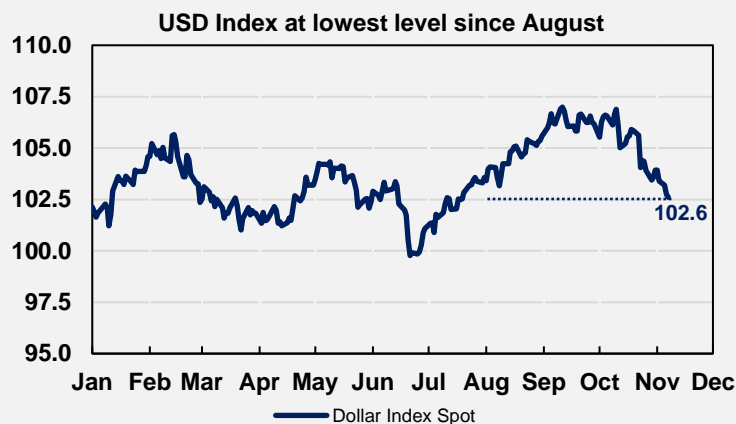


Fed officials signal end to rate hiking cycle

- ▶ US Consumer Sentiment rose after a three month decline.
- ▶ EM equities outperform DM despite both rising on Tuesday.
- ▶ Oil prices rise ahead of OPEC+ meeting on Thursday.

Chart of the Day: USD Index levels YTD.



Source: Bloomberg, and ADCB Asset Management

Macroeconomic news

- ▶ US consumer sentiment rose in November after a three-month decline. The Conference Board Consumer Confidence Index rose from a revised figure of 99.1 in October to 102.0 in November.
- ▶ Expectations that the US central bank is done with their rate hiking cycle were reinforced after encouraging comments from Fed officials affirming that they could be comfortable holding rates for now.

Rates and Fixed Income

- ▶ Global rates continued to decline with 10Y UST leading the decline
- ▶ Global fixed income indices rose with Global Treasuries outperforming.

Currencies

- ▶ Broader USD index continued to weaken and is currently at its lowest in four months.
- ▶ EUR, GBP and JPY continued to strengthen against the USD on Tuesday.

Equities

- ▶ Global equities mostly rose however some European stocks declined. EM outperformed DM on the day.
- ▶ Regional stocks rose with the exception of Qatar.

Commodities

- ▶ BBG index rose exactly 1% on Tuesday.
- ▶ Oil prices overperformed rising over 2%, gold rose as well while copper inched lower.

Key events in the day ahead

- ▶ OPEC+ Meeting
- ▶ US GDP
- ▶ Germany CPI

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	5.32	0.00	1.00	2.00
UAE Eibor 3m	5.60	0.18	12.31	38.73
UAE Eibor 12m	5.61	-3.16	-9.07	5.76
US 3m Bills	5.41	2.22	-4.28	-7.42
US 10yr Treasury	4.32	-6.59	-57.35	11.87
German 10yr Bund	2.50	-5.10	-32.50	-6.70
UK 10yr Gilt	4.17	-3.80	-38.70	-26.70
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	452	0.51	4.56	1.47
Global Treasuries	194	0.55	4.32	1.14
Global Corporate	261	0.45	5.29	2.25
EM USD Sovereign	358	0.16	5.93	1.35
EM LCY Sovereign	142	0.38	4.75	1.93
Global High Yield	1,456	0.27	4.98	2.79
Currencies				
Dollar Index	102.75	-0.44	-3.18	-1.26
EUR USD	1.0993	0.36	3.56	1.61
GBP USD	1.2694	0.53	4.31	0.73
USD JPY	147.48	-0.81	-1.09	0.64
Equities				
S&P 500	4,555	0.10	9.31	2.74
Dow Jones	35,417	0.24	7.56	2.48
NASDAQ	14,282	0.29	11.67	4.21
STOXX 600	457	-0.30	6.01	0.36
DAX	15,993	0.16	8.67	1.27
Nikkei 225	33,408	-0.12	8.83	3.85
FTSE 100	7,455	-0.07	1.74	1.59
SENSEX	66,174	0.31	3.22	1.81
Hang Seng	17,354	-0.98	-0.30	-4.28
MSCI World	3,013	0.15	9.25	2.62
MSCI EM	985	0.81	6.90	0.75
Regional Equities				
ADX	9,541	0.27	2.75	-2.13
DFM	4,009	0.35	4.42	-2.22
Tadawul	11,101	0.18	5.36	-3.17
DSM	10,007	-0.20	5.13	-3.18
MSM30	4,633	0.14	1.97	-2.86
BHSE	1,951	0.06	1.05	-0.05
KWSE	6,639	0.06	2.73	-5.39
Commodities				
BBG Commodity Index	102.0	1.00	-2.39	-3.48
Brent USD/bbl	81.7	2.13	-6.60	-3.25
Gold USD/t oz	2,041.0	1.33	2.25	6.29
Copper USD/MT	8,278.0	-0.04	2.07	-1.23
Volatility				
VIX	12.69	0.00	-35.75	-15.85
MOVE	110.06	0.69	-16.56	-0.35

Source: Bloomberg, and ADCB Asset Management

Notes: *Data as at 8AM GST on November 29, 2023 unless stated otherwise. Performance in local currency terms.

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