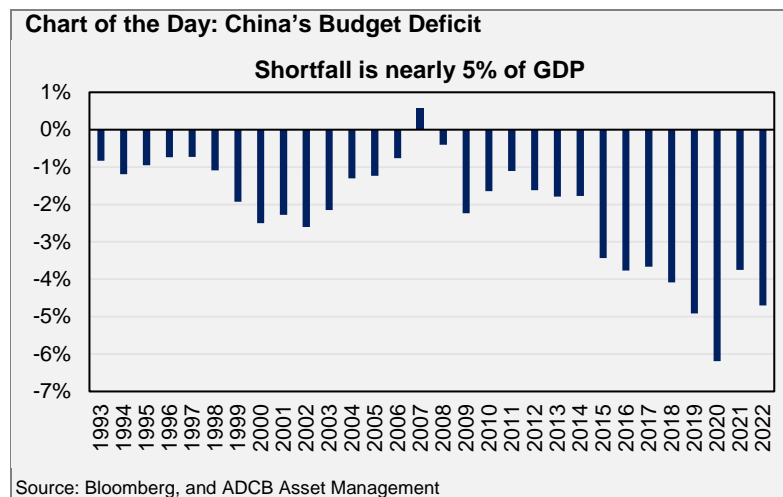


Moody's lowered China's outlook to negative

- ▶ US job openings fell to a two-and-half year low in October.
- ▶ Global rates and equities mostly declined on Tuesday.
- ▶ Equity volatility fell while bond volatility rose further.



Macroeconomic news

- ▶ Moody's credit outlook revision for China sparked widespread debate and led to a market downturn, with Shanghai and Hong Kong stocks falling nearly 2%, and the offshore Yuan also declining. The CSI300 index reached its lowest level since February 2019.
- ▶ US job openings fell to a two-and-a-half-year low in October, dropping to 8.733 million from September's 9.350 million, indicating the impact of higher interest rates on labor demand. The job vacancies to unemployed ratio also decreased to 1.34, the lowest since August 2021, down from 1.47 in September.

Rates and Fixed Income

- ▶ Global rates declined, led by UK 10yr Gilt yields.
- ▶ Global fixed income indices rose. EM LCY Sovereigns posted losses and underperformed.

Currencies

- ▶ EUR and GBP weakened against the USD.
- ▶ JPY strengthened against USD, albeit marginally.

Equities

- ▶ Global equities came in mixed. Hang Seng underperformed the most. DAX outperformed the most.
- ▶ Regional stocks declined on Tuesday with the exception of KWSE which ended largely unchanged.

Commodities

- ▶ Gold and copper prices fell on Tuesday.
- ▶ Oil prices fell further on concern about uncertainty of the duration of OPEC+ supply cuts.

Key events in the day ahead

- ▶ US ADP private payrolls
- ▶ Bank of England Governor Bailey speaks.

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.37	0.00	5.00	6.00
UAE Eibor 3m	5.44	-0.33	1.19	7.51
UAE Eibor 12m	5.56	-5.68	11.71	-0.63
US 3m Bills	5.36	-1.61	-6.30	-5.34
US 10yr Treasury	4.16	-8.80	-47.82	-1.39
German 10yr Bund	2.25	-10.70	-49.20	-33.20
UK 10yr Gilt	4.03	-16.90	-35.20	-43.80
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	456	0.43	3.71	2.13
Global Treasuries	195	0.44	3.58	1.76
Global Corporate	264	0.52	4.48	3.19
EM USD Sovereign	365	0.59	5.30	2.89
EM LCY Sovereign	142	-0.13	2.36	2.00
Global High Yield	1,471	0.24	3.43	3.35
Currencies		1D (%)	1M (%)	3M (%)
Dollar Index	104.05	0.33	-1.11	-0.18
EUR USD	1.0797	-0.36	0.74	0.01
GBP USD	1.2595	-0.30	2.03	-0.24
USD JPY	147.15	-0.04	-1.95	0.46
Equities		1D (%)	1M (%)	3M (%)
S&P 500	4,567	-0.06	4.61	1.14
Dow Jones	36,125	-0.22	5.95	3.69
NASDAQ	14,230	0.31	5.26	1.41
STOXX 600	468	0.40	5.43	2.11
DAX	16,533	0.78	9.23	4.48
Nikkei 225	32,776	-1.37	0.21	-0.50
FTSE 100	7,490	-0.31	0.97	0.50
SENSEX	69,296	0.63	6.68	5.59
Hang Seng	16,328	-1.91	-9.12	-13.35
MSCI World	3,023	-0.11	4.63	1.11
MSCI EM	972	-0.84	0.32	-2.36
Regional Equities		1D (%)	1M (%)	3M (%)
ADX	9,520	-0.20	-0.34	-2.34
DFM	3,978	-0.24	0.54	-2.22
Tadawul	11,144	-0.42	1.78	-2.51
DSM	9,945	-0.15	-2.04	-1.84
MSM30	4,600	-1.45	0.85	-3.32
BHSE	1,942	-0.40	1.12	-1.01
KWSE	6,638	0.02	0.45	-4.40
Commodities		1D (%)	1M (%)	3M (%)
BBG Commodity Index	99.6	-0.42	-5.17	-6.70
Brent USD/bbl	77.2	-1.06	-9.37	-13.26
Gold USD/t oz	2,019.4	-0.50	2.08	3.95
Copper USD/MT	8,259.0	-1.88	1.51	-1.75
Volatility		1D (%)	1M (%)	3M (%)
VIX	12.85	-1.76	-13.70	-7.02
MOVE	127.20	7.57	4.48	23.59

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on December 06, 2023 unless stated otherwise. Performance in local currency terms.

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