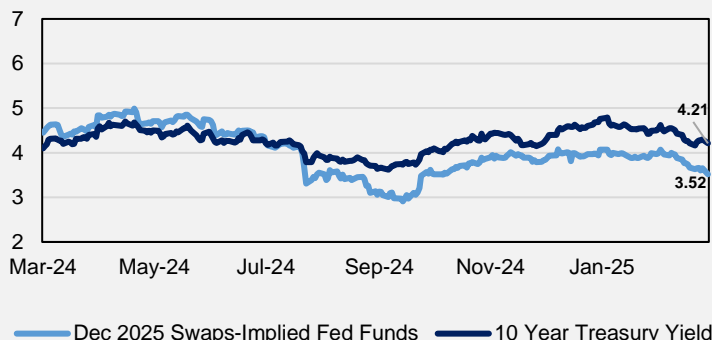


Stocks declined as global recession fears intensified

- ▶ US NY Fed 1-Yr inflation expectations rose to 3.1% in February
- ▶ Germany's industrial production rose by 2.0% MoM in January
- ▶ Eurozone sentix confidence index rose to -2.9 in March

Chart of the day: Slowdown or Recession Fears?

US rate cut bets, 10-year yields at October levels



Source: Bloomberg

Macroeconomic news

- ▶ The Federal Reserve Bank of New York's survey of consumer expectations reported that the median one-year-ahead inflation expectation increased slightly from 3.0% in January to 3.1% in February.
- ▶ Eurozone sentix investor confidence index improved significantly in March, rising to (-2.9) from (-12.7) in February, surpassing analysts' expectations.
- ▶ Japan's leading economic index edged up to 108.0 in January from a revised 107.9 in December, marking the highest reading since October 2024. Coincident economic index increased slightly to 116.2 in January from 116.1 in December, reaching a three-month high.
- ▶ Japan's household spending decreased in January by 1.9% MoM, following a 2.3% increase in December.

Rates and Fixed Income

- ▶ 10Y UST yields fell on safe-haven bid. 10Y German bund yields eased as Germany's Green party rejected debt-financed package.
- ▶ Fixed income indices rose with the exception of EM LCY Sovereign and Global High Yield.

Currencies

- ▶ The USD index rose due to investors seeking safer assets amid escalating global trade tensions.
- ▶ JPY strengthened to near five-month high as risk-off took hold.

Equities

- ▶ Global stock markets declined on increasing fears of a US recession. The S&P 500 index closed below its 200-day moving average. Nasdaq recorded its biggest one-day drop since September 2022. US technology stocks came under pressure. European equities fell to their one-month low.
- ▶ GCC markets declined with the exception of Oman and Qatar.

Commodities

- ▶ Crude oil prices fell on recession concerns.
- ▶ Gold prices fell due a slight rebound in the US dollar.
- ▶ Copper and aluminum prices fell on Monday.

Key events in the day ahead

- ▶ US NFIB Small Business Optimism and JOLTS Job Openings.
- ▶ Japan PPI.

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	4.34	0.00	-1.00	-26.00
UAE Eibor 3m	4.29	10.59	-0.59	-5.98
UAE Eibor 12m	4.38	0.32	0.94	6.13
US 3m Bills	4.28	-2.12	-4.97	-10.92
US 10yr Treasury	4.21	-8.80	-28.16	6.02
German 10yr Bund	2.83	-0.30	46.10	72.50
UK 10yr Gilt	4.64	0.60	16.80	36.90
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	476	0.08	1.57	0.15
Global Treasuries	200	0.04	1.41	-0.15
Global Corporate	283	0.20	1.99	0.48
EM USD Sovereign	417	0.08	0.89	0.49
EM LCY Sovereign	151	-0.42	-0.06	1.12
Global High Yield	1,703	-0.18	1.01	1.35
Currencies				
Dollar Index	103.90	0.06	-3.83	-2.03
EUR USD	1.0830	-0.03	4.86	2.48
GBP USD	1.2878	-0.33	3.84	1.05
USD JPY	147.19	-0.57	-2.79	-1.87
Equities				
S&P 500	5,615	-2.70	-6.83	-7.81
Dow Jones	41,912	-2.08	-5.40	-6.12
NASDAQ	17,468	-4.00	-10.53	-12.04
STOXX 600	546	-1.29	0.64	4.94
DAX	22,621	-1.69	3.83	10.97
Nikkei 225	37,028	0.38	-4.53	-5.28
FTSE 100	8,600	-0.92	-1.15	3.51
SENSEX	74,115	-0.29	-4.81	-9.29
Hang Seng	23,783	-1.85	12.54	19.72
MSCI World	3,651	-2.38	-4.73	-5.28
MSCI EM	1,113	-1.37	0.41	0.72
Regional Equities				
ADX	9,393	-0.58	-2.02	1.36
DFM	5,136	-1.66	-1.95	5.80
Tadawul	11,746	-0.55	-5.53	-1.56
DSM	10,532	0.17	-0.79	1.35
MSM30	4,406	0.24	-3.46	-3.62
BHSE	1,972	-0.11	4.78	-3.14
KWSE	8,067	-0.64	2.18	10.67
Commodities				
BBG Commodity Index	104.6	-0.20	0.35	7.29
Brent USD/bbl	69.3	-1.53	-7.21	-2.59
WTI USD/bbl	66.0	-1.51	-7.00	-1.74
Gold USD/t oz	2,886.1	-0.79	0.88	9.60
Silver USD/t oz	32.1	-1.32	0.92	3.68
Platinum USD/t oz	962.7	-0.66	-1.61	3.35
Aluminum	2,713.1	-0.42	1.71	6.36
Copper USD/MT	9,547.0	-1.21	2.79	4.87
Digital Assets				
Bitcoin	79,272.1	-8.12	-18.10	-17.70
Ether	1,868.2	-12.65	-29.85	-49.48
Solana	118.7	-16.81	-39.56	-44.54
XRP	2.1	-13.45	-14.64	-7.28
Volatility				
VIX	27.86	19.21	76.22	96.34
MOVE	112.50	7.75	28.31	31.38

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time - March 11, 2025.

Performance in local currency terms

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