

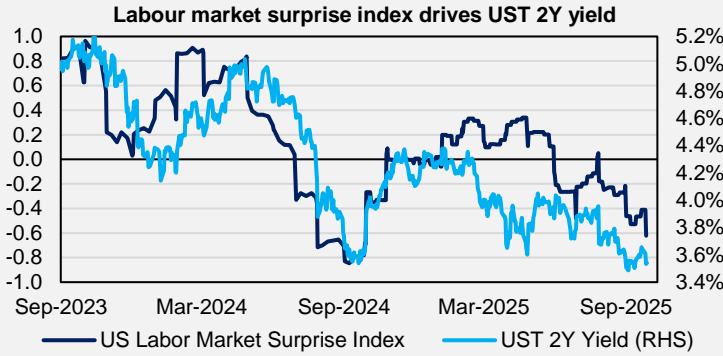
Daily Market View

Investment Strategy | October 2, 2025

US private sector suffers worst job losses since 2023

- ▶ US government entered shutdown mode on Wednesday.
- ▶ Supreme Court blocked Trump's attempt to remove Cook.
- ▶ Markets absorbed the shutdown with surprising calm.

Chart of the day: ADP shock drags US labor surprise index to 1-year low, pushing short-term yields down



Macroeconomic news

- ▶ US private payrolls fell by 32,000 in September, the steepest drop in two and half years, according to ADP.
- ▶ US manufacturing showed tentative stabilization, with the ISM PMI inching up to 49.1, still in contraction for a seventh straight month, but slightly better than expected.
- ▶ UK house prices rose 0.5% MoM in September, supported by low unemployment and wage growth.
- ▶ Eurozone September inflation accelerated to 2.2% YoY, breaching the ECB's target for the first time since April.
- ▶ In India, the RBI held rates at 5.5% but struck a dovish tone.

Rates and Fixed Income

- ▶ Treasury yields eased, with the 10Y yield falling to 4.1%. October Fed rate cut odds rose to 100%, up from 90% the previous day, with about a 75% chance of another cut in December.
- ▶ Global aggregate bond index posted a small gain on Wednesday – led by global treasuries and investment grade corporate segments.

Currencies

- ▶ Currency markets saw the dollar index slip for a fourth day.
- ▶ The yen strengthened buoyed by improving Japanese business sentiment, while sterling edged up against the greenback.

Equities

- ▶ The MSCI All World index rose 0.4%, supported by Wall Street's resilience. US equities ended modestly higher: S&P 500 gained 0.3%, Nasdaq 0.4%, while Dow was flat.
- ▶ In Europe, the STOXX 600 jumped 1.2% to hover near record levels, led by healthcare stocks after Trump struck a deal with Pfizer.

Commodities

- ▶ Oil extended its slide, marking a third consecutive daily decline.
- ▶ Gold extended its record breaking run as investors sought safety amid political dysfunction.

Key events in the day ahead

- ▶ The shutdown clouds the release of key US data
- ▶ Spain and Italy's unemployment, and Eurozone jobless rates

Performance snapshot*

Rates	Latest	1D (bp)	1M (bp)	3M(bp)
SOFR	4.24	0.00	-10.00	-20.00
UAE Eibor 3m	3.93	5.60	-27.03	-18.28
UAE Eibor 12m	3.82	-1.22	-34.98	-39.41
US 3m Bills	3.93	-0.30	-24.27	-39.34
US 10yr Treasury	4.10	-5.22	-10.52	-14.35
German 10yr Bund	2.71	0.20	1.80	13.90
UK 10yr Gilt	4.70	-0.30	-0.30	24.20
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	501	0.15	0.84	0.51
Global Treasuries	210	0.17	0.64	-0.36
Global Corporate	302	0.17	1.27	1.91
EM USD Sovereign	443	0.03	1.21	3.26
EM LCY Sovereign	160	0.08	0.23	0.24
Global High Yield	1,822	0.00	0.74	2.40
Currencies				
Dollar Index	97.71	-0.07	-0.11	0.92
EUR USD	1.1732	-0.02	0.42	-0.63
GBP USD	1.3478	0.24	-0.26	-1.95
USD JPY	147.07	-0.56	0.10	2.54
Equities				
S&P 500	6,711	0.34	3.22	8.28
Dow Jones	46,441	0.09	1.76	4.37
NASDAQ	22,755	0.42	4.84	12.63
STOXX 600	565	1.15	1.98	4.51
DAX	24,114	0.98	0.31	1.86
Nikkei 225	44,551	-0.85	4.02	11.42
FTSE 100	9,446	1.03	2.49	7.53
SENSEX	80,983	0.89	1.13	-3.24
Hang Seng	26,856	0.00	7.43	11.56
MSCI World	4,323	0.37	2.92	7.49
MSCI EM	1,353	0.50	7.25	10.05
Regional Equities				
ADX	10,028	0.14	-0.90	1.01
DFM	5,888	0.84	-3.22	3.44
Tadawul*	11,529	0.23	8.83	5.23
DSM*	10,955	-0.88	-1.58	-2.61
MSM30*	5,189	0.14	1.25	9.46
BHSE*	1,951	0.13	0.74	0.13
KWSE*	8,782	-0.16	3.26	2.44
Commodities				
BBG Commodity Index	105.3	0.69	3.32	3.11
Brent USD/bbl	65.4	-2.49	-4.77	-2.62
WTI USD/bbl	61.8	-0.95	-4.37	-5.61
Gold USD/t oz	3,865.7	0.18	13.13	15.78
Silver USD/t oz	47.3	1.44	21.16	31.31
Platinum USD/t oz	1,566.0	-0.62	14.85	15.16
Aluminum	2,690.3	0.28	3.11	3.49
Copper USD/MT	10,263.	-0.36	5.77	2.01
Digital Assets				
Bitcoin	117,592	2.57	5.06	10.99
Ether	4,337.0	3.37	-2.73	79.52
Solana	219.6	4.61	2.94	49.85
XRP	2.9	2.65	-0.06	35.78
Volatility				
VIX	16.29	0.06	12.89	-3.21
MOVE	73.50	-5.68	-5.22	-21.37

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – October 02, 2025. Performance in local currency terms.

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