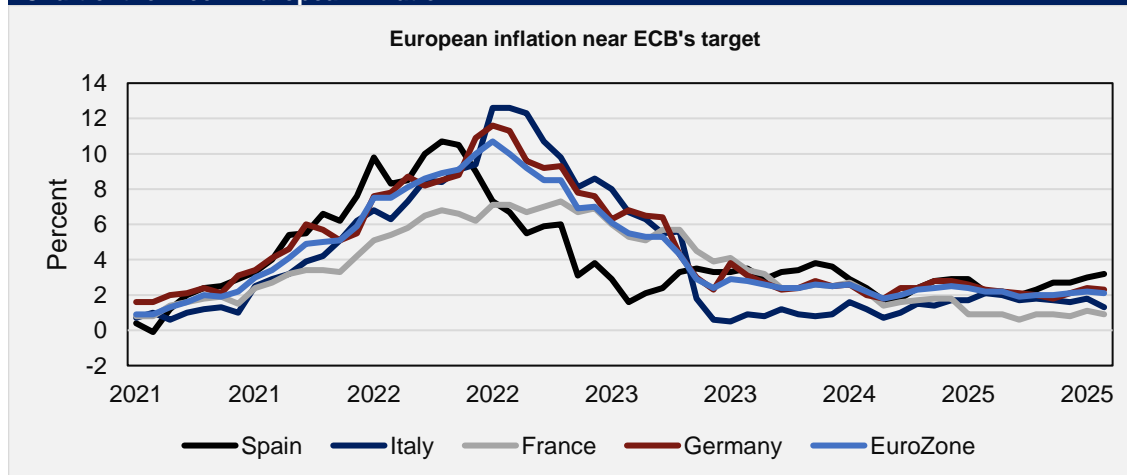
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### Market performances

Global markets posted mixed performances as investors weighed central bank pivots, trade breakthroughs, and robust corporate earnings against lingering macro risks. In equities, the Nasdaq outperformed, gaining 2.24%, while the S&P 500 and Dow Jones rose 0.71% and 0.75%, respectively, led by technology, communications, and industrials amid upbeat earnings – with c83% of S&P 500 firms beating expectations and Q3 earnings up 14% YoY. Europe diverged, with the STOXX 600 falling 0.67% and DAX losing 1.16%, while the FTSE 100 added 0.74% on stronger energy and financials. In Asia, Japan's Nikkei 225 surged 6.31%, buoyed by yen weakness and export optimism, while Hang Seng declined 0.97% and Sensex slipped 0.32% amid profit-taking. Regionally, the MSM30 gained 4.47%, BHSE rose 3.52%, and KWSE climbed 1.22%, whereas ADX and DFM edged lower. In fixed income, the US 10-year Treasury yield rose slightly to 4.08%, while global bonds weakened as the Global Aggregate Index fell 0.45% and Corporate Bonds declined 0.69%, though EM Sovereign Debt gained 0.98%. The US Dollar Index strengthened 0.86%, with the EUR/USD down 0.77%, GBP/USD off 1.19%, and USD/JPY up 0.74%. Commodities were mixed – Brent crude slipped 1.32% to USD 65/bbl, WTI fell 0.85%, and gold declined 2.68% to USD 4,007/oz, while silver and copper rose modestly. In digital assets, Bitcoin retreated 1.34% to USD 107,700, while Ether and Solana declined 2.03% and 3.51%, respectively, amid profit-taking following a strong October. Overall, markets ended October cautiously optimistic — buoyed by central bank support, trade détente, and strong earnings, yet tempered by lingering geopolitical and fiscal uncertainty.

### Chart of the Week: European inflation



Source: Bloomberg, and ADCB Asset Management

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Investment Strategy | November 03 2025

ASSET MANAGEMENT LIMITED

## Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	4.04	-20.00	-30.00	-45.00
UAE Eibor 3m	3.58	-18.21	-70.23	-86.39
UAE Eibor 12m	3.74	6.72	-38.71	-60.79
US 3m Bills	3.80	-4.39	-46.51	-51.37
US 10yr Treasury	4.08	7.68	-13.84	-49.15
German 10yr Bund	2.63	0.70	-4.60	26.60
UK 10yr Gilt	4.41	-2.30	-11.90	-15.90
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	499	-0.45	1.12	7.64
Global Treasuries	208	-0.43	0.49	6.70
Global Corporate	301	-0.69	1.81	9.40
EM USD Sovereign	455	0.98	5.20	12.06
EM LCY Sovereign	160	0.15	1.74	7.83
Global High Yield	1,834	0.41	2.87	10.36
Currencies				
Dollar Index	99.75	0.86	0.67	-8.00
EUR USD	1.1533	-0.77	-0.43	11.43
GBP USD	1.3142	-1.19	-0.96	5.08
USD JPY	154.06	0.74	4.47	-2.04
Equities				
S&P 500	6,840	0.71	9.65	16.30
Dow Jones	47,563	0.75	9.12	11.80
NASDAQ	23,725	2.24	14.89	22.86
STOXX 600	572	-0.67	6.74	12.66
DAX	23,958	-1.16	2.27	20.34
Nikkei 225	52,411	6.31	28.46	31.37
FTSE 100	9,717	0.74	7.15	18.89
SENSEX	83,956	-0.32	4.14	6.92
Hang Seng	26,057	-0.97	5.71	29.15
MSCI World	4,390	0.44	9.14	18.41
MSCI EM	1,402	0.88	14.30	30.19
Regional Equities				
ADX	10,100	-1.00	-2.10	7.23
DFM	6,059	-0.11	-0.86	17.46
Tadawul*	11,656	0.38	6.74	-3.49
DSM*	10,957	0.73	-2.71	3.65
MSM30*	5,610	4.47	17.35	22.50
BHSE*	2,063	3.52	5.49	3.88
KWSE*	9,032	1.22	4.80	22.67
Commodities				
BBG Commodity Index	107.7	-0.07	6.64	8.65
Brent USD/bbl	65.0	-1.32	-6.60	-12.82
WTI USD/bbl	61.1	-0.85	-9.43	-14.97
Gold USD/t oz	4,007.1	-2.68	19.01	52.52
Silver USD/t oz	48.8	0.12	31.46	68.46
Platinum USD/t oz	1,595.9	-2.20	19.23	73.46
Aluminum	2,878.5	0.74	12.23	13.49
Copper USD/MT	10,901.5	0.87	14.33	25.22
Digital Assets				
Bitcoin	107,719.4	-1.34	-3.93	15.47
Ether	3,730.6	-2.03	9.02	14.81
Solana	177.1	-3.51	14.11	-3.82
XRP	2.4	-0.15	-16.50	8.37
Volatility				
VIX	17.44	6.54	-14.43	0.52
MOVE	66.61	-3.38	-20.54	-32.58

Source: Bloomberg, and ADCB Asset Management | Notes: \*Data as of October 31 2025 unless stated otherwise; \*\*Data as of October 30 2025.

# The Weekly Market View

Investment Strategy | November 03 2025

## Forthcoming important economic data/events

### United States



Date & Time (GST)	Indicator	Period	Expected	Prior
11/03/2025 18:45	<b>S&amp;P Global US Manufacturing PMI</b>	Oct F	--	52.2
11/03/2025 19:00	<b>ISM Manufacturing</b>	Oct	49.2	49.1
11/03/2025 19:00	<b>ISM New Orders</b>	Oct	--	48.9
11/03/2025 19:00	Construction Spending MoM	Sep	--	--
11/04/2025 17:30	Trade Balance	Sep	--	--
11/04/2025 17:30	Exports MoM	Sep	--	--
11/04/2025 17:30	Imports MoM	Sep	--	--
11/04/2025 19:00	<b>JOLTS Job Openings</b>	Sep	--	7227k
11/04/2025 19:00	<b>Factory Orders</b>	Sep	--	--
11/04/2025 19:00	<b>Durable Goods Orders</b>	Sep F	--	--
11/05/2025 16:00	<b>MBA Mortgage Applications</b>	31-Oct	--	7.10%
11/05/2025 17:15	<b>ADP Employment Change</b>	Oct	25k	-32k
11/05/2025 18:45	<b>S&amp;P Global US Services PMI</b>	Oct F	--	55.2
11/05/2025 19:00	<b>ISM Services Index</b>	Oct	51	50
11/06/2025 16:30	Challenger Job Cuts YoY	Oct	--	-25.80%
11/06/2025 17:30	<b>Initial Jobless Claims</b>	1-Nov	--	--
11/06/2025 17:30	<b>Continuing Claims</b>	25-Oct	--	--
11/06/2025 19:00	Wholesale Inventories MoM	Sep F	--	--
11/07/2025 17:30	Change in Nonfarm Payrolls	Oct	--	--
11/07/2025 17:30	<b>Unemployment Rate</b>	Oct	--	--
11/07/2025 17:30	Labor Force Participation Rate	Oct	--	--
11/07/2025 17:30	Underemployment Rate	Oct	--	--
11/07/2025 17:30	<b>Average Hourly Earnings YoY</b>	Oct	--	--
11/07/2025 19:00	<b>U. of Mich. Sentiment</b>	Nov P	54	53.6
11/07/2025 19:00	<b>U. of Mich. Current Conditions</b>	Nov P	--	58.6
11/07/2025 19:00	<b>U. of Mich. Expectations</b>	Nov P	--	50.3
11/07/2025 19:00	<b>U. of Mich. 1 Yr Inflation</b>	Nov P	--	4.60%
11/07/2025 19:00	<b>U. of Mich. 5-10 Yr Inflation</b>	Nov P	--	3.90%
11/07/2025 20:00	<b>NY Fed 1-Yr Inflation Expectations</b>	Oct	--	3.38%

### Japan



Date & Time (GST)	Indicator	Period	Expected	Prior
11/04/2025 4:30	<b>S&amp;P Global Japan PMI Mfg</b>	Oct F	--	48.3
11/05/2025 3:50	Monetary Base YoY	Oct	--	-6.20%
11/06/2025 3:30	Labor Cash Earnings YoY	Sep	2.00%	1.50%
11/06/2025 4:30	<b>S&amp;P Global Japan PMI Services</b>	Oct F	--	52.4
11/07/2025 3:30	Household Spending YoY	Sep	2.60%	2.30%

### Eurozone



Date & Time (GST)	Indicator	Period	Expected	Prior
11/03/2025 12:50	<b>France HCOB Manufacturing PMI</b>	Oct F	--	48.3
11/03/2025 12:55	<b>Germany HCOB Manufacturing PMI</b>	Oct F	--	49.6
11/03/2025 13:00	<b>Eurozone HCOB Manufacturing PMI</b>	Oct F	50	50
11/05/2025 11:00	Germany Factory Orders WDA YoY	Sep	--	1.50%
11/05/2025 11:45	France Industrial Production MoM	Sep	--	-0.70%
11/05/2025 11:45	France Manufacturing Production MoM	Sep	--	-0.70%
11/05/2025 12:50	<b>France HCOB Services PMI</b>	Oct F	--	47.1
11/05/2025 12:55	<b>Germany HCOB Services PMI</b>	Oct F	--	54.5
11/05/2025 13:00	<b>Eurozone HCOB Services PMI</b>	Oct F	52.6	52.6
11/05/2025 14:00	<b>Eurozone PPI YoY</b>	Sep	--	-0.60%
11/06/2025 11:00	<b>Germany Industrial Production WDA YoY</b>	Sep	--	-3.90%
11/06/2025 12:30	Germany HCOB Construction PMI	Oct	--	46.2
11/06/2025 14:00	<b>Eurozone Retail Sales YoY</b>	Sep	--	1.00%
11/07/2025 11:00	Trade Balance SA	Sep	--	17.2b

# The Weekly Market View

Investment Strategy | November 03 2025

## United Kingdom

Date & Time (GST)	Indicator	Period	Expected	Prior
11/03/2025 13:30	S&P Global UK Manufacturing PMI	Oct F	--	49.6
11/05/2025 13:00	New Car Registrations YoY	Oct	--	13.70%
11/05/2025 13:30	S&P Global UK Services PMI	Oct F	--	51.1
11/05/2025 13:30	Official Reserves Changes	Oct	--	\$4618m
11/06/2025 13:30	S&P Global UK Construction PMI	Oct	--	46.2
11/06/2025 16:00	Bank of England Bank Rate	6-Nov	4.00%	4.00%

## China & India

Date & Time (GST)	Indicator	Period	Expected	Prior
11/03/2025 9:00	India HSBC PMI Mfg	Oct F	--	58.4
11/03/2025 5:45	China RatingDog PMI Mfg	Oct	50.7	51.2
11/05/2025 5:45	China RatingDog PMI Services	Oct	--	52.9
11/06/2025 9:00	India HSBC PMI Services	Oct F	--	58.8
11/07/2025	China Exports YoY	Oct	3.90%	8.30%
11/07/2025	China Imports YoY	Oct	3.10%	7.40%
11/07/2025	China Trade Balance	Oct	\$101.10b	\$90.45b
11/09/2025 5:30	China PPI YoY	Oct	--	-2.30%
11/09/2025 5:30	China CPI YoY	Oct	--	-0.30%
11/09/2025-11/15/2025	China New Yuan Loans CNY YTD	Oct	--	14750.0b
11/09/2025-11/15/2025	China Aggregate Financing CNY YTD	Oct	--	30090.0b
11/09/2025-11/15/2025	China Money Supply M2 YoY	Oct	--	8.40%

## GCC

Date & Time (GST)	Indicator	Period	Expected	Prior
11/04/2025 8:15	Saudi Arabia S&P Global PMI	Oct	--	57.8
11/05/2025 8:15	United Arab Emirates S&P Global PMI	Oct	--	54.2
11/05/2025 8:15	Dubai S&P Global PMI	Oct	--	54.2

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