

The Weekly Market View

Investment Strategy | September 29 2025

US stocks slipped while Europe edged higher

US

- ▶ Chicago Fed National Activity Index (CFNAI) improved to -0.12 in August, the best in five months, with stronger production indicators.
- ▶ US new home sales jumped 20.5% in August to 800k annualized units, the highest in nearly four years, while July's pace was revised up.
- ▶ New durable goods orders rose 2.9% in August, the first gain in three months, led by transportation and defense aircraft; core orders climbed 1.9%.
- ▶ US jobless claims fell by 14k to 218k, the lowest since July, while wholesale inventories declined 0.2% in August.
- ▶ The BEA's final Q2 GDP estimate showed 3.8% annualized growth, above initial projections, supported by consumer spending and reduced imports.
- ▶ Fed Chair Powell emphasized balancing inflation risks with labor market weakness, while Fed Governor Miran argued for deeper cuts. Fed officials remained divided.
- ▶ President Trump canceled a budget meeting with Democrats, raising risks of a government shutdown.
- ▶ US consumer confidence fell more than expected in September to 98.7, the lowest since mid-2022, as households grew more concerned about the labor market and political uncertainty.
- ▶ Personal income rose 0.4% in August, while personal spending grew 0.2%, suggesting moderate momentum in consumption ahead of Q3 GDP.
- ▶ Core PCE inflation, the Fed's preferred gauge, rose 0.2% MoM and 2.6% YoY in August, broadly in line with expectations.
- ▶ Political risk lingered as Congress remained at an impasse over budget negotiations, raising the likelihood of a government shutdown.

Europe and UK

- ▶ Eurozone manufacturing PMI fell to 49.5 in September, slipping into contraction, while Germany (48.5) and France (48.1) also weakened.
- ▶ UK manufacturing PMI dropped to 46.2 in September, pointing to persistent headwinds.
- ▶ Germany's IFO Business Climate index fell to 87.7 in September, with weaker expectations and softer current conditions across manufacturing and services.
- ▶ Eurozone economic sentiment index fell to 93.5 in September, underscoring weaker demand outlooks across industry and services.
- ▶ German CPI preliminary estimate for September rose 2.3% YoY, slightly higher than August's 2.2%, while French CPI eased to 2.1% from 2.3%.
- ▶ UK mortgage approvals fell to 48.4k in August from 50.3k in July, highlighting continued weakness in housing demand.

Asia

- ▶ China's industrial profits rose 6.5% YoY in August, extending July's 3.7% gain, signaling improving momentum in manufacturing activity.
- ▶ Japan's September PMI showed slowing growth, with weak manufacturing but resilient services.
- ▶ Japan's unemployment rate fell to 2.5% in August from 2.7% in July, reflecting resilient labor market conditions despite weaker manufacturing.
- ▶ India's infrastructure output rose 6.3% YoY in August, supported by steel, coal, and cement.
- ▶ India's current account deficit widened to USD 15.2bn in Q2, equal to 1.8% of GDP, compared with a USD 9.3bn deficit in Q1.

Rates

- ▶ US Treasury yields ended the week little changed, with the 10Y holding near 4.16%, as markets balanced softer consumer confidence with steady inflation data.
- ▶ German Bund fell modestly to -0.20% while UK Gilts held near 3.10%, reflecting sticky inflation pressures in Europe and the UK.
- ▶ In the GCC, the UAE 3M Eibor fell, while the 12M tenor edged higher, reflecting liquidity conditions and diverging short- and long-term pressures.

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FX

- ▶ The euro slipped against the dollar, pressured by weaker economic sentiment data across the Eurozone.
- ▶ The USD index strengthened +0.52% on the week, supported by rising Treasury yields and safe-haven demand.
- ▶ The British pound declined 0.52% amid weak housing market data.
- ▶ The Japanese yen weakened after the BOJ reiterated its accommodative stance.

Commodities

- ▶ Oil prices posted volatile moves, slipping earlier in the week on oversupply concerns before rebounding on supply disruptions, and then easing again on demand worries.
- ▶ Gold prices reached new highs mid-week, supported by lower yields and dollar weakness, before stabilizing as the dollar rebounded. Also, supported by safe-haven flows amid political uncertainty in the US.

Equities

- ▶ Global equities ended the week broadly lower, with the S&P 500 (-0.31%), Dow Jones (-0.15%), and Nasdaq (-0.65%) all slipping despite positive economic data.
- ▶ European stocks diverged slightly, with the STOXX 600 (+0.07%) and DAX (+0.42%) eking out gains, while the FTSE 100 (+0.74%) outperformed on resilient energy and financial names.
- ▶ In Asia, the Nikkei 225 (+0.69%) advanced, but the Hang Seng (-1.57%) and SENSEX (-2.66%) saw sharp declines, reflecting regional growth concerns and capital outflows.
- ▶ The MSCI World (-0.41%) and MSCI EM (-1.14%) both declined, underscoring the mixed regional picture.
- ▶ GCC markets were mixed: Tadawul (+4.89%) and BHSE (+1.51%) outperformed, while DFM (-2.79%) and DSM (-3.09%) saw sharp declines.

Digital Assets

- ▶ Cryptocurrencies posted a volatile week with broad declines. Bitcoin fell -5.22% to USD 111,734, while Ethereum dropped 10.06% to USD 4,112, giving back recent gains.
- ▶ Altcoins also weakened sharply: Solana (-15.62%) and XRP (-6.92%) extended losses, reflecting risk-off sentiment in digital assets.
- ▶ Despite the pullback, year-to-date returns remain positive across majors, with Bitcoin (+9.05%), Ethereum (+31.50%), and Solana (-11.28%) showing significant dispersion.

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Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	4.18	4.00	-21.00	-17.00
UAE Eibor 3m	3.96	-3.26	-18.76	-36.75
UAE Eibor 12m	3.82	1.86	-40.06	-55.60
US 3m Bills	3.93	-1.25	-34.59	-33.55
US 10yr Treasury	4.16	4.81	-10.14	-35.68
German 10yr Bund	2.75	-0.20	15.40	18.10
UK 10yr Gilt	4.75	3.10	24.20	13.20
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	498	-0.54	0.36	6.86
Global Treasuries	208	-0.61	-0.59	6.17
Global Corporate	300	-0.46	1.91	8.39
EM USD Sovereign	444	0.80	4.06	8.18
EM LCY Sovereign	159	-0.82	0.23	5.49
Global High Yield	1,822	0.13	2.88	8.30
Currencies				
Dollar Index	97.94	0.52	0.77	-9.01
EUR USD	1.1733	-0.37	-0.13	12.23
GBP USD	1.3441	-0.52	-2.29	7.83
USD JPY	148.92	1.04	3.35	-3.93
Equities				
S&P 500	6,644	-0.31	7.62	9.49
Dow Jones	46,247	-0.15	5.54	3.11
NASDAQ	22,484	-0.65	10.90	13.94
STOXX 600	555	0.07	2.00	4.31
DAX	23,739	0.42	-1.22	10.77
Nikkei 225	45,021	0.69	12.96	16.24
FTSE 100	9,285	0.74	5.52	8.80
SENSEX	80,826	-2.66	-4.32	5.96
Hang Seng	26,494	-1.57	7.59	29.19
MSCI World	4,276	-0.41	6.66	11.47
MSCI EM	1,326	-1.14	7.90	21.71
Regional Equities				
ADX	10,000	-1.27	1.15	4.71
DFM	5,855	-2.79	3.02	13.11
Tadawul*	11,308	4.89	2.17	-8.96
DSM*	10,959	-3.09	2.56	2.67
MSM30*	5,117	-0.14	13.52	12.06
BHSE*	1,952	1.51	1.64	3.20
KWSE*	8,778	-0.48	5.84	12.59
Commodities				
BBG Commodity Index	105.1	2.07	2.15	3.06
Brent USD/bbl	69.8	5.17	3.48	-9.50
WTI USD/bbl	65.3	4.85	0.31	-10.91
Gold USD/t oz	3,806.9	2.03	14.83	36.24
Silver USD/t oz	46.8	6.95	28.03	51.48
Platinum USD/t oz	1,622.3	12.23	17.81	67.24
Aluminum	2,658.1	-0.56	2.40	3.03
Copper USD/MT	10,125.5	2.24	0.74	13.89
Digital Assets				
Bitcoin	111,734.2	-5.22	2.04	9.05
Ether	4,111.6	-10.06	65.35	31.50
Solana	209.5	-15.62	40.08	-11.28
XRP	2.9	-6.92	31.74	-7.77
Volatility				
VIX	15.29	-1.04	-6.31	-6.83
MOVE	74.38	2.58	-15.41	-19.88

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as of September 26 2025 unless stated otherwise; **Data as of September 25 2025.

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Forthcoming important economic data/events

United States



Date & Time (GST)	Indicator	Period	Expected	Prior
9/29/2025 18:00	Pending Home Sales MoM	Aug	0.10%	-0.40%
9/29/2025 18:30	Dallas Fed Manf. Activity	Sep	--	-1.8
9/30/2025 17:00	FHFA House Price Index MoM	Jul	--	-0.20%
9/30/2025 17:45	MNI Chicago PMI	Sep	--	41.5
9/30/2025 18:00	JOLTS Job Openings	Aug	7100k	7181k
10/01/2025 15:00	MBA Mortgage Applications	26-Sep	--	0.60%
10/01/2025 16:15	ADP Employment Change	Sep	50k	54k
10/01/2025 17:45	S&P Global US Manufacturing PMI	Sep F	--	52
10/01/2025 18:00	ISM Manufacturing	Sep	49.2	48.7
10/01/2025 18:00	ISM Prices Paid	Sep	--	63.7
10/01/2025 18:00	ISM New Orders	Sep	--	51.4
10/02/2025 16:30	Initial Jobless Claims	27-Sep	--	218k
10/02/2025 16:30	Continuing Claims	20-Sep	--	1926k
10/02/2025 18:00	Factory Orders	Aug	0.10%	-1.30%
10/02/2025 18:00	Durable Goods Orders	Aug F	--	2.90%
10/03/2025 16:30	Change in Nonfarm Payrolls	Sep	50k	22k
10/03/2025 16:30	Change in Private Payrolls	Sep	50k	38k
10/03/2025 16:30	Unemployment Rate	Sep	4.30%	4.30%
10/03/2025 16:30	Labor Force Participation Rate	Sep	--	62.30%
10/03/2025 16:30	Underemployment Rate	Sep	--	8.10%
10/03/2025 16:30	Average Hourly Earnings YoY	Sep	3.60%	3.70%
10/03/2025 17:45	S&P Global US Services PMI	Sep F	--	53.9
10/03/2025 18:00	ISM Services Index	Sep	52	52
10/03/2025 18:00	ISM Services New Orders	Sep	--	56

Japan



Date & Time (GST)	Indicator	Period	Expected	Prior
9/29/2025 9:00	Leading Index CI	Jul F	--	105.9
9/30/2025 3:50	Industrial Production MoM	Aug P	-0.80%	-1.20%
9/30/2025 3:50	Retail Sales YoY	Aug	1.00%	0.30%
9/30/2025 9:00	Housing Starts YoY	Aug	-5.00%	-9.70%
9/30/2025 9:00	Annualized Housing Starts	Aug	0.750m	0.712m
10/01/2025 3:50	Tankan Large Mfg Index	3Q	14	13
10/01/2025 4:30	S&P Global Japan PMI Mfg	Sep F	--	48.4
10/02/2025 3:50	Monetary Base YoY	Sep	--	-4.10%
10/03/2025 3:30	Jobless Rate	Aug	2.40%	2.30%
10/03/2025 4:30	S&P Global Japan PMI Services	Sep F	--	53

Eurozone



Date & Time (GST)	Indicator	Period	Expected	Prior
9/29/2025-10/02/2025	Germany Retail Sales NSA YoY	Aug	2.50%	2.30%
9/29/2025 13:00	Eurozone Consumer Confidence	Sep F	--	-14.9
9/30/2025 10:45	France CPI YoY	Sep P	1.30%	0.90%
9/30/2025 10:45	France PPI YoY	Aug	--	0.40%
9/30/2025 11:55	Germany Unemployment Change (000's)	Sep	-2.5k	-9.0k
9/30/2025 16:00	Germany CPI YoY	Sep P	2.30%	2.20%
10/01/2025 11:55	Germany HCOB Manufacturing PMI	Sep F	48.5	48.5
10/01/2025 11:50	France HCOB Manufacturing PMI	Sep F	48.1	48.1
10/01/2025 12:00	Eurozone HCOB Manufacturing PMI	Sep F	49.5	49.5
10/01/2025 13:00	Eurozone CPI Estimate YoY	Sep P	2.30%	2.00%
10/01/2025 13:00	Eurozone CPI Core YoY	Sep P	2.50%	2.30%
10/02/2025 13:00	Eurozone Unemployment Rate	Aug	6.20%	6.20%
10/03/2025 10:45	France Industrial Production MoM	Aug	--	-1.10%
10/03/2025 10:45	France Manufacturing Production MoM	Aug	--	-1.70%
10/03/2025 11:50	France HCOB Services PMI	Sep F	48.9	48.9
10/03/2025 12:00	Eurozone HCOB Services PMI	Sep F	51.4	51.4
10/03/2025 13:00	Eurozone PPI YoY	Aug	-0.30%	0.20%

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United Kingdom

Date & Time (GST)	Indicator	Period	Expected	Prior
9/29/2025 12:30	Net Consumer Credit	Aug	1.5b	1.6b
9/29/2025 12:30	Consumer Credit YoY	Aug	--	7.00%
9/29/2025 12:30	Mortgage Approvals	Aug	--	65.4k
9/30/2025 10:00	GDP QoQ	2Q F	0.30%	0.30%
9/30/2025 10:00	GDP YoY	2Q F	1.20%	1.20%
10/01/2025 10:00	Nationwide House Px NSA YoY	Sep	--	2.10%
10/01/2025 12:30	S&P Global UK Manufacturing PMI	Sep F	46.2	46.2
10/03/2025 12:30	S&P Global UK Services PMI	Sep F	51.9	51.9

China & India

Date & Time (GST)	Indicator	Period	Expected	Prior
9/29/2025 14:30	India Industrial Production YoY	Aug	5.40%	3.50%
9/30/2025 5:30	China Manufacturing PMI	Sep	49.6	49.4
9/30/2025 5:30	China Non-manufacturing PMI	Sep	50.1	50.3
9/30/2025 5:45	China RatingDog PMI Services	Sep	--	53
9/30/2025 5:45	China RatingDog PMI Mfg	Sep	50.2	50.5
10/01/2025 8:30	India RBI Repurchase Rate	1-Oct	5.50%	5.50%
10/01/2025 9:00	India HSBC PMI Mfg	Sep F	--	58.5

GCC

Date & Time (GST)	Indicator	Period	Expected	Prior
9/25/2025-9/29/2025	Kuwait CPI YoY	Aug	--	2.39%
9/30/2025	Saudi Arabia Unemployment Rate	2Q	--	6.30%
10/03/2025 8:15	United Arab Emirates S&P Global PMI	Sep	--	53.3
10/03/2025 8:15	Dubai S&P Global PMI	Sep	--	53.6
10/05/2025 8:15	Saudi Arabia S&P Global PMI	Sep	--	56.4
10/05/2025 13:00	Qatar S&P Global Whole Economy PMI	Sep	--	51.9

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