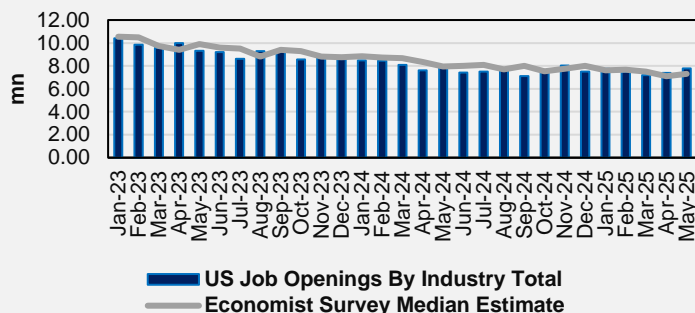


## Subdued start to the second half of the year

- ▶ US job openings and ISM Manufacturing beat expectations
- ▶ Eurozone inflation edged higher in June
- ▶ US Senate approved Trump's 'big, beautiful' bill

Chart of the day: US job openings unexpectedly rise..

..to the highest since November 2024



Source: Bloomberg, and ADCB Asset Management

## Macroeconomic news

- ▶ US job openings—a key indicator of labour demand—rose by 374,000 to 7.769mn as of May's end, according to the Labor Department's Job Openings and Labor Turnover Survey (JOLTS). This exceeded economists' expectation of 7.30mn vacancies, as polled by Reuters. The ratio of available jobs to unemployed individuals increased to 1.07, up from 1.03 in April.
- ▶ US ISM Manufacturing PMI rose to 49.0 in June, up from 48.5 in May, exceeding expectations. The Prices Paid Index, which measures the cost of materials and supplies, rose to 69.7, indicating higher input costs for manufacturers.
- ▶ Euro zone inflation rose to 2% YoY in June, reaching the ECB's target, after dipping to 1.9% YoY in May. Core inflation held steady at 2.3% YoY, while services inflation edged up to 3.3% YoY, reversing some of May's decline.

## Rates and Fixed Income

- ▶ UST yields rose led by front-end rates as upbeat US data tempered rate cut expectations. German bund yields declined on increased ECB rate cuts bets.
- ▶ Fixed income indices rose, led by EM USD sovereigns.

## Currencies

- ▶ The USD index fell marginally, hovering near the three-year lows.
- ▶ The EUR, the GBP and the JPY rose against the USD.

## Equities

- ▶ Global stocks started the second half of 2025 on a subdued note. Japanese equities underperformed the most. In the US, the NASDAQ and S&P 500 fell, dragged by weakness in large-cap tech stocks but Dow Jones ended higher.
- ▶ GCC stock markets ended mostly lower.

## Commodities

- ▶ Oil prices were mixed as markets focused on the interplay between peak summer demand and OPEC+ supply hike. Brent crude fell while WTI rose marginally.
- ▶ Gold held its advance as passage of Trump's big, beautiful bill reignited debt concerns.

## Key events in the day ahead

- ▶ US ADP Employment Change (Jun)
- ▶ Eurozone Unemployment Rate (May)
- ▶ Caixin China PMI Composite, PMI Services (Jun)

## Performance snapshot\*

Rates	Latest	1D (bp)	1M(bp)	3M(bp)
SOFR	4.45	0.00	10.00	4.00
UAE Eibor 3m	4.12	-1.95	-6.37	-21.11
UAE Eibor 12m	4.21	11.53	7.02	-3.00
US 3m Bills	4.32	3.16	-0.72	2.90
US 10yr Treasury	4.24	1.36	-19.83	3.63
German 10yr Bund	2.57	-3.30	5.00	-16.40
UK 10yr Gilt	4.45	-3.50	-21.30	-22.10
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	498	0.24	1.90	4.76
Global Treasuries	210	0.30	1.72	5.14
Global Corporate	296	0.19	2.43	4.63
EM USD Sovereign	429	0.33	2.70	3.63
EM LCY Sovereign	160	0.22	1.83	5.62
Global High Yield	1,779	0.20	2.38	5.10
Currencies				
Dollar Index	96.82	-0.06	-1.91	-7.09
EUR USD	1.1806	0.16	3.19	9.15
GBP USD	1.3746	0.10	1.49	6.41
USD JPY	143.42	-0.42	0.50	-4.36
Equities				
S&P 500	6,198	-0.11	4.41	10.45
Dow Jones	44,495	0.91	5.18	5.94
NASDAQ	20,203	-0.82	4.99	16.78
STOXX 600	540	-0.21	-1.40	1.19
DAX	23,673	-0.99	-1.08	6.81
Nikkei 225	39,986	-1.24	6.71	12.27
FTSE 100	8,785	0.28	0.13	2.36
SENSEX	83,697	0.11	2.86	8.12
Hang Seng	24,072	0.00	3.95	4.12
MSCI World	4,022	-0.12	3.61	10.83
MSCI EM	1,229	0.53	6.54	11.61
Regional Equities				
ADX	9,929	-0.29	2.92	5.97
DFM	5,693	-0.23	3.79	11.70
Tadawul*	11,122	-0.38	1.06	-5.46
DSM*	10,698	-0.48	0.01	4.27
MSM30*	4,514	0.28	-1.50	5.62
BHSE*	1,944	0.01	1.09	2.23
KWSE*	8,409	-0.54	2.34	6.01
Commodities				
BBG Commodity Index	102.2	0.15	0.14	-3.97
Brent USD/bbl	67.1	-0.74	3.84	-10.21
WTI USD/bbl	65.5	0.52	4.69	-8.44
Gold USD/t oz	3,338.8	1.08	-1.26	6.89
Silver USD/t oz	36.0	-0.20	3.67	5.72
Platinum USD/t oz	1,359.9	0.03	27.28	36.28
Aluminium	2,599.6	0.07	5.70	4.57
Copper USD/MT	10,061.0	0.21	4.33	4.24
Digital Assets				
Bitcoin	105,949.	-1.54	0.17	24.33
Ether	2,415.9	-3.51	-7.43	26.62
Solana	146.5	-6.46	-5.87	17.45
XRP	2.2	-5.38	-3.47	1.72
Volatility				
VIX	16.83	0.60	-4.86	-22.69
MOVE	93.48	3.57	-6.52	-10.74

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – July 02, 2025. Performance in local currency terms.

## Prepared by the Investment Strategy Team

### Mohammed Al Hemeiri

Senior Analyst

Tel: +971 (0)2 8126450

[mohammed.alhemeiri@adcb.com](mailto:mohammed.alhemeiri@adcb.com)

### Prerana Seth, CFA

Fixed Income Strategist

Tel: +971 (0)2 8126449

[prerana.seth@adcb.com](mailto:prerana.seth@adcb.com)

### Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 8126457

[kishore.muktinutalapati@adcb.com](mailto:kishore.muktinutalapati@adcb.com)

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

Awarded Best Private Bank UAE & Middle East | Best for HNW Clients UAE & Middle East | Best for Investment Research UAE & Middle East – Euromoney 2025

## 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 170036.8

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.