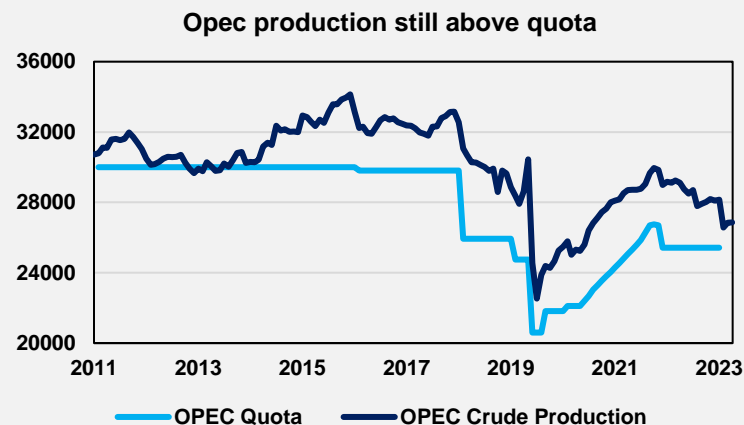


## Fading rate cut hopes hits risk sentiment

- ▶ US factory orders rose 1.4% in February.
- ▶ US job openings edged up in February.
- ▶ Yields jumped and commodities rallied.

Chart of the Day: OPEC Crude production since 2012.



### Macroeconomic news

- ▶ US factory orders rose 1.4% in February, higher than Bloomberg expectations of 1.0% and higher than the revised 3.8% decline in January.
- ▶ The Labor Department's Bureau of Labor Statistics indicated that US job openings, a measure of labor demand, edged up 8,000 to 8.756 million on the last day of February. Data for January in the JOLTS was revised lower to 8.748 million.

### Rates and Fixed Income

- ▶ Yields rose led by 10Y UK gilt yields.
- ▶ Fixed income indices declined led by EM USD Sovereign.

### Currencies

- ▶ Broader USD index inched lower.
- ▶ The EUR, GBP and JPY continued to weaken against the USD.

### Equities

- ▶ Global equities mostly declined, Hang Seng outperformed, while DJIA underperformed.
- ▶ GCC equities mostly rose, Tadawul outperformed while DSM underperformed.

### Commodities

- ▶ Broader commodity index rose on Tuesday.
- ▶ Copper outperformed, oil and gold also rallied.

### Key events in the day ahead

- ▶ US ADP employment, ISM services
- ▶ Fed Chair Jay Powell speaks
- ▶ Eurozone CPI
- ▶ China PMI
- ▶ Japan services PMI

### Performance snapshot\*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.35	0.00	4.00	-3.00
UAE Eibor 3m	5.27	8.02	5.98	-6.23
UAE Eibor 12m	5.26	7.56	-1.69	12.51
US 3m Bills	5.36	-1.02	-1.80	2.37
US 10yr Treasury	4.35	3.99	13.60	47.00
German 10yr Bund	2.40	10.20	0.80	37.60
UK 10yr Gilt	4.09	15.20	-3.20	54.80
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	458	-0.21	-0.41	-2.84
Global Treasuries	195	-0.28	-0.64	-3.66
Global Corporate	268	-0.13	-0.01	-1.59
EM USD Sovereign	382	-0.47	1.00	0.87
EM LCY Sovereign	144	-0.11	-0.51	-1.33
Global High Yield	1,546	-0.23	0.59	1.61
Currencies		1D (%)	1M (%)	3M (%)
Dollar Index	104.82	-0.19	0.95	3.44
EUR USD	1.0770	0.25	-0.79	-2.49
GBP USD	1.2578	0.21	-0.90	-1.17
USD JPY	151.56	-0.06	0.68	7.57
Equities		1D (%)	1M (%)	3M (%)
S&P 500	5,206	-0.72	1.46	9.14
Dow Jones	39,170	-1.00	0.46	3.93
NASDAQ	16,240	-0.95	0.20	8.19
STOXX 600	509	-0.80	2.24	6.18
DAX	18,283	-1.13	3.20	9.14
Nikkei 225	39,839	0.09	-0.67	19.05
FTSE 100	7,935	-0.22	3.86	2.61
SENSEX	73,904	-0.15	0.04	2.26
Hang Seng	16,932	2.36	2.02	-0.68
MSCI World	3,403	-0.62	1.22	7.39
MSCI EM	1,050	0.75	1.90	2.47
Regional Equities		1D (%)	1M (%)	3M (%)
ADX	9,253	0.08	-0.36	-3.40
DFM	4,269	0.14	-1.32	5.16
Tadawul	12,477	0.43	0.34	3.65
DSM	9,794	-0.71	-6.48	-9.57
MSM30	4,673	0.20	0.84	2.01
BHSE	2,029	-0.22	1.80	2.93
KWSE	7,368	0.19	-0.87	8.08
Commodities		1D (%)	1M (%)	3M (%)
BBG Commodity Index	100.7	0.79	3.12	2.08
Brent USD/bbl	88.9	1.72	7.39	15.42
Gold USD/t oz	2,280.7	1.30	7.86	10.55
Copper USD/MT	8,920.0	2.19	5.72	5.24
Volatility		1D (%)	1M (%)	3M (%)
VIX	14.61	7.03	8.30	17.35
MOVE	96.57	2.52	-11.86	-15.75

Source: Bloomberg, and ADCB Asset Management

Notes: \*Data as at 10AM UAE time - April 3, 2024. Performance in local currency terms.

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