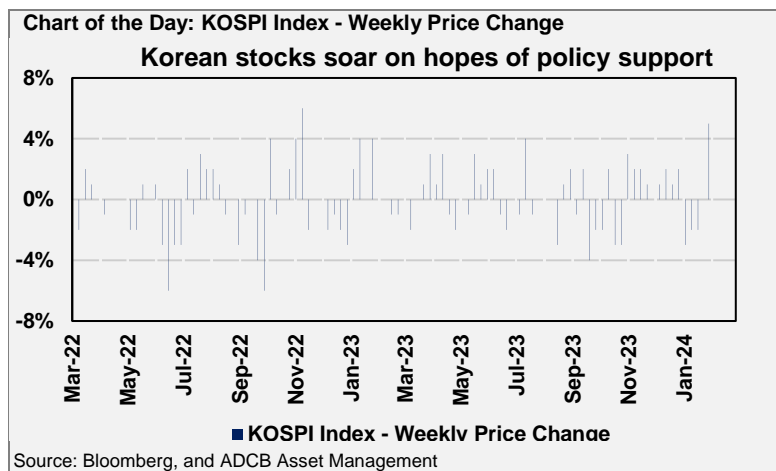


BoE follows Fed's lead

- ▶ BoE kept interest rates at 5.25%.
- ▶ US stocks rose led by tech stocks, oil plummeted.
- ▶ All eyes on the US jobs report.



Macroeconomic news

- ▶ The Bank of England kept its interest rates at 5.25% on Thursday but opened up the possibility of cutting them if inflation falls and one of its policymakers cast a first vote for a reduction in borrowing costs since 2020.
- ▶ US ISM Manufacturing for January came in at 49.1 higher than expectations of 47.2 and revised 47.1 figure in December.
- ▶ Eurozone CPI preliminary fell 0.4% m-o-m and 2.8% y-o-y in January, in line with expectations m-o-m but higher than 2.7% y-o-y estimates. Eurozone CPI in January was also lower than the 0.2% rise m-o-m and 2.9% y-o-y figures in December.

Rates and Fixed Income

- ▶ Global rates declined led by 10Y UK Gilt yields.
- ▶ Global fixed income indices rose with EM USD Sovereign outperforming the most.

Currencies

- ▶ Broad USD inched lower on Thursday.
- ▶ EUR, GBP and JPY strengthened against the USD.

Equities

- ▶ Global equities rose were mixed on Thursday. US stocks outperformed. European stocks fell but Japan underperformed the most. Hang Seng posted gains.
- ▶ GCC equities were mixed on Thursday. Dubai outperformed for the second day in a row.

Commodities

- ▶ BBG commodity index fell for a second consecutive day.
- ▶ Oil prices fell c4%. Gold and copper rose.

Key events in the day ahead

- ▶ US non-farm payrolls
- ▶ University of Michigan

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.32	0.00	-7.00	0.00
UAE Eibor 3m	5.22	-1.52	-19.80	-35.00
UAE Eibor 12m	5.06	1.31	-2.87	-56.37
US 3m Bills	5.36	0.18	-2.69	-8.96
US 10yr Treasury	3.88	-3.22	-3.60	-85.39
German 10yr Bund	2.15	-1.70	12.50	-61.50
UK 10yr Gilt	3.75	-4.80	10.70	-75.30
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	466	0.22	-0.14	7.63
Global Treasuries	199	0.19	-0.54	7.26
Global Corporate	272	0.27	0.68	9.20
EM USD Sovereign	376	0.43	0.55	10.47
EM LCY Sovereign	145	0.12	0.20	6.60
Global High Yield	1,521	0.12	1.00	9.21
Currencies				
Dollar Index	103.05	-0.22	0.54	-3.59
EUR USD	1.0872	0.50	-0.46	2.86
GBP USD	1.2744	0.44	0.62	4.87
USD JPY	146.43	-0.33	2.19	-2.99
Equities				
S&P 500	4,906	1.25	4.28	15.77
Dow Jones	38,520	0.97	2.91	15.76
NASDAQ	15,362	1.30	5.27	17.61
STOXX 600	484	-0.37	1.99	10.83
DAX	16,859	-0.26	1.94	12.97
Nikkei 225	36,011	-0.76	7.61	13.95
FTSE 100	7,622	-0.11	-0.78	3.81
SENSEX	71,645	-0.15	0.40	12.67
Hang Seng	15,566	0.52	-6.49	-8.98
MSCI World	3,227	0.67	3.57	15.35
MSCI EM	982	0.65	-2.09	7.22
Regional Equities				
ADX	9,470	-0.40	-2.53	0.43
DFM	4,220	1.23	3.50	8.42
Tadawul	11,914	1.00	-0.12	10.17
DSM	10,049	-0.39	-3.24	4.91
MSM30	4,563	0.02	-0.36	1.35
BHSE	2,067	0.00	5.28	7.54
KWSE	7,238	-0.41	4.14	11.85
Commodities				
BBG Commodity Index	97.6	-0.98	-0.74	-6.30
Brent USD/bbl	78.7	-3.68	0.58	-7.01
Gold USD/t oz	2,055.0	0.76	0.66	3.65
Copper USD/MT	8,437.0	-0.89	0.67	4.92
Volatility				
VIX	13.88	-3.28	-1.14	-17.72
MOVE	113.92	6.19	-8.55	-5.50

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 10AM UAE time – February 02 2024. Performance in local currency terms.

Prepared by the Investment Strategy Team

Ahmed Al Falahi

Analyst

Tel: +971 (0)2 497 3934

ahmed.a5@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 696 2358

kishore.muktinutalapati@adcb.com

Mohammed Al Hemeiri

Senior Analyst

Tel: +971 (0)2 696 2236

mohammed.alhemeiri@adcb.com

Nura Al Suwaidi

Analyst

Tel: +971 (0)2 497 9520

nura.alsuwaidi@adcb.com

Prerana Seth, CFA

Fixed Income Strategist

Tel: +971 (0)2 696 2878

prerana.seth@adcb.com

Visit [Investment Strategy Webpage](#) to read our other reports

Disclaimer

ADCB Asset Management Limited ("AAML"), is a member of ADCB Group, licensed by Financial Services Regulatory Authority in Abu Dhabi Global Markets under financial services permission number 170036.

This publication is intended for general information purposes only. It should not be construed as an offer, recommendation or solicitation to purchase or dispose of any securities or to enter in any transaction or adopt any hedging, trading or investment strategy. Neither this publication nor anything contained herein shall form the basis of any contract or commitment whatsoever. Distribution of this publication does not oblige ADCB Group to enter into any transaction.

The content of this publication should not be considered as legal, regulatory, credit, tax or accounting advice. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in this publication. Investment products are not available to US persons.

Information and opinions contained herein is are based on various sources, including but not limited to public information, annual reports and statistical data that AAML considers accurate and reliable. However, AAML makes no representation or warranty as to the accuracy or completeness of any statement made in or in connection with this publication and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this publication. This publication is intended for customers who are either retail or professional investors.

Charts, graphs and related data or information provided in this publication are intended to serve for illustrative purposes only. The information contained in this publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. All statements as to future matters are not guaranteed to be accurate. AAML expressly disclaims any obligation to update or revise any forward looking statement to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

ADCB Group does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its publications. As a result, recipients of this publication should be aware that any or all of foregoing services may at time give rise to a conflict of interest that could affect the objectivity of this publication. Opinions expressed herein may differ from opinions expressed by other businesses or affiliates of ADCB Group.

Past performance does not guarantee future results. Investment products are not bank deposits and are not guaranteed by ADCB Group. They are subject to investment risk, including possible of loss of principal amount invested. This publication may not be reproduced or circulated without ADCB Group written authority. The manner of circulation and distribution may be restricted by law or regulation in certain jurisdictions. Persons who come into possession of this document are required to inform themselves of, and to observe such restrictions. Any unauthorized use, duplication, or disclosure of this document is prohibited by law and may result in prosecution.