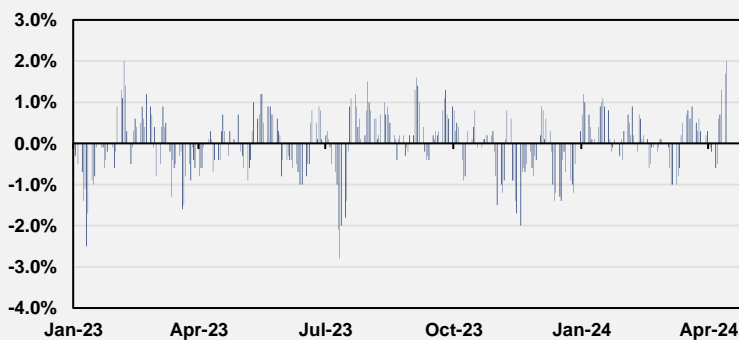


US Yields rise on Powell comments

- ▶ Fed Chair Powell not confident inflation is low enough yet.
- ▶ Germany investor confidence rose in April.
- ▶ Yields rose, equities continued to sell off.

Chart of the Day: Bloomberg Dollar Spot Index Rallies.

Bloomberg Dollar Spot Index has its best five-day run since February 2023



■ Bloomberg Dollar Spot Index - 5-Day Percent Change

Source: Bloomberg

Macroeconomic news

- ▶ Germany investor confidence measured by the ZEW institute picked up for the month of April rising to 42.9 from 31.7, higher than Bloomberg expectations of 35.5. A measure of current conditions advanced less than expected to -79.2 less than expected estimates of -76.0.
- ▶ Fed Chair Jerome Powell said on Tuesday it will take the central bank longer than expected to become confident that inflation is falling, due a run of disappointing data showing stronger-than-expected inflation measures.
- ▶ US housing starts fell 14.7% in March to 1.32 million annualized rate, the lowest since August below expectations of 1.48 million.

Rates and Fixed Income

- ▶ Global rates rose on Tuesday, led by 10Y UST yields.
- ▶ Fixed income indices declined. EM USD Sovereign index underperformed.

Currencies

- ▶ Broader USD index inched higher.
- ▶ The EUR, GBP and JPY weakened against the USD on Tuesday.

Equities

- ▶ Global equities declined while EM underperformed DM.
- ▶ GCC equities declined with the exception of Bahrain and Oman.

Commodities

- ▶ Broader commodity index remained flat on Tuesday.
- ▶ Gold remained flat, oil and copper inched lower.

Key events in the day ahead

- ▶ US MBA Mortgage Applications
- ▶ UK CPI
- ▶ Eurozone CPI

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.32	0.00	1.00	1.00
UAE Eibor 3m	5.12	-12.06	-9.05	1.09
UAE Eibor 12m	5.34	-3.25	-5.02	40.18
US 3m Bills	5.36	-1.61	-2.92	0.73
US 10yr Treasury	4.67	6.60	34.32	72.84
German 10yr Bund	2.49	4.60	2.70	25.30
UK 10yr Gilt	4.30	5.80	21.00	50.20

Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	450	-0.34	-2.21	-3.42
Global Treasuries	191	-0.34	-2.54	-3.99
Global Corporate	263	-0.38	-1.98	-2.69
EM USD Sovereign	374	-0.67	-1.17	-0.03
EM LCY Sovereign	142	-0.56	-1.79	-1.45
Global High Yield	1,526	-0.44	-1.12	0.50

Currencies

Dollar Index	106.26	0.05	2.59	3.76
EUR USD	1.0619	-0.05	-2.33	-3.02
GBP USD	1.2426	-0.16	-2.38	-2.37
USD JPY	154.72	0.29	3.73	6.17

Equities

S&P 500	5,051	-0.21	-1.90	5.59
Dow Jones	37,799	0.17	-2.56	0.55
NASDAQ	15,865	-0.12	-1.48	5.96
STOXX 600	498	-1.53	-1.14	5.07
DAX	17,766	-1.44	-0.93	6.88
Nikkei 225	38,471	-1.94	-3.19	7.16
FTSE 100	7,820	-1.82	1.27	2.97
SENSEX	72,944	-0.62	0.27	-0.52
Hang Seng	16,249	-2.12	-2.92	0.20
MSCI World	3,297	-0.62	-2.47	4.17
MSCI EM	1,010	-2.03	-2.72	1.48

Regional Equities

ADX	9,194	-0.64	-1.02	-5.97
DFM	4,184	-1.40	-2.13	2.02
Tadawul	12,500	-1.64	-2.13	3.12
DSM	9,853	-0.69	-3.96	-6.46
MSM30	4,738	0.21	-0.69	2.71
BHSE	2,042	0.10	0.34	2.85
KWSE	6,930	-2.54	-6.45	-4.59

Commodities

BBG Commodity Index	102.8	0.02	3.17	4.98
Brent USD/bbl	90.0	-0.09	3.60	15.19
Gold USD/t oz	2,382.9	-0.02	10.30	15.87
Copper USD/MT	9,377.0	-0.14	4.50	13.82

Volatility

VIX	18.40	-4.32	28.40	38.87
MOVE	119.59	-1.29	16.25	12.28

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 10AM UAE time – April 17, 2024. Performance in local currency terms.

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