

Daily Market View

Investment Strategy | October 29, 2025

USD4trn Summit: once rarefied, now just base camp

Macro headlines

Geopolitics and corporate shifts dominated Tuesday's headlines. Israel launched air strikes across Gaza, accusing Hamas of ceasefire violations, threatening the fragile truce in the two-year conflict. In Tokyo, President Trump praised Prime Minister Takaichi's pledge to accelerate Japan's military buildup, while signing trade and rare earth deals. Back in Washington, the Senate voted to terminate Trump's 50% tariffs on Brazil, with bipartisan support rejecting his emergency declaration. President Trump also floated Treasury Secretary Bessent as a possible Fed chair pick, despite Secretary Bessent leading the search for Powell's successor. The White House dismissed all members of the Commission of Fine Arts, raising questions about oversight of Trump's construction projects. On the economy, ADP's new weekly report showed 14,250 private-sector jobs added in the four weeks (average) to October 11. US consumer confidence slipped to 94.6, with expectations falling further below recession thresholds. Germany's GfK sentiment weakened to -24.1, citing inflation and job security fears. The ECB reported eurozone banks tightening corporate credit access despite earlier rate cuts. In corporate news, Microsoft and OpenAI struck a landmark deal valuing the AI firm at USD500bn, boosting Microsoft toward a USD4trn valuation. Amazon prepared to cut 30,000 corporate jobs, UPS posted stronger results, HSBC beat forecasts despite higher costs, and Apple crossed USD4trn in market value.

Market performances

Global equities extended their rally Tuesday, lifted by easing US-China trade tensions, megacap tech gains, and expectations of central bank support. Markets anticipate the Federal Reserve will cut rates by 25 bps today, with futures pricing a near-100% probability. The ECB and BoJ are expected to hold steady, but the Fed's move is seen as pivotal amid limited economic data due to the prolonged US shutdown. On Wall Street, Microsoft rose 2% after its OpenAI deal, while Nvidia surged 5% on news of USD500bn in AI chip bookings and plans to build seven US supercomputers. The Dow gained 162 points (0.3%) to 47,706, the S&P 500 added 16 points (0.2%) to 6,891, and the Nasdaq jumped 190 points (0.8%) to 23,827 – all record closes. Over 86% of S&P 500 companies reporting so far have beaten earnings expectations. MSCI's global index hit a record 1,015 before easing to 1,014, while Europe's STOXX 600 slipped 0.2%. Treasury yields edged lower, the 10-year at 3.98%, as investors balanced Fed expectations with ADP's modest job gains. The dollar index fell to 98.7, with the euro at 1.166 and the yen strengthening to 152.1. Cable weakened to 1.3277. Oil retreated, WTI down 1.9% to USD60.15/bbl and Brent off 1.9% to USD64.40/bbl, as markets weighed sanctions on Russian oil against potential OPEC+ output hikes.

What's next

Wednesday brings a packed agenda. Key data releases include Australia's CPI, Spain's GDP, and UK net consumer credit. The Bank of Canada announces its rate decision, while the Federal Reserve is expected to cut rates by 25 bps, with markets watching for signals on future easing and balance sheet policy. In Europe, the Netherlands holds parliamentary elections, while in Asia, President Trump begins a two-day visit to South Korea. Hong Kong markets are closed for the Chung Yeung Festival. Corporate earnings dominate the day, with results due from Alphabet, Microsoft, Meta, Boeing, Caterpillar, CVS Health, eBay, GSK, Mercedes-Benz, Starbucks, UBS, Verizon, and many others across sectors from autos to healthcare and tech. Investors will scrutinize whether megacap results justify lofty valuations, particularly after Apple's USD4trn milestone and Microsoft's AI-driven surge. Nvidia's announcements and Amazon's job cuts will also remain in focus as signals of the tech sector's trajectory. With geopolitical risks simmering in Gaza, trade diplomacy ongoing, and central banks in the spotlight, markets face a critical midweek test that could set the tone for November.

Mohammed Al Hemeiri

Senior Specialist

Tel: +971 (0)2 812 6450

mohammed.alhemeiri@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0)2 812 6457

kishore.muktinutalapati@adcb.com

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

Awarded Best Private Bank UAE & Middle East | Best for HNW Clients UAE & Middle East | Best for Investment Research UAE & Middle East – Euromoney 2025

Daily Market View

Investment Strategy | October 29, 2025

Global markets' performance snapshot

Performance snapshot*				
Rates	Latest	1D (bp)	3M (bp)	YTD (bp)
SOFR	4.27	0.00	14.00	-9.00
UAE Eibor 3m	3.81	2.49	-23.17	-49.78
UAE Eibor 12m	3.67	-0.78	-13.40	-51.38
US 3m Bills	3.79	-2.08	-16.02	-54.27
US 10yr Treasury	3.98	-0.39	-17.10	-43.42
German 10yr Bund	2.62	0.70	-12.50	-6.60
UK 10yr Gilt	4.40	-0.20	-26.90	-24.70
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	503	0.20	0.69	2.13
Global Treasuries	210	0.23	0.42	1.37
Global Corporate	304	0.09	1.05	3.24
EM USD Sovereign	456	0.14	2.16	5.84
EM LCY Sovereign	161	0.19	0.32	1.26
Global High Yield	1,841	0.09	0.60	3.03
Currencies				
Dollar Index	98.67	-0.12	0.81	0.03
EUR USD	1.1663	0.21	-0.60	0.55
GBP USD	1.3277	-0.43	-1.23	-0.76
USD JPY	152.18	-0.57	2.30	2.49
Equities				
S&P 500	6,891	0.23	3.81	7.84
Dow Jones	47,706	0.34	3.44	6.40
NASDAQ	23,827	0.80	5.91	12.51
STOXX 600	576	-0.22	3.95	4.92
DAX	24,279	-0.12	2.59	1.29
Nikkei 225	50,219	-0.58	10.06	22.49
FTSE 100	9,697	0.44	4.82	6.78
SENSEX	84,628	-0.18	3.56	4.62
Hang Seng	26,346	-0.33	-0.65	3.07
MSCI World	4,426	0.17	3.48	7.45
MSCI EM	1,403	-0.38	3.75	11.73
Regional Equities				
ADX	10,165	-0.27	1.87	-1.91
DFM	6,070	0.47	3.36	-1.59
Tadawul*	11,674	0.47	1.55	7.43
DSM*	10,925	0.26	0.57	-3.68
MSM30*	5,526	1.74	6.72	11.40
BHSE*	2,033	-0.60	4.08	5.28
KWSE*	8,905	0.46	1.50	2.76
Commodities				
BBG Commodity Index	106.1	-0.54	2.04	2.89
Brent USD/bbl	64.4	-1.86	-7.08	-8.05
WTI USD/bbl	60.2	-1.89	-7.45	-9.83
Gold USD/t oz	3,962.5	-1.10	6.07	19.63
Silver USD/t oz	47.1	0.44	7.16	23.30
Platinum USD/t oz	1,589.4	0.02	7.72	13.81
Aluminum	2,888.8	0.52	8.97	9.74
Copper USD/MT	10,917.0	-0.64	10.70	11.59
Digital Assets				
Bitcoin	112,832.3	-1.43	-0.65	-4.41
Ether	3,980.4	-3.60	-4.49	5.06
Solana	192.6	-3.16	-9.28	4.50
XRP	2.6	-1.30	-12.71	-17.49
Volatility				
VIX	16.42	3.99	1.48	9.25
MOVE	67.30	0.64	-10.42	-19.62

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as at 8AM UAE time - October 29, 2025 unless stated otherwise. Performance in local currency.

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.

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.