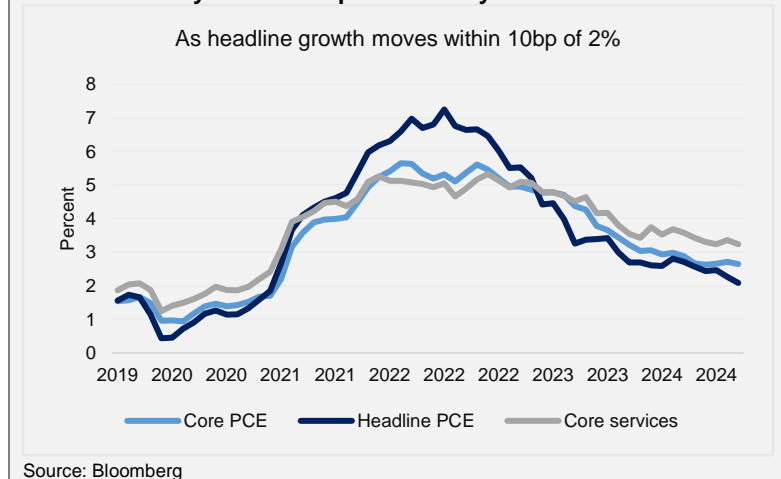


US stocks and yields rose ahead of US election

- ▶ US October nonfarm payrolls surprised on the downside.
- ▶ US ISM Manufacturing PMI fell further into contraction.
- ▶ UST yields and the USD higher on upcoming election risks.

Chart of the day: Core PCE proves sticky



Macroeconomic news

- ▶ Nonfarm payrolls increased by 12K in October, compared with September downwardly revised 223K and estimated 106K as hurricanes and labour strikes limited the job gains. Average hourly earnings (AHE) grew 4.0% YoY during October as expected. Unemployment rate remained unchanged as expected at 4.1% in October.
- ▶ The ISM Manufacturing PMI dropped further into contractionary territory to 46.5% in October from September's 47.2%.
- ▶ The Caixin China Manufacturing PMI increased from 49.3 in September to 50.3 in October, indicating a shift to expansion since it is now above 50.

Rates and Fixed Income

- ▶ 10Y UST yields rose despite weak ISM and nonfarm payrolls print, on upcoming election risks.
- ▶ Fixed income indices fell across the board.

Currencies

- ▶ The USD index rose on Friday amidst US election volatility.
- ▶ EURUSD fell while GBPUSD rose. USDJPY rose as broad USD strength and higher UST yields weighed on the yen.

Equities

- ▶ Global equities rose on Friday ahead of US election, STOXX 600 outperformed, while Nikkei 225 underperformed the most.
- ▶ GCC equities mostly recorded losses with the exception of DFM, ADX and Tadawul.

Commodities

- ▶ BBG commodity Index was mostly unchanged on Friday.
- ▶ Brent crude ended lower despite reports of Iran retaliation.
- ▶ Gold prices ended lower amidst broad USD strength.

Key events in the day ahead

- ▶ US factory orders.
- ▶ Eurozone Manufacturing PMI.
- ▶ China's standing committee of National People's congress.
- ▶ Australia rate decision.
- ▶ China Caixin Services PMI.

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	4.90	0.00	5.00	-45.00
UAE Eibor 3m	4.62	-3.38	2.93	-62.25
UAE Eibor 12m	4.35	-4.79	31.93	-58.47
US 3m Bills	4.50	-4.05	-7.94	-75.07
US 10yr Treasury	4.38	9.92	53.78	40.76
German 10yr Bund	2.41	1.50	26.10	16.10
UK 10yr Gilt	4.45	-0.10	42.90	56.30
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	471	-0.27	-2.76	0.07
Global Treasuries	199	-0.27	-3.04	-0.14
Global Corporate	279	-0.30	-2.40	0.52
EM USD Sovereign	404	-0.33	-1.77	2.45
EM LCY Sovereign	150	-0.09	-2.42	1.77
Global High Yield	1,657	-0.02	-0.39	3.52
Currencies				
Dollar Index	104.28	0.29	2.25	-0.13
EUR USD	1.0834	-0.26	-1.78	0.45
GBP USD	1.2924	0.50	-1.53	1.33
USD JPY	153.01	0.55	4.29	2.07
Equities				
S&P 500	5,729	0.41	0.51	5.18
Dow Jones	42,052	0.69	0.10	4.22
NASDAQ	18,240	0.80	1.79	6.08
STOXX 600	511	1.09	-1.04	-0.18
DAX	19,255	0.93	1.26	6.48
Nikkei 225	38,054	-2.63	-1.29	-0.19
FTSE 100	8,177	0.83	-1.27	-1.28
SENSEX	79,724	0.42	-3.36	-2.62
Hang Seng	20,506	0.93	-7.27	18.50
MSCI World	3,660	0.35	-0.43	4.04
MSCI EM	1,122	0.25	-4.33	3.17
Regional Equities				
ADX	9,349	0.22	1.47	-0.19
DFM	4,621	0.66	5.07	7.98
Tadawul*	12,048	0.22	0.54	-0.20
DSM*	10,508	-0.16	0.56	3.89
MSM30*	4,747	-0.04	1.62	1.75
BHSE*	2,019	0.00	0.63	2.43
KWSE*	7,132	-0.37	1.73	-0.78
Commodities				
BBG Commodity Index	98.1	-0.03	-4.14	2.64
Brent USD/bbl	73.1	-0.08	-5.82	-8.07
Gold USD/t oz	2,736.5	-0.11	2.87	11.94
Copper USD/MT	9,425.0	-0.02	-3.69	4.75
Volatility				
VIX	21.88	-5.53	6.78	17.70
MOVE	132.58	-1.92	31.06	30.21

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – November 4th, 2024. Performance in local currency terms.

Prepared by the Investment Strategy Team

Ahmed Al Falahi

Analyst

Tel: +971 (0)2 497 3934

ahmed.a5@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 696 2358

kishore.muktinutalapati@adcb.com

Mohammed Al Hemeiri

Senior Analyst

Tel: +971 (0)2 696 2236

mohammed.alhemeiri@adcb.com

Prerana Seth, CFA

Fixed Income Strategist

Tel: +971 (0)2 696 2878

prerana.seth@adcb.com

Visit [Investment Strategy Webpage](#) to read our other reports

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 170036.8

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 any 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.