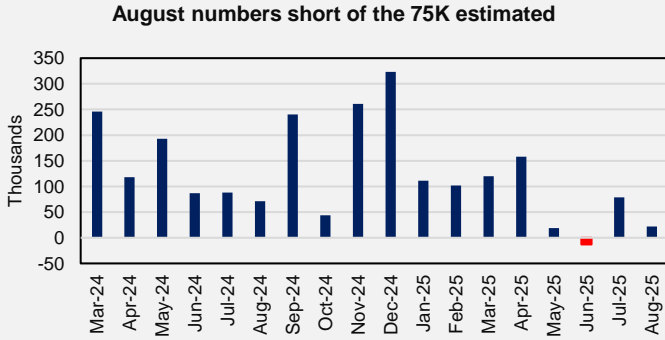


## US stocks dropped on weak jobs data despite Fed cut hopes.

- ▶ **US August nonfarm payrolls missed expectations.**
- ▶ **US private-sector payrolls rose by 54k in August.**
- ▶ **Eurozone retail sales growth slowed further in July.**

Chart of the day: Weak payrolls figure



US Non Farm Payrolls Monthly Change

Source: Bloomberg, and ADCB Asset Management

## Macroeconomic news

- ▶ US nonfarm payrolls rose by 22k in August, missing the expected 75k. July's payroll growth was revised up to 79k, while June was adjusted down to -13k; the three-month average is now 29k. The unemployment rate increased to 4.32%. Average hourly earnings grew 0.27% MoM, with annual wage growth dipping to 3.69%. Production and non-supervisory wages rose 0.38% MoM and 3.93% YoY.
- ▶ Eurozone retail sales growth slowed further in July. Retail sales in the bloc fell by 0.5% MoM, underperforming expectations for a 0.2% MoM drop, while sales were 2.2% higher YoY, below the 2.4% YoY rise expected by consensus.
- ▶ UK retail sales volume dropped 0.6% in the three months to July 2025, ending a period of growth. However, sales rose 0.6% in July after increasing 0.3% in June.
- ▶ German industrial orders dropped 2.9% MoM in July, marking a third consecutive decline, mainly due to fewer big-ticket orders like aircraft, ships, and trains.

## Rates and Fixed Income

- ▶ 10Y UST yields fell on weak jobs data and rising Fed cut bets.
- ▶ Fixed income indices rose, led by Global Treasuries.

## Currencies

- ▶ The USD weakened on labour market softness.
- ▶ The EUR, the GBP, and the JPY rose against the USD.

## Equities

- ▶ US stock markets closed lower, with S&P 500 declining 0.32%, the Dow Jones dropped c0.5%, and Nasdaq slipped slightly after briefly hitting record highs early in the day amid weak jobs data.
- ▶ European stock markets edged lower, with STOXX 600 ending lower amid renewed caution after weaker US payroll data.

## Commodities

- ▶ Oil prices fell on weak US jobs data, higher inventories, and OPEC+ supply fears.
- ▶ Gold prices rose as weak US jobs data boosted Fed cut bets and safe-haven demand.

## Key events in the day ahead

- ▶ NY Fed inflation expectations (Aug).
- ▶ China trade (Aug).
- ▶ German Industrial Production and German Trade Balance (Jul).

## Performance snapshot\*

Rates	Latest	1D (bp)	1M(bp)	3M(bp)
SOFR	4.41	0.00	8.00	12.00
UAE Eibor 3m	4.05	0.00	-12.02	-18.99
UAE Eibor 12m	4.07	0.00	-11.32	-10.42
US 3m Bills	4.00	-7.37	-24.25	-32.99
US 10yr Treasury	4.07	-8.65	-11.81	-31.64
German 10yr Bund	2.66	-5.70	3.80	8.00
UK 10yr Gilt	4.65	-7.40	13.70	3.00
Fixed Income		1D (%)	1M (%)	3M(%)
Global Agg. Index	500	0.71	0.97	1.99
Global Treasuries	209	0.79	0.69	1.12
Global Corporate	301	0.71	1.36	3.53
EM USD Sovereign	441	0.56	1.64	4.86
EM LCY Sovereign	160	0.20	0.71	1.58
Global High Yield	1,817	0.43	1.64	4.17
Currencies				
Dollar Index	97.77	-0.59	-1.03	-0.99
EUR USD	1.1717	0.66	1.25	2.35
GBP USD	1.3509	0.65	1.69	-0.57
USD JPY	147.43	-0.80	0.27	2.72
Equities				
S&P 500	6,482	-0.32	2.39	9.13
Dow Jones	45,401	-0.48	2.78	7.28
NASDAQ	21,700	-0.03	3.07	12.45
STOXX 600	549	-0.16	1.59	-0.48
DAX	23,597	-0.73	-0.68	-2.99
Nikkei 225	43,019	1.03	6.77	14.55
FTSE 100	9,208	-0.09	0.88	4.51
SENSEX	80,711	-0.01	-0.38	-0.90
Hang Seng	25,418	1.43	2.77	6.32
MSCI World	4,191	0.05	2.91	7.75
MSCI EM	1,276	1.15	3.15	7.89
Regional Equities				
ADX	10,034	0.00	-2.57	3.07
DFM	5,989	0.00	-2.23	8.19
Tadawul*	10,594	-0.58	-2.21	-5.78
DSM*	11,131	0.29	-4.44	3.46
MSM30*	5,125	0.00	3.95	12.63
BHSE*	1,936	0.17	-0.49	-0.54
KWSE*	8,504	0.00	-2.22	1.25
Commodities				
BBG Commodity Index	102.4	-0.39	1.99	-0.37
Brent USD/bbl	65.5	-2.22	-4.74	0.24
WTI USD/bbl	61.9	-2.54	-6.67	-2.37
Gold USD/t oz	3,586.7	0.96	6.40	6.93
Silver USD/t oz	41.0	0.81	9.61	15.02
Platinum USD/t oz	1,379.4	0.17	3.40	20.93
Aluminum	2,600.7	0.31	1.93	5.21
Copper USD/MT	9,881.0	0.69	2.69	0.48
Digital Assets				
Bitcoin	111,644	1.12	-2.77	11.08
Ether	4,339.9	0.78	17.27	80.87
Solana	205.6	1.44	22.89	44.97
XRP	2.9	1.76	-6.53	38.28
Volatility				
VIX	15.18	-0.78	-13.36	-17.86
MOVE	85.29	-3.37	-3.02	-9.89

Source: Bloomberg, and ADCB Asset Management

Notes: Data as at 8AM UAE time – September 08, 2025. Performance in local currency terms.

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