

Daily Market View

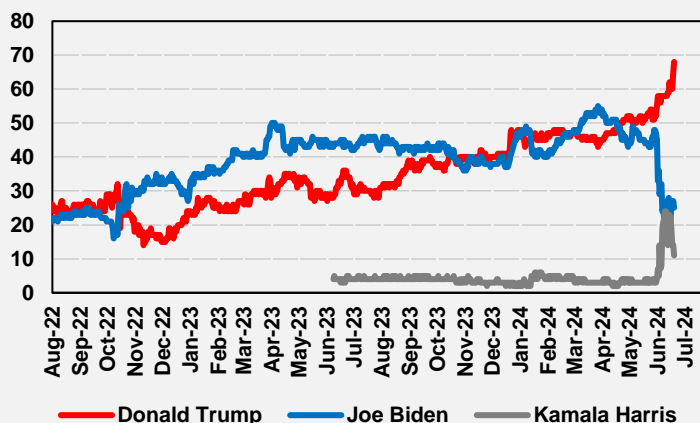
July 15, 2024

Trump lead extends after Pennsylvania rally.

- ▶ US PPI surprised to the upside in June.
- ▶ US consumer sentiment and expectations declined.
- ▶ China 2Q GDP growth came at 4.7% y-o-y vs. 5.3% y-o-y prior.

Chart of the day: 2024 Presidential Debate.

Trump's lead widens after shooting incident



Source: PredictIt.org.

Macroeconomic news

- ▶ US PPI surprised to the upside in June and consumer sentiment weakened in July. The PPI for final demand rose 0.2% in June m-o-m and 2.6% y-o-y, above expectations of 0.1% m-o-m and 2.4% y-o-y.
- ▶ University of Michigan inflation expectations were mostly in line with expectations, coming in at 2.9% for both 1Y and 5Y expectations, from 3.0%. Consumer sentiment and consumer expectations declined.
- ▶ China's 2Q GDP growth came at 4.7% y-o-y, down from 5.3% y-o-y in 1Q, and lower than expectations of 5.1% y-o-y. Key data from June pointed to weak retail sales, in line fixed asset investment and better than expected industrial production growth.

Rates and Fixed Income

- ▶ Global rates ended mixed, 10Y UST yields declined while 10Y UK Gilt yields and 10Y German bund yields rose.
- ▶ Fixed income indices rose on Friday.

Currencies

- ▶ Broader USD fell on Friday.
- ▶ The EUR, GBP and the JPY strengthened against the USD.

Equities

- ▶ Global equities rose with the exception of Nikkei 225.
- ▶ GCC stocks ended mixed on Sunday. UAE stocks ended mixed on Friday.

Commodities

- ▶ BBG commodity index was mostly flat on Friday.
- ▶ Oil underperformed on Friday, copper and gold also declined.

Key events in the day ahead

- ▶ Eurozone industrial production
- ▶ Jerome Powell interview

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.34	0.00	3.00	3.00
UAE Eibor 3m	5.19	5.22	-13.03	-5.18
UAE Eibor 12m	5.11	-4.65	-33.37	-3.23
US 3m Bills	5.33	-0.76	-4.40	-6.13
US 10yr Treasury	4.18	-2.72	-6.13	-40.36
German 10yr Bund	2.50	3.30	2.60	3.30
UK 10yr Gilt	4.11	3.50	-1.40	-9.20
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	464	0.26	1.04	2.47
Global Treasuries	196	0.30	0.96	1.66
Global Corporate	275	0.23	1.25	3.63
EM USD Sovereign	393	0.09	1.03	3.12
EM LCY Sovereign	146	0.30	1.53	1.53
Global High Yield	1,593	0.17	1.27	3.30
Currencies				
Dollar Index	104.09	-0.33	-1.05	-1.13
EUR USD	1.0907	0.36	1.58	1.69
GBP USD	1.2988	0.57	1.77	3.47
USD JPY	157.83	-0.64	0.51	2.98
Equities				
S&P 500	5,615	0.55	3.34	8.01
Dow Jones	40,001	0.62	3.50	4.01
NASDAQ	18,398	0.63	4.14	11.90
STOXX 600	524	0.88	1.56	3.87
DAX	18,748	1.15	2.64	4.42
Nikkei 225	41,191	-2.45	6.38	4.43
FTSE 100	8,253	0.36	1.09	4.15
SENSEX	80,519	0.78	4.83	7.30
Hang Seng	18,293	2.59	1.00	7.01
MSCI World	3,628	0.59	3.51	6.97
MSCI EM	1,124	-0.12	4.46	6.49
Regional Equities				
ADX	9,143	-0.09	1.83	-1.02
DFM	4,104	0.32	3.11	-3.30
Tadawul	11,882	0.76	2.55	-7.19
DSM	10,172	-0.05	5.28	2.55
MSM30	4,700	-0.01	0.44	0.07
BHSE	1,982	-0.51	-2.41	-2.39
KWSE	7,126	0.40	0.91	-1.24
Commodities				
BBG Commodity Index	100.8	-0.01	-1.97	-1.56
Brent USD/bbl	85.0	-0.43	2.76	-5.25
Gold USD/t oz	2,411.4	-0.17	4.65	1.64
Copper USD/MT	9,673.0	-0.21	-0.62	4.68
Volatility				
VIX	12.46	-3.56	4.36	-16.43
MOVE	86.79	-3.21	-5.59	-20.27

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 9AM UAE time – July 15th, 2024. Performance in local currency terms.

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