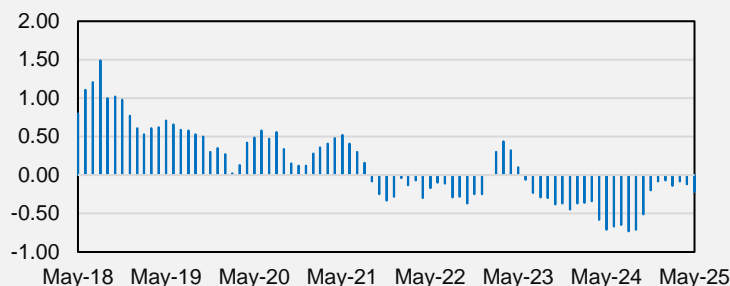


Markets calmed on signs of easing Middle east tensions

- ▶ BoJ kept rates on hold, signalled slower bond taper
- ▶ India's May WPI softer than expected
- ▶ Oil, USD and gold fell on signs Iran seeking to end conflict

Chart of the day: China's housing market slump

New home prices down for 24 straight months



■ China 70 Cities Newly Built Homes MoM Average

Source: Bloomberg, and ADCB Asset Management

Macroeconomic news

- ▶ The Bank of Japan kept its benchmark rate unchanged at 0.5% and unveiled a plan to ease the pace at which it trims monthly bond purchases to quarterly reductions of JPY200bn from the current JPY400bn.
- ▶ India's wholesale price inflation for May came much softer than expected at 0.39% YoY (consensus: 0.70%, previous: 0.85%) thanks to favourable moves in the wholesale prices for food and fuel during May. While both food and fuel prices deflated strongly on a YoY basis, the deflation in food prices was the strongest since January 2023.
- ▶ According to the Empire State Manufacturing Survey, business activity in New York State continued to decline in June. The headline general business conditions index decreased by seven points to -16.0. Both new orders and shipments experienced a decline.

Rates and Fixed Income

- ▶ The 10Y UST yields rose, despite strong demand seen at 20Y UST auction. 10Y Bund and 10Y Gilt yields declined.
- ▶ Fixed income indices posted marginal gains. EM LCY sovereign and Global HY outperformed peers.

Currencies

- ▶ The broader USD index dropped on hopes of Israel-Iran conflict easing.
- ▶ The EUR rose against the USD, GBP was flat while the JPY fell against the USD.

Equities

- ▶ Stock indexes closed higher after last week's losses. MSCI's global stock index rose after the US market opened and remained strong, ending the day up 0.90%. Earlier in the trading session, Europe's STOXX 600 benefited from a rebound in travel stocks
- ▶ GCC markets rebounded on hopes of easing Middle east tensions.

Commodities

- ▶ Oil prices declined as a report by the Wall Street Journal indicated that Iran was seeking a truce.
- ▶ Gold prices fell on profit-taking while risk sentiment stabilized.

Key events in the day ahead

- ▶ Eurozone/Germany ZEW economic sentiment index (Jun)
- ▶ US retail sales, industrial production, export and import prices (May)
- ▶ US business inventories (Apr)
- ▶ US NAHB Housing market index (Jun)

Performance snapshot*

Rates	Latest	1D (bp)	1M	3M(bp)
SOFR	4.28	0.00	-2.00	-2.00
UAE Eibor 3m	4.14	2.29	-21.00	-2.71
UAE Eibor 12m	4.29	1.38	12.96	-19.57
US 3m Bills	4.35	0.46	1.76	6.15
US 10yr Treasury	4.45	4.75	-3.08	13.41
German 10yr Bund	2.53	-0.80	-6.30	-34.90
UK 10yr Gilt	4.53	-1.70	-11.60	-13.30
Fixed Income		1D (%)	1M	3M(%)
Global Agg. Index	492	0.07	1.86	3.71
Global Treasuries	208	0.07	1.94	4.07
Global Corporate	292	0.07	1.99	3.38
EM USD Sovereign	422	0.07	1.23	1.69
EM LCY Sovereign	158	0.21	1.41	3.99
Global High Yield	1,753	0.19	1.60	3.27
Currencies				
Dollar Index	98.00	-0.19	-3.06	-5.51
EUR USD	1.1561	0.10	3.57	6.27
GBP USD	1.3578	0.05	2.22	4.97
USD JPY	144.75	0.47	-0.65	-2.62
Equities				
S&P 500	6,033	0.94	1.25	6.99
Dow Jones	42,515	0.75	-0.33	2.48
NASDAQ	19,701	1.52	2.55	10.97
STOXX 600	547	0.36	-0.43	0.06
DAX	23,699	0.78	-0.29	3.10
Nikkei 225	38,311	1.26	1.48	3.40
FTSE 100	8,875	0.28	2.20	2.81
SENSEX	81,796	0.84	-0.65	10.79
Hang Seng	24,061	0.70	3.07	0.42
MSCI World	3,936	0.90	1.88	7.37
MSCI EM	1,198	0.68	2.20	7.02
Regional Equities				
ADX	9,585	0.22	-0.72	1.76
DFM	5,407	0.79	-0.89	5.18
Tadawul*	10,867	1.26	-1.89	-5.52
DSM*	10,465	1.73	-2.49	3.66
MSM30*	4,535	0.70	0.55	6.20
BHSE*	1,904	0.12	-0.86	0.14
KWSE*	7,958	1.46	-1.02	1.77
Commodities				
BBG Commodity Index	105.7	0.37	4.70	0.75
Brent USD/bbl	73.2	-1.35	11.96	3.75
WTI USD/bbl	71.8	-1.66	14.85	6.83
Gold USD/t oz	3,385.2	-1.37	5.67	13.44
Silver USD/t oz	36.3	0.03	12.44	7.44
Platinum USD/t oz	1,249.2	1.68	26.00	25.34
Aluminium	2,515.9	0.51	2.63	-6.96
Copper USD/MT	9,738.0	0.83	2.02	-0.10
Digital Assets				
Bitcoin	108,833.2	3.19	1.92	28.05
Ether	2,671.4	4.85	3.62	34.98
Solana	157.4	6.82	-7.56	19.10
XRP	2.3	8.30	-5.90	-4.28
Volatility				
VIX	19.11	-8.21	5.35	-6.83
MOVE	93.48	-1.92	-9.95	-6.31

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 7AM UAE time – June 17, 2025. Performance in local currency terms.

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