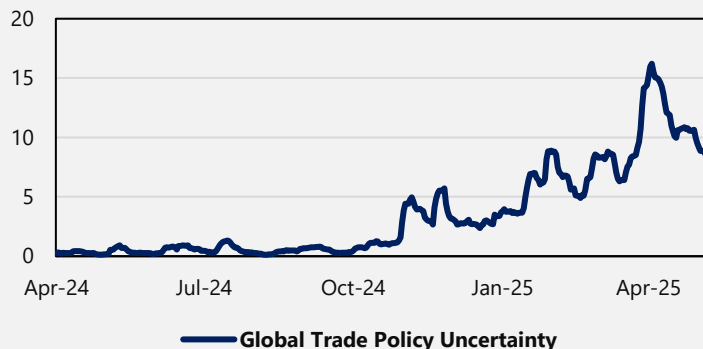


## Global stocks rally showed signs of exhaustion

- ▶ China April new yuan loans came weaker than expected
- ▶ European equities snapped four day winning streak
- ▶ Market focus will be on the US PPI and US retail sales release

### Chart of the day: Trade policy uncertainty eases

Measure still elevated, but off record high



Source: Bloomberg Economics

## Macroeconomic news

- ▶ China's new yuan loans during April not only declined from March but also came much weaker than expected. The outstanding loan growth during April also came in weaker than expected and slowed from the month of March. All this translated into Total Social Financing (TSF) weakening materially to its lowest level since August 2024.
- ▶ According to the US Mortgage Bankers Association, mortgage applications increased 1.1% WoW while the 30Y mortgage rate moved higher to 6.86%.
- ▶ Germany CPI (Apr, final) grew 2.1% YoY as expected, and was slower than the 2.2% growth seen during March.

## Rates and Fixed Income

- ▶ UST yields ended higher as markets awaited key economic releases and some clarity on debt outlook from the US congress discussions.
- ▶ Global bond aggregate index rose marginally, led by Global Treasuries.

## Currencies

- ▶ The USD steadied after the losses in the previous session.
- ▶ The EUR and the GBP, both weakened while the JPY strengthened against the greenback.

## Equities

- ▶ Global equities posted gains, though the rally showed some signs of exhaustion. In the US, the S&P 500 rose 0.10% and the Nasdaq Composite rose 0.72%. The Dow Jones Industrial Average fell 0.21%. Europe's STOXX 600 index closed 0.24% lower, its first loss in five sessions.
- ▶ GCC equities were mixed with UAE equities falling marginally.

## Commodities

- ▶ Oil prices fell on reports of rise in US crude inventories and improved prospects of US-Iran trade deal.
- ▶ Gold prices fell on Wednesday, as easing US-China tensions sapped haven demand.
- ▶ Aluminum prices returned to levels last seen before April Liberation Day.

## Key events in the day ahead

- ▶ US PPI (Apr), US Retail Sales (Apr), US Industrial Production (Apr)
- ▶ UK GDP (Q1, prelim), UK monthly GDP (Mar)
- ▶ Eurozone Industrial Production (Mar), Eurozone GDP (Q1, 2nd est.)

## Performance snapshot\*

Rates	Latest	1D (bp)	1M	3M(bp)
SOFR	4.30	0.00	-6.00	-4.00
UAE Eibor 3m	4.38	34.49	3.68	10.15
UAE Eibor 12m	4.19	2.00	5.73	-10.66
US 3m Bills	4.38	0.98	8.75	6.94
US 10yr Treasury	4.54	7.13	20.33	0.11
German 10yr Bund	2.70	1.90	16.50	26.90
UK 10yr Gilt	4.71	4.30	6.50	20.50
Fixed Income		1D (%)	1M	3M(%)
Global Agg. Index	481	0.05	-0.48	3.13
Global Treasuries	203	0.15	-0.79	3.41
Global Corporate	285	-0.07	0.12	2.72
EM USD Sovereign	416	-0.11	1.99	1.19
EM LCY Sovereign	155	-0.01	1.81	2.93
Global High Yield	1,726	-0.01	2.68	2.48
Currencies				
Dollar Index	101.04	0.04	0.82	-6.41
EUR USD	1.1175	-0.09	-0.95	7.86
GBP USD	1.3263	-0.32	0.24	6.56
USD JPY	146.75	-0.49	2.47	-3.76
Equities				
S&P 500	5,893	0.10	9.19	-2.90
Dow Jones	42,051	-0.21	4.17	-5.70
NASDAQ	19,147	0.72	13.81	-2.53
STOXX 600	544	-0.24	7.05	-0.60
DAX	23,527	-0.47	10.70	6.76
Nikkei 225	38,128	-0.14	11.27	-1.73
FTSE 100	8,585	-0.21	4.07	-2.19
SENSEX	81,331	0.22	5.99	6.60
Hang Seng	23,641	2.30	10.13	11.02
MSCI World	3,831	0.20	8.74	-0.63
MSCI EM	1,174	1.45	9.66	6.25
Regional Equities				
ADX	9,621	-0.11	3.56	-0.18
DFM	5,360	-0.06	5.54	0.45
Tadawul	11,532	0.00	-0.73	-7.18
DSM	10,594	0.08	3.72	-0.34
MSM30	4,397	0.82	2.79	-2.77
BHSE	1,920	0.10	0.90	1.15
KWSE	8,085	0.02	3.58	1.58
Commodities				
BBG Commodity Index	102.4	-0.81	1.22	-3.09
Brent USD/bbl	66.1	-0.81	2.20	-14.17
WTI USD/bbl	63.2	-0.82	2.97	-13.87
Gold USD/t oz	3,177.3	-2.25	-1.66	9.64
Silver USD/t oz	32.2	-2.13	-0.29	1.29
Platinum USD/t oz	985.1	-0.70	2.36	-0.41
Aluminum	2,532.4	1.51	7.15	-3.78
Copper USD/MT	9,649.5	1.21	6.24	4.01
Digital Assets				
Bitcoin	103,573.6	-0.98	22.07	5.38
Ether	2,600.3	-3.34	64.76	-3.37
Solana	176.8	-3.45	32.98	-10.60
XRP	2.6	-0.86	20.95	2.98
Volatility				
VIX	18.62	2.20	-42.95	17.18
MOVE	100.73	0.60	-15.64	16.34

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – May 15, 2025. Performance in local currency terms.

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