

Daily Market View

Investment Strategy | April 02, 2026

US retail sales rebound; ISM prices spike to highest since 2022

Macro headlines

President Trump told the nation that the US military had “nearly accomplished its goals” in Iran, though he declined to offer a firm timeline for ending the conflict. He said the US could end attacks within two to three weeks but warned Iran would be hit “extremely hard” if it continued blocking the Strait of Hormuz. The prime-time speech added to a series of shifting signals from the administration, which markets have struggled to interpret consistently. The Supreme Court signaled skepticism toward Trump’s directive to restrict birthright citizenship, a key element of his immigration agenda. US macro data showed surprising resilience. Retail sales rose 0.6% m/m in February, with gains in 10 of 13 categories, supported by stronger wage growth and larger tax refunds. The ISM manufacturing index rose to 52.7, but the prices paid component surged to 78.3 – its highest since 2022 – highlighting renewed inflation pressures tied to the Iran war. ADP reported a 62,000 increase in private payrolls, above expectations. Business inventories fell 0.1% m/m in January. In Japan, the Tankan survey showed large manufacturers’ sentiment rising to +17 and non-manufacturers at +36, indicating firms have absorbed the initial shock from the Middle East conflict, though the outlook has softened.

Market performances

Global equities rallied on Wednesday as investors latched onto hopes of de-escalation. Global equity benchmark rose 1.75%. The Dow gained 0.48% to 46,566, the S&P 500 rose 0.72% to 6,575, and the Nasdaq climbed 1.16% to 21,841. Europe outperformed, with the STOXX 600 up 2.50% after its steepest monthly decline since June 2022. Japan’s Nikkei surged 5.24%. Gulf stock markets ended higher on Wednesday amid hopes of a de-escalation in the Iran conflict, with Dubai leading gains as its AED1bn support package came into effect. Oil prices eased. Brent fell USD101.16/bbl, while WTI slipped 1.24% to USD100.12/bbl. Markets were, however, concerned that even if a ceasefire is reached, energy flows through the Strait of Hormuz would be slow to normalize. Bond markets were mixed. Eurozone yields fell on de-escalation hopes, with Germany’s 10-year yield down to 2.986%. US yields edged higher, with the 10-year at 4.327% and the 2-year at 3.807%. The dollar softened, with the dollar index down 0.21%. The euro strengthened to USD1.1619, while the yen firmed to 158.55 after Japanese authorities reiterated readiness to respond to FX volatility. Gold rose for a fourth session, rising to USD4,787.4/oz, supported by a weaker dollar and ongoing geopolitical uncertainty.

What’s next

Thursday’s calendar brings a broad set of macro releases. In the US, initial jobless claims, Challenger job-cut data, February trade figures are due. Canada releases February trade data. In Europe, Italy publishes February retail sales, France releases its February budget balance, Switzerland issues March CPI, and the ECB publishes its Economic Review. The UK releases March Decision Maker Panel data. Across Asia, Australia reports February building permits and trade, while India releases its manufacturing PMI. Markets opened Thursday on a cautious note, with early reports indicating renewed war jitters after Trump declined to provide clarity on the conflict’s endgame. Asian equities slipped, oil prices firmed, and the dollar strengthened as investors reassessed the durability of Wednesday’s relief rally.

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Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	3.68	0.00	1.00	-3.00
UAE Eibor 3m	3.76	9.87	16.96	13.75
UAE Eibor 12m	3.98	6.93	31.01	44.67
US 3m Bills	3.69	1.49	1.65	14.48
US 10yr Treasury	4.32	0.20	31.45	19.67
German 10yr Bund	2.99	-1.80	29.50	13.10
UK 10yr Gilt	4.83	-8.60	55.60	33.20
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	499	0.59	-2.33	-0.60
Global Treasuries	207	0.68	-2.58	-0.87
Global Corporate	301	0.50	-2.26	-0.90
EM USD Sovereign	453	0.69	-2.77	-1.17
EM LCY Sovereign	162	1.00	-2.75	-0.08
Global High Yield	1,850	0.66	-1.94	-0.68
Currencies				
Dollar Index	99.65	-0.31	1.90	1.44
EUR USD	1.1619	0.68	-1.33	-1.17
GBP USD	1.3339	0.93	-0.83	-0.97
USD JPY	158.55	-0.25	1.38	1.42
Equities				
S&P 500	6,575	0.72	-4.83	-4.65
Dow Jones	46,566	0.48	-5.93	-3.72
NASDAQ	21,841	1.16	-4.53	-6.74
STOXX 600	598	2.50	-5.61	0.83
DAX	23,299	2.73	-7.87	-4.87
Nikkei 225	53,740	5.24	-8.53	6.75
FTSE 100	10,365	1.85	-4.44	4.27
SENSEX	73,134	1.65	-11.08	-13.63
Hang Seng	25,294	2.04	-4.12	-2.17
MSCI World	4,322	1.49	-5.34	-3.06
MSCI EM	1,458	4.32	-9.99	3.93
Regional Equities				
ADX	9,650	1.35	-8.92	-3.16
DFM	5,545	2.03	-16.31	-7.82
Tadawul*	11,276	0.23	2.44	0.07
DSM*	10,271	0.81	-3.90	-8.19
MSM30*	8,190	0.27	8.79	32.29
BHSE*	1,902	0.17	-4.26	-7.30
KWSE*	8,484	0.80	-0.42	-3.59
Commodities				
BBG Commodity Index	134.6	-0.51	11.87	20.17
Brent USD/bbl	101.16	-14.52	42.98	63.37
WTI USD/bbl	100.12	-1.24	53.53	72.77
Gold USD/t oz	4,787.4	3.21	-7.35	9.55
Silver USD/t oz	75.1	-0.12	-14.97	-1.59
Platinum USD/t oz	1,965.7	0.61	-13.94	-9.85
Aluminum	3,588.3	1.90	13.74	21.11
Copper USD/MT	12,270.0	0.90	-7.15	-1.93
Digital Assets				
Bitcoin	68,174.8	-0.03	1.05	-22.69
Ether	2,143.2	1.76	5.53	-27.74
Solana	82.5	-0.66	-3.97	-33.39
XRP	1.3	0.34	-3.37	-27.97
Volatility				
VIX	24.54	-2.81	31.72	71.25
MOVE	90.19	-6.10	41.08	40.97

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as at 8AM UAE time – April 02, 2026 unless stated otherwise.
Performance in local currency.

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