

Tech-led rotation deepens

Macro headlines

Tensions in the Middle East escalated after the US shot down an Iranian drone and armed boats approached a US-flagged vessel in the Strait of Hormuz, raising concerns that planned US-Iran talks could be disrupted. Diplomats had been working to arrange a meeting in Turkey on Friday focused initially on Iran's nuclear program. US President Trump signed a spending deal that ends the partial US government shutdown and gives lawmakers time to negotiate potential limits on immigration enforcement. Trump also said federal agents should be involved in counting votes, despite the Constitution assigning that responsibility to states. Turning to macro data, China's services sector expanded at its fastest pace in three months in January. The RatingDog China General Services PMI rose to 52.3 from 52.0, supported by stronger new orders and the highest hiring levels since July. In Turkey, January inflation rose 4.84% m/m, above expectations, though annual inflation eased slightly to 30.7% due to base effects. The ECB's quarterly Bank Lending Survey showed eurozone banks tightened access to corporate credit in Q4 and expect further tightening amid economic uncertainty and trade-policy concerns. Lending growth continues but remains below pre-pandemic levels. In the corporate sector, Nvidia's AI chip sales to China have stalled due to a US security review, according to the Financial Times. AMD forecast a slight decline in Q1 revenue despite stronger-than-expected AI-chip sales to China, raising questions about its ability to challenge Nvidia. Anthropic launched new productivity tools for its Claude Cowork platform aimed at automating legal work. Novo Nordisk warned profits and sales could fall as much as 13% this year due to heavy price pressure from the Trump administration and intensifying competition in the weight-loss market.

Market performances

Global equities declined on Wednesday as technology stocks led losses and investors reassessed the impact of AI-driven disruption. MSCI World fell 0.40%. On Wall Street, the Dow rose 0.53% to 49,501.30, but the S&P 500 fell 0.51% to 6,882.72 and the Nasdaq dropped 1.51% to 22,904.58. Value stocks outperformed, with the S&P 500 value index up 0.9% while the growth index fell 1.8%. The shift followed a multi-day selloff in software, data-analytics, and professional-services firms after Anthropic launched new plug-ins for its Claude Cowork agent, raising concerns about AI-driven disruption. European equities were steadier, with the STOXX 600 up 0.03% to a third consecutive record close, supported by telecom and consumer stocks. Novo Nordisk weighed on healthcare after issuing a weaker outlook. Oil prices rose sharply for a second day as traders monitored US-Iran tensions. WTI gained 3.05% to USD65.14/bbl and Brent rose 3.16% to USD69.46/bbl. Prices were supported by recent maritime incidents and expectations that nuclear-talk disagreements could complicate de-escalation efforts. Precious metals were mixed. Gold was broadly flat at USD4,898.3/oz, while silver rose to USD88.2/oz on Wednesday, extending Tuesday's rebound after last week's sharp declines. However, precious metals came under pressure on Thursday Asia trade. The dollar strengthened, with the dollar index rising 0.18% to 97.62. The euro fell to USD1.1798 and the yen weakened to 156.67. Treasury yields were mixed, with the 10-year at 4.276% and the 2-year at 3.557%. Bitcoin fell 4.61% to USD72,627.1.

What's next

Wednesday brings a full slate of macro releases. The eurozone publishes flash January HICP and core HICP, alongside December PPI. Italy releases flash January HICP. France and Germany publish final January composite and services PMIs, followed by the eurozone's final readings. The UK releases final January composite and services PMIs. The UAE publishes January PMI. In the US, ADP releases January employment data, followed by the ISM services index and the final S&P Global services PMI. Poland announces its base rate decision. In Asia, India releases final January composite and services PMIs, Japan publishes December unemployment and preliminary industrial production. Russia publishes December industrial production. Corporate earnings include Alphabet, Qualcomm, Uber, Eli Lilly, Novartis, Equinor, Santander, UBS, Panasonic, MediaTek, and many others across the US, Europe, and Asia.

Mohammed Al Hemeiri

Senior Specialist

Tel: +971 (0)2 812 6450

mohammed.alhemeiri@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 812 6457

kishore.muktinutalapati@adcb.com

Visit [Investment Strategy Webpage](#)

to read our other reports

Daily Market View

Investment Strategy | February 05, 2026

Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	3.69	0.00	-18.00	-31.00
UAE Eibor 3m	3.46	-13.69	-1.14	-32.52
UAE Eibor 12m	3.68	-3.58	6.84	-18.68
US 3m Bills	3.68	1.26	4.94	-18.89
US 10yr Treasury	4.27	0.80	10.65	18.83
German 10yr Bund	2.86	-3.20	0.40	20.50
UK 10yr Gilt	4.55	2.90	6.70	12.10
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	504	-0.12	0.46	1.14
Global Treasuries	209	-0.15	0.29	0.58
Global Corporate	305	-0.10	0.50	1.59
EM USD Sovereign	460	0.05	0.34	1.52
EM LCY Sovereign	164	-0.17	1.08	2.72
Global High Yield	1,879	-0.03	0.91	2.83
Currencies				
Dollar Index	97.62	0.18	-0.72	-2.60
EUR USD	1.1798	-0.15	0.45	2.73
GBP USD	1.3646	-0.37	1.68	4.74
USD JPY	156.67	0.61	-0.07	2.01
Equities				
S&P 500	6,883	-0.51	0.54	1.64
Dow Jones	49,501	0.53	2.99	5.13
NASDAQ	22,905	-1.51	-1.45	-1.90
STOXX 600	618	0.03	4.38	8.33
DAX	24,603	-0.72	0.46	2.73
Nikkei 225	54,293	-0.78	7.85	5.43
FTSE 100	10,402	0.85	4.74	7.08
SENSEX	83,818	0.09	-1.61	0.43
Hang Seng	26,847	0.05	4.75	3.45
MSCI World	4,505	-0.40	1.68	3.63
MSCI EM	1,533	-0.22	9.06	10.00
Regional Equities				
ADX	10,542	0.67	5.50	4.82
DFM	6,662	0.73	10.17	10.80
Tadawul*	11,341	0.11	6.89	7.09
DSM*	11,385	-0.32	2.67	7.25
MSM30*	6,381	0.93	3.52	11.83
BHSE*	2,061	0.20	0.63	0.99
KWSE*	8,732	-0.66	-0.68	-1.41
Commodities				
BBG Commodity Index	118.8	0.86	8.34	10.55
Brent USD/bbl	69.46	3.16	14.15	7.79
WTI USD/bbl	65.14	3.05	13.44	7.56
Gold USD/t oz	4,898.3	-0.63	13.40	23.84
Silver USD/t oz	88.2	3.54	23.05	86.97
Platinum USD/t oz	2,236.6	0.86	8.55	45.22
Aluminum	3,052.9	-1.37	2.49	7.02
Copper USD/MT	13,247.0	-0.36	5.94	24.97
Digital Assets				
Bitcoin	72,627.1	-4.61	-17.73	-27.57
Ether	2,125.2	-6.89	-28.84	-33.87
Solana	91.2	-8.97	-27.23	-39.64
XRP	1.5	-5.37	-18.95	-29.71
Volatility				
VIX	18.64	3.56	24.68	-1.89
MOVE	57.51	-0.05	-10.08	-15.45

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as at 8AM UAE time - February 05, 2026 unless stated otherwise. Performance in local currency.

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.