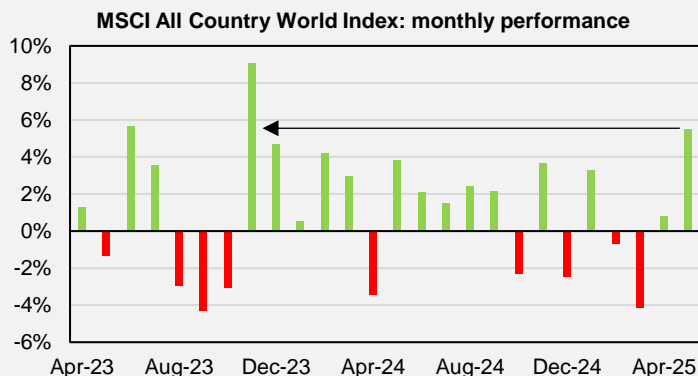


## US stock market indexes closed higher on Monday

- ▶ Eurozone PMI came much better than expected at 49.4 in May
- ▶ UK manufacturing PMI final reading for May rose to 46.4
- ▶ India's manufacturing PMI growth slows to 3-month low in May

Chart of the day: Global stocks climbed in May – rose 5.5%, registered their largest monthly gain since November 2023



Source: Bloomberg, and ADCB Asset Management

## Macroeconomic news

- ▶ US S&P global manufacturing PMI rose strongly to 52.0 during May but came slightly weaker than the flash reading of 52.3.
- ▶ US ISM manufacturing PMI showed that the economic activity in the manufacturing sector contracted in May for the third consecutive month, following a two-month expansion preceded by 26 straight months of contraction.
- ▶ The Eurozone manufacturing PMI rose to 49.4 in May from 49.0 in April, marking the highest level in 33 months.
- ▶ Germany manufacturing PMI for May was 48.3, slightly down from April's 48.4, indicating continued contraction.
- ▶ Japan's final reading of manufacturing PMI for May came at 49.4, slightly better than the expected 49.0 and much better than the previous month's reading of 48.7.

## Rates and Fixed Income

- ▶ US Treasury yields mostly rose following Trump's tariff news, though gains were trimmed after weak PMI data.
- ▶ Fixed income indices rose, with the exception of EM USD Sovereign.

## Currencies

- ▶ The broader USD index softened amid renewed trade tensions and rising treasury yields.
- ▶ EUR, GBP, and JPY all rose against the USD on Monday.

## Equities

- ▶ Global stock markets had a mixed performance on Monday. Wall Street ended higher, with the S&P 500 gaining modestly, boosted by tech stocks lifting Nasdaq. The Dow closed slightly positive. European stocks fell as trade tensions rose after Trump announced increased tariffs on steel and aluminium.
- ▶ GCC markets mostly rose. Tadawul outperformed, while ADX underperformed.

## Commodities

- ▶ Crude oil prices surged due to stable OPEC+ output and Canadian wildfires threatening supply.
- ▶ Gold hit a one-week high as investors sought safety.

## Key events in the day ahead

- ▶ US JOLTS Job Openings (Apr) and US Factory Orders (Apr).
- ▶ Eurozone core CPI (May).
- ▶ Jibun Bank Services PMI (May, final).

## Performance snapshot\*

Rates	Latest	1D (bp)	1M	3M(bp)
SOFR	4.35	0.00	-1.00	-4.00
UAE Eibor 3m	4.18	-2.53	-7.76	-5.83
UAE Eibor 12m	4.14	-7.30	3.71	-15.87
US 3m Bills	4.33	-0.31	1.76	3.57
US 10yr Treasury	4.44	3.95	13.16	23.17
German 10yr Bund	2.52	2.40	-0.90	11.80
UK 10yr Gilt	4.67	2.00	15.90	18.50
Fixed Income		1D (%)	1M	3M(%)
Global Agg. Index	489	0.23	0.36	3.45
Global Treasuries	207	0.34	0.23	3.99
Global Corporate	289	0.07	0.75	2.71
EM USD Sovereign	418	-0.14	0.99	0.11
EM LCY Sovereign	157	0.18	0.98	4.06
Global High Yield	1,738	0.14	1.61	2.33
Currencies				
Dollar Index	98.71	-0.63	-1.32	-8.28
EUR USD	1.1419	0.63	1.08	10.06
GBP USD	1.3523	0.48	1.89	7.52
USD JPY	142.93	-0.76	-1.40	-5.11
Equities				
S&P 500	5,936	0.41	4.38	-0.31
Dow Jones	42,305	0.08	2.39	-3.50
NASDAQ	19,243	0.67	7.04	2.10
STOXX 600	548	-0.14	2.14	-1.66
DAX	23,931	-0.28	3.66	6.12
Nikkei 225	37,471	-1.30	1.74	0.85
FTSE 100	8,774	0.02	2.07	-0.40
SENSEX	81,374	-0.09	1.08	11.17
Hang Seng	23,158	-0.57	2.90	0.94
MSCI World	3,881	0.46	4.21	2.00
MSCI EM	1,154	-0.31	1.81	5.15
Regional Equities				
ADX	9,647	-0.39	0.71	0.86
DFM	5,485	0.08	3.65	3.14
Tadawul*	10,850	0.23	-5.56	-9.77
DSM*	10,484	-0.16	-1.18	2.45
MSM30*	4,571	0.12	4.44	4.67
BHSE*	1,921	0.09	0.22	-1.58
KWSE*	8,148	0.01	1.03	0.91
Commodities				
BBG Commodity Index	102.0	2.04	0.57	-0.70
Brent USD/bbl	64.6	1.14	5.45	-11.68
WTI USD/bbl	62.5	2.85	7.26	-10.38
Gold USD/t oz	3,371.9	2.51	4.06	17.99
Silver USD/t oz	34.8	5.39	8.60	11.59
Platinum USD/t oz	1,068.4	1.00	10.67	12.53
Aluminium	2,460.1	0.91	1.68	-6.33
Copper USD/MT	9,655.0	0.33	2.98	3.15
Digital Assets				
Bitcoin	104,931.9	0.32	12.11	23.84
Ether	2,540.9	-1.42	44.81	24.15
Solana	154.4	-3.49	10.06	14.65
XRP	2.2	-0.53	3.53	-5.12
Volatility				
VIX	18.36	-1.13	-22.34	-19.40
MOVE	95.76	3.96	-8.32	-9.36

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 7AM UAE time – June 03, 2025. Performance in local currency terms.

# Daily Market View

Investment Strategy | June 3, 2025

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