

Risk assets tumble as Iran rejects US terms, and global rate expectations swing hawkish

Macro headlines

President Trump said he will extend the pause on attacks against Iran's energy infrastructure into April, claiming talks were "going very well." Iranian officials rejected this characterization, calling the US proposal "one-sided and unfair," even as Tehran continues reviewing the 15-point plan. The geopolitical backdrop grew more complex after US officials said SMIC, China's largest chipmaker, had sent chipmaking tools to Iran's military, raising questions about Beijing's positioning in the conflict. India cut special excise duties on petrol and diesel to cushion consumers from volatile fuel prices as the Strait of Hormuz remains effectively shut. In the US, initial jobless claims rose slightly to 210k but remain within the year's narrow range, reflecting low layoffs. Banxico cut its policy rate by 25bp to 6.75% despite inflation rising to 4.63% in mid-March, signaling confidence that domestic price pressures remain manageable. German consumer sentiment deteriorated sharply, with the GfK index falling to -28.0 for April as households brace for higher energy costs. France's business climate held at 97 but remains below its long-term average. Norway's central bank signaled a rate hike is likely soon, citing broad-based inflation concerns. The Philippines held an unscheduled central bank meeting due to market turmoil, and Germany's Bundesbank said an ECB rate hike next month is "an option." China's industrial profits rose 15.2% y/y in January-February, reinforcing early-year recovery momentum. In the US, a judge temporarily blocked the Pentagon's attempt to blacklist Anthropic, marking another turn in the company's dispute with the military over AI safety.

Market performances

Global markets sold off sharply on Thursday as hopes for a quick resolution to the Iran conflict faded. The Nasdaq fell 2.38%, confirming a correction with an 11% decline from its October peak. The S&P 500 dropped 1.74% and the Dow fell 1.01%. Global equity benchmark slid 1.60%, while the STOXX 600 declined 1.13%. Gulf markets also weakened as investors remained cautious. Oil surged again. Brent rose USD5.66 to USD108.01/bbl, while WTI climbed to USD94.48/bbl. European natural gas prices also jumped as the conflict hit key infrastructure. Bond markets sold off, pushing yields higher. The US 10-year rose to 4.41%, while the 2-year climbed to 3.967%. Japan's 2-year yield hit a 30-year high at 1.33% as markets priced another BoJ hike. The dollar strengthened, with the euro falling to USD1.1526 and the yen weakening to 159.75. Gold fell sharply, with April futures down 3.72% to USD4,381.6/oz. Asian equities mirrored the global rout early Friday, though investors took some comfort from Trump's decision to extend the strike pause by 10 days. Brent eased slightly to USD107.07/bbl in early Friday trading, but concerns about a prolonged energy shock persisted.

What's next

Friday's calendar features a wide set of macro releases. In the Americas, Brazil publishes February unemployment, Mexico releases February trade data, and the US issues final March UMich consumer sentiment figures. In Europe, the UK releases March GfK consumer confidence and February retail sales, Spain publishes preliminary March inflation, and the ECB releases its Consumer Expectations Survey. Across Asia, South Korea releases March business confidence, the Philippines publishes February trade data, and Thailand reports February industrial production. Fed officials Mary Daly and Anna Paulson speak at the San Francisco Fed's annual macroeconomics conference, while earnings include BYD and Carnival. Markets will also track whether early signs of a ceasefire push – alongside Trump's extended pause – help stabilize risk sentiment heading into the weekend.

Mohammed Al Hemeiri

Senior Specialist

Tel: +971 (0)2 812 6450

mohammed.alhemeiri@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 812 6457

kishore.muktinutalapati@adcb.com

Visit [Investment Strategy Webpage](#)

to read our other reports

Daily Market View

Investment Strategy | March 27, 2026

Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	3.64	0.00	-2.00	-2.00
UAE Eibor 3m	3.65	1.16	6.97	11.51
UAE Eibor 12m	3.92	8.18	16.30	29.06
US 3m Bills	3.71	0.54	3.13	7.15
US 10yr Treasury	4.41	7.95	32.91	27.82
German 10yr Bund	3.07	11.60	33.70	21.20
UK 10yr Gilt	4.97	13.50	62.10	46.70
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	495	-0.61	-2.80	-1.36
Global Treasuries	205	-0.60	-3.00	-1.62
Global Corporate	299	-0.66	-2.94	-1.67
EM USD Sovereign	451	-0.45	-3.13	-1.51
EM LCY Sovereign	162	-0.24	-2.43	-0.50
Global High Yield	1,839	-0.44	-2.54	-1.14
Currencies				
Dollar Index	99.90	0.30	2.15	1.96
EUR USD	1.1526	-0.45	-2.19	-2.13
GBP USD	1.3319	-0.49	-1.19	-1.33
USD JPY	159.76	0.31	3.04	2.43
Equities				
S&P 500	6,477	-1.74	-6.26	-6.56
Dow Jones	45,960	-1.01	-7.39	-5.69
NASDAQ	21,408	-2.38	-6.46	-9.34
STOXX 600	581	-1.13	-7.89	-1.34
DAX	22,613	-1.50	-10.48	-7.10
Nikkei 225	53,604	-0.27	-5.67	6.47
FTSE 100	9,972	-1.33	-6.69	1.03
SENSEX	75,273	0.00	-9.11	-11.87
Hang Seng	24,856	-1.89	-5.89	-3.73
MSCI World	4,241	-1.59	-6.89	-5.21
MSCI EM	1,448	-1.64	-7.58	4.05
Regional Equities				
ADX	9,602	-1.80	-9.25	-4.35
DFM	5,518	-3.16	-16.28	-10.48
Tadawul*	11,090	0.09	5.73	1.59
DSM*	10,160	-1.26	-3.98	-9.32
MSM30*	7,968	-0.75	8.12	27.83
BHSE*	1,910	0.00	-6.23	-6.59
KWSE*	8,406	-0.51	-0.03	-4.72
Commodities				
BBG Commodity Index	132.0	1.21	10.27	18.50
Brent USD/bbl	108.01	5.66	50.52	73.54
WTI USD/bbl	94.48	4.61	42.31	61.92
Gold USD/t oz	4,381.6	-3.72	-14.21	-2.21
Silver USD/t oz	68.1	-4.43	-19.60	-5.30
Platinum USD/t oz	1,832.5	-4.81	-15.12	-18.80
Aluminum	3,330.8	1.15	7.71	13.12
Copper USD/MT	12,108.0	-0.22	-5.04	-1.18
Digital Assets				
Bitcoin	68,961.0	-2.85	1.71	-21.31
Ether	2,063.7	-4.73	4.54	-30.02
Solana	86.3	-5.59	2.10	-29.79
XRP	1.4	-3.93	-4.44	-27.06
Volatility				
VIX	27.44	8.33	43.74	103.71
MOVE	115.02	17.86	78.96	93.38

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as at 8AM UAE time - March 27, 2026 unless stated otherwise. Performance in local currency.

Disclaimer

ADCB Asset Management Limited ("AAML"), is a member of ADCB Group, licensed by Financial Services Regulatory Authority in Abu Dhabi Global Markets under financial services permission number 170036.

This publication is intended for general information purposes only. It should not be construed as an offer, recommendation or solicitation to purchase or dispose of any securities or to enter in any transaction or adopt any hedging, trading or investment strategy. Neither this publication nor anything contained herein shall form the basis of any contract or commitment whatsoever. Distribution of this publication does not oblige ADCB Group to enter into

transaction.

The content of this publication should not be considered as legal, regulatory, credit, tax or accounting advice. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in this publication. Investment products are not available to US persons.

Information and opinions contained herein is are based on various sources, including but not limited to public information, annual reports and statistical data that AAML considers accurate and reliable. However, AAML makes no representation or warranty as to the accuracy or completeness of any statement made in or in connection with this publication and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this publication. This publication is intended for customers who are either retail or professional investors.

Charts, graphs and related data or information provided in this publication are intended to serve for illustrative purposes only. The information contained in this publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. All statements as to future matters are not guaranteed to be accurate. AAML expressly disclaims any obligation to update or revise any forward looking statement to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

ADCB Group does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its publications. As a result, recipients of this publication should be aware that any or all of foregoing services may at time give rise to a conflict of interest that could affect the objectivity of this publication. Opinions expressed herein may differ from opinions expressed by other businesses or affiliates of ADCB Group.

Past performance does not guarantee future results. Investment products are not bank deposits and are not guaranteed by ADCB Group. They are subject to investment risk, including possible of loss of principal amount invested. This publication may not be reproduced or circulated without ADCB Group written authority. The manner of circulation and distribution may be restricted by law or regulation in certain jurisdictions. Persons who come into possession of this document are required to inform themselves of, and to observe such restrictions. Any unauthorized use, duplication, or disclosure of this document is prohibited by law and may result in prosecution.