

Daily Market View

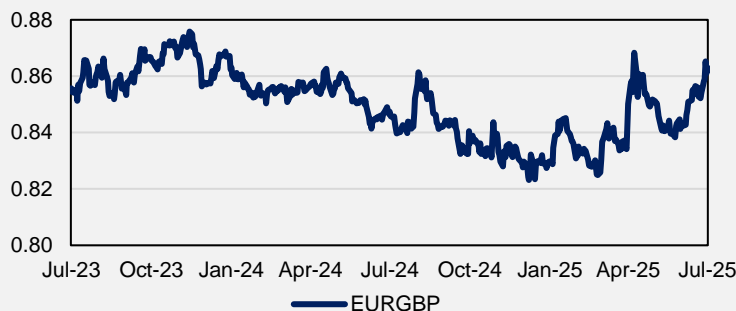
Investment Strategy | July 8, 2025

Global stocks fell on Trump's new tariff plans

- ▶ Trump issued new tariff rates with a new August 1 deadline
- ▶ Eurozone May retail sales grew more than expected
- ▶ The USD index rose versus a basket of currencies

Chart of the day: The euro has appreciated versus the sterling

Renewed policy uncertainty in UK weighing on the GBP



Source: Bloomberg, and ADCB Asset Management

Macroeconomic news

- ▶ Eurozone's retail sales grew 1.8% YoY in May, following a revised 2.7% YoY increase in April, according to official data released by Eurostat. Markets estimated a 1.4% figure. On a monthly basis, retail sales dropped 0.7% in May versus April's +0.3% revision.
- ▶ German industrial production rose more than expected in May, helped by the automotive industry and energy production. Production rose 1.2% MoM in May, better than consensus estimates of -0.2% MoM.

Rates and Fixed Income

- ▶ UST yields moved higher, led by longer-term rates on investors worry about the potential fallout of US tariffs and ahead of this week's auction cycle.
- ▶ Global fixed income indexes fell, led by Global Treasuries.

Currencies

- ▶ The USD index surged after President Trump announced new tariffs taking effect August 1 on countries like Japan and South Korea.
- ▶ The EUR and the GBP, both fell against the USD. USDJPY moved past the 146 level on escalating trade tensions between the US and Japan and rising UST yields.

Equities

- ▶ Global stocks tumbled on Monday, pulling back from record highs as investors reacted to a wave of headlines surrounding tariffs and global trade tensions. The S&P 500 slipped c0.8%, while both the Nasdaq Composite and the Dow Jones Industrial Average each declined by c0.9%. European stocks rose and outperformed peers.
- ▶ GCC stock markets gained and outperformed Global benchmarks.

Commodities

- ▶ Oil prices jumped on Monday as strong demand outlook more than offset the increased supply concerns due to OPEC+ output hike.
- ▶ Gold prices ended flat amid stronger USD.

Key events in the day ahead

- ▶ US NFIB Small Business Optimism (Jun)
- ▶ US NY Fed 1-Yr Inflation Expectations (Jun)
- ▶ ECB's Nagel speaks in Frankfurt

Performance snapshot*

Rates	Latest	1D (bp)	1M(bp)	3M(bp)
SOFR	4.35	0.00	6.00	-5.00
UAE Eibor 3m	4.12	-2.65	-12.01	-8.19
UAE Eibor 12m	4.25	12.37	7.12	27.60
US 3m Bills	4.32	-0.83	0.73	5.13
US 10yr Treasury	4.39	3.37	-12.62	8.65
German 10yr Bund	2.66	3.60	6.70	1.20
UK 10yr Gilt	4.59	3.20	-5.80	-1.90
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	495	-0.41	1.49	3.91
Global Treasuries	209	-0.48	1.21	3.55
Global Corporate	295	-0.37	2.05	5.16
EM USD Sovereign	428	-0.24	2.07	5.85
EM LCY Sovereign	159	-0.30	1.29	5.82
Global High Yield	1,779	-0.15	2.12	7.84
Currencies				
Dollar Index	97.36	0.31	-1.72	-5.32
EUR USD	1.1738	-0.59	2.74	6.85
GBP USD	1.3629	-0.35	0.55	6.56
USD JPY	146.20	1.09	0.83	-0.15
Equities				
S&P 500	6,230	-0.79	3.83	25.03
Dow Jones	44,406	-0.94	3.84	17.96
NASDAQ	20,413	-0.92	4.52	33.70
STOXX 600	544	0.44	-1.83	11.62
DAX	24,074	1.20	-0.95	18.70
Nikkei 225	39,725	-0.56	4.89	19.92
FTSE 100	8,807	-0.19	-0.36	11.33
SENSEX	83,457	0.01	1.53	12.42
Hang Seng	24,081	-0.12	0.40	18.68
MSCI World	4,035	-0.65	3.08	24.00
MSCI EM	1,226	-0.44	3.66	22.30
Regional Equities				
ADX	10,026	0.25	2.79	11.32
DFM	5,778	0.86	4.82	18.65
Tadawul*	11,345	0.26	4.40	-0.58
DSM*	10,801	0.46	3.21	2.87
MSM30*	4,553	0.29	0.95	5.43
BHSE*	1,947	0.00	2.23	1.82
KWSE*	8,486	0.53	6.67	6.55
Commodities				
BBG Commodity Index	102.6	-0.72	-0.64	5.48
Brent USD/bbl	69.4	1.87	4.68	10.76
WTI USD/bbl	67.7	1.39	5.19	14.01
Gold USD/t oz	3,334.0	-0.02	0.79	11.84
Silver USD/t oz	36.8	-0.44	2.20	23.37
Platinum USD/t oz	1,373.9	-1.64	17.64	49.19
Aluminium	2,572.1	-0.62	4.02	10.18
Copper USD/MT	9,893.0	-0.78	0.45	12.10
Digital Assets				
Bitcoin	108,312.	0.15	-0.80	36.72
Ether	2,559.6	1.72	-2.18	61.40
Solana	149.4	1.02	-5.25	38.24
XRP	2.3	2.04	-1.73	17.41
Volatility				
VIX	17.79	1.77	3.67	-62.13
MOVE	88.53	2.83	-4.42	-35.52

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – July 08, 2025. Performance in local currency terms.

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