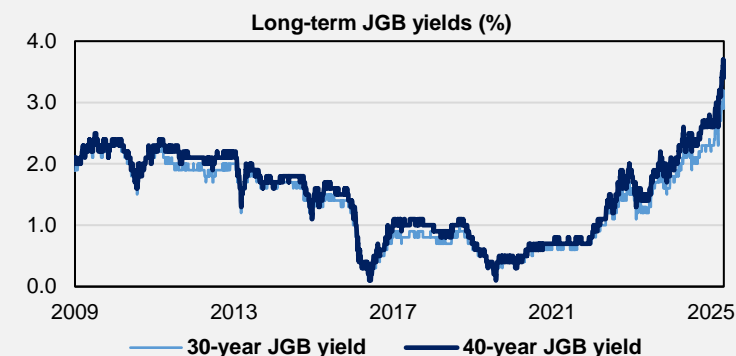


## European stocks and euro rally on EU tariff delays

- ▶ US markets were closed on Monday for Memorial Day
- ▶ The dollar index fell against a basket of currencies
- ▶ Japanese stocks rose on Trump's backing of Nippon's US steel bid

### Chart of the day: Japanese bond yields retreat from record



Source: Bloomberg, and ADCB Asset Management

## Macroeconomic news

- ▶ Japan's corporate services price index came at 3.1% YoY compared with the previous reading of 3.3% YoY and expected 3.0% YoY. Japan's coincident indicator for March edged lower while the leading index printed better than expected numbers.
- ▶ Japan's National Consumer Price Index (CPI) climbed by 3.6% YoY in April, compared to the previous reading of 3.6% YoY. National CPI ex Fresh food rose 3.5% YoY in April versus 3.2% YoY in March and higher than market consensus of 3.4% YoY.
- ▶ China industrial profits YTD rose 1.4% YoY during April as the growth remained positive for the second consecutive month.

## Rates and Fixed Income

- ▶ 10Y UST yield remained unchanged, as US markets were closed for Memorial Day. Japanese government bonds rallied.
- ▶ Fixed income indexes rose on Monday, led by Global Treasuries and EM LCY Sovereign.

## Currencies

- ▶ The dollar index fell on Monday, as risk appetite improved following the postponement of US tariffs on EU goods.
- ▶ EUR appreciated to its highest since late April, while GBP ticked upwards.

## Equities

- ▶ Global markets climbed on Monday as the euro rallied after President Trump postponed imposing 50% tariffs on EU goods until July. US and UK markets were closed for holidays. European stocks ended higher on tariff postponement news. Japanese equities rallied as Trump backed Nippon's takeover of US steel.
- ▶ GCC markets mostly fell with Dubai and Oman being the exception.

## Commodities

- ▶ Oil prices were little changed, as markets awaited clarity on OPEC+ production decisions.
- ▶ Gold prices fell as safe-haven appetite reduced due to ease in trade tensions.

## Key events in the day ahead

- ▶ US Durable Goods Orders (Apr)
- ▶ US Conference board consumer confidence (May)
- ▶ GfK German Consumer confidence (Jun)
- ▶ French CPI (May)
- ▶ Fed Waller Speaks

## Performance snapshot\*

Rates	Latest	1D (bp)	1M	3M(bp)
SOFR	4.26	0.00	-7.00	-8.00
UAE Eibor 3m	4.20	9.57	-2.08	-8.46
UAE Eibor 12m	4.23	-0.24	15.38	-17.78
US 3m Bills	4.34	0.52	4.60	3.83
US 10yr Treasury	4.51	0.00	27.57	7.97
German 10yr Bund	2.56	-0.70	9.10	9.00
UK 10yr Gilt	4.68	0.00	20.20	11.00
Fixed Income		1D (%)	1M	3M(%)
Global Agg. Index	486	0.21	-0.18	3.30
Global Treasuries	206	0.26	-0.17	3.79
Global Corporate	287	0.14	-0.29	2.53
EM USD Sovereign	415	0.00	0.07	0.50
EM LCY Sovereign	157	0.27	2.14	3.49
Global High Yield	1,726	0.08	0.98	1.93
Currencies				
Dollar Index	98.93	-0.18	-0.54	-7.20
EUR USD	1.1383	0.18	0.16	8.84
GBP USD	1.3564	0.20	1.87	7.38
USD JPY	142.73	0.12	-0.65	-4.38
Equities				
S&P 500	5,803	0.00	5.02	-3.50
Dow Jones	41,603	0.00	3.71	-4.20
NASDAQ	18,737	0.00	7.79	-4.03
STOXX 600	551	0.99	5.77	-0.60
DAX	24,028	1.68	8.03	7.81
Nikkei 225	37,532	1.00	5.11	-3.21
FTSE 100	8,718	0.00	3.60	0.68
SENSEX	82,176	0.56	3.74	9.12
Hang Seng	23,282	-1.35	5.92	-0.83
MSCI World	3,814	0.29	5.40	-0.76
MSCI EM	1,170	-0.07	6.66	1.99
Regional Equities				
ADX	9,659	-0.07	2.84	0.42
DFM	5,484	0.37	6.23	2.34
Tadawul*	11,076	-1.01	-5.85	-10.59
DSM*	10,732	-0.39	4.60	0.73
MSM30*	4,511	0.29	5.55	1.50
BHSE*	1,921	-0.07	1.02	-0.99
KWSE*	8,040	-0.15	1.36	-1.26
Commodities				
BBG Commodity Index	102.7	0.00	0.07	-3.87
Brent USD/bbl	64.7	-0.06	-3.19	-13.02
WTI USD/bbl	61.5	0.00	-2.36	-12.60
Gold USD/t oz	3,342.1	-0.46	0.68	13.83
Silver USD/t oz	33.5	0.04	1.15	3.18
Platinum USD/t oz	1,090.5	-0.63	11.74	12.08
Aluminium	2,458.6	0.00	1.62	-7.70
Copper USD/MT	9,595.0	0.00	2.45	1.11
Digital Assets				
Bitcoin	109,619.2	1.25	15.32	15.99
Ether	2,567.5	0.95	43.01	-3.09
Solana	175.4	-1.04	18.24	15.85
XRP	2.3	-0.37	0.62	-2.61
Volatility				
VIX	20.57	-7.72	-18.21	8.38
MOVE	100.91	0.00	-8.27	14.10

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 7AM UAE time – May 27, 2025. Performance in local currency terms.

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