

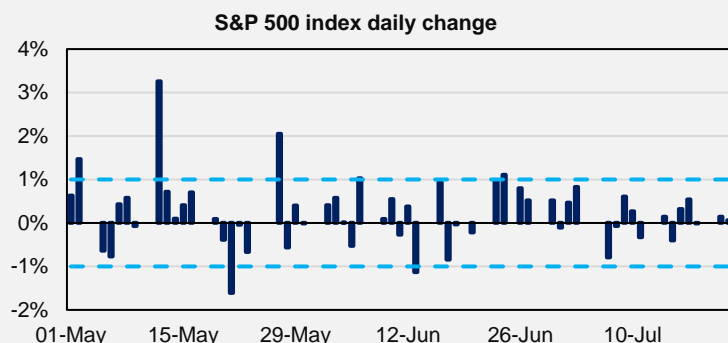
# Daily Market View

Investment Strategy | July 23, 2025

## Stocks edged lower on trade tensions and cautious earnings

- ▶ US Richmond Fed's manufacturing index fell to -20 in July.
- ▶ USD weakened amid tariff uncertainty and lower UST yields.
- ▶ Gold and copper prices rose while oil prices fell.

Chart of the day: S&P 500 has not seen a 1% up or down day in a month



Source: Bloomberg, and ADCB Asset Management

## Macroeconomic news

- ▶ In the US, according to the survey from the Federal Reserve Bank of Richmond, composite manufacturing index dropped significantly to -20 in July from -8 in June, signalling a deeper contraction in regional factory activity. All three of its component indexes fell. Shipments decreased to -18 from -5, new orders dropped to -25 from -12, and employment fell to -16 from -6.
- ▶ Service sector activity improved slightly in July according to the Richmond Survey. The revenues index edged up to 2 from -1 and the demand index increased to 5 from -4 in July. The indexes for future revenues and demand remained solidly positive in July.
- ▶ The UK borrowed more than expected in June as high inflation pushed up the Government's debt costs. Public sector net borrowing totalled GBP20.7bn in June, higher than the median forecast of GBP17.4bn. The current reading was the highest since May 2023 and the second highest for June on record.

## Rates and Fixed Income

- ▶ Treasury yields fell on weak data and safe-haven demand.
- ▶ Fixed income indices rose on Monday, led by Global Treasuries.

## Currencies

- ▶ The USD index fell, pressured by softer US economic data and easing Fed rate expectations
- ▶ The EUR, the GBP, and the JPY rose against the USD.

## Equities

- ▶ Global equity markets were mixed on Tuesday. The S&P 500 was flat, while the Dow gained on strong earnings, and the Nasdaq slipped amid tech softness. The Stoxx 600 dipped on trade concerns.
- ▶ In the GCC, markets ended mixed. DSM outperformed the most, while Tadawul underperformed the most.

## Commodities

- ▶ Oil prices fell due to fading trade deal hopes and rising global demand concerns.
- ▶ Gold prices rose on Tuesday, fuelled by a weaker dollar and declining Treasury yields.
- ▶ Prices of both copper and aluminium rose on Tuesday.

## Key events in the day ahead

- ▶ US: Existing Home Sales (Jun).
- ▶ Japan: Flash PMI (Jul) and BoJ Core CPI (YoY).

## Performance snapshot\*

Rates	Latest	1D (bp)	1M(bp)	3M(bp)
SOFR	4.28	0.00	-1.00	0.00
UAE Eibor 3m	4.12	2.69	-10.61	-14.11
UAE Eibor 12m	4.19	-0.59	-8.52	-2.61
US 3m Bills	4.31	-1.51	4.44	-0.47
US 10yr Treasury	4.34	-3.37	-0.35	-3.72
German 10yr Bund	2.59	-2.30	8.30	9.30
UK 10yr Gilt	4.57	-3.40	7.70	1.70
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	495	0.28	0.73	2.07
Global Treasuries	208	0.33	0.52	1.34
Global Corporate	296	0.23	1.20	3.54
EM USD Sovereign	429	0.09	1.44	4.14
EM LCY Sovereign	159	0.06	1.07	3.58
Global High Yield	1,783	0.15	1.66	4.92
Currencies				
Dollar Index	97.39	-0.47	-1.04	-2.46
EUR USD	1.1755	0.47	1.82	3.66
GBP USD	1.3530	0.26	0.28	2.03
USD JPY	146.43	-0.50	0.05	2.38
Equities				
S&P 500	6,310	0.06	4.72	17.37
Dow Jones	44,502	0.40	4.51	12.36
NASDAQ	20,893	-0.39	6.43	25.05
STOXX 600	544	-0.41	1.74	5.34
DAX	24,042	-1.09	3.32	9.47
Nikkei 225	39,775	-0.11	3.70	14.07
FTSE 100	9,024	0.12	3.03	7.39
SENSEX	82,187	-0.02	0.35	2.58
Hang Seng	25,130	0.54	6.08	13.85
MSCI World	4,075	0.07	4.33	15.18
MSCI EM	1,248	-0.43	5.57	13.87
Regional Equities				
ADX	10,179	-0.55	6.50	9.17
DFM	6,025	-0.33	11.34	15.74
Tadawul*	10,843	-1.26	-2.50	-4.93
DSM*	11,141	1.08	4.14	4.02
MSM30*	4,777	0.72	5.84	7.30
BHSE*	1,945	0.37	0.05	1.20
KWSE*	8,605	-0.08	2.32	6.87
Commodities				
BBG Commodity Index	104.7	-0.03	-0.36	2.51
Brent USD/bbl	68.6	-0.90	-4.04	3.74
WTI USD/bbl	66.2	-1.47	-3.36	6.33
Gold USD/t oz	3,432.3	1.08	1.25	4.16
Silver USD/t oz	39.3	0.93	8.84	17.02
Platinum USD/t oz	1,444.8	-0.41	11.34	48.05
Aluminium	2,660.9	0.46	3.18	12.45
Copper USD/MT	9,818.5	0.46	-1.13	5.65
Digital Assets				
Bitcoin	119,772.	2.38	12.84	31.36
Ether	3,708.2	-1.32	51.33	118.63
Solana	200.8	3.50	38.31	38.87
XRP	3.5	0.52	59.77	64.17
Volatility				
VIX	16.50	-0.90	-5.61	-46.03
MOVE	89.89	3.78	-2.95	-24.05

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – July 23, 2025. Performance in local currency terms.

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