Weekly Market View

Investment Strategy ♦ August 24, 2026

بنك أبوظبي التجاري
ADCB

Sanctions threats, rising yields, and resilient global growth shape markets

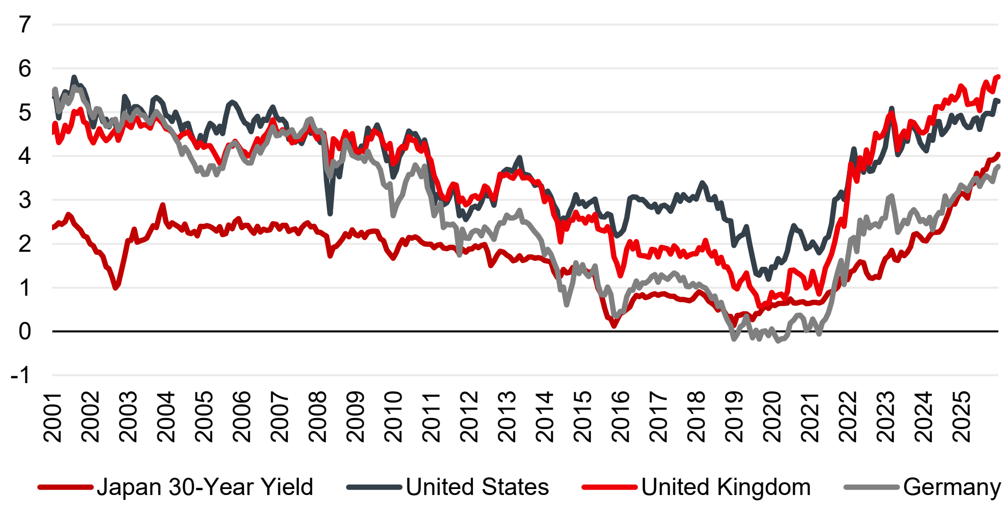
Macro headlines

Markets remained focused on the widening economic fallout from the US-Iran conflict as Washington prepared additional sanctions targeting countries and businesses supporting Iran. With prospects for a diplomatic breakthrough fading and disruptions around the Strait of Hormuz persisting, investor attention increasingly shifted from military developments to the risk of prolonged economic and trade consequences. Meanwhile, trade tensions resurfaced after Canada announced retaliatory tariffs on US goods following the collapse of negotiations between the two countries. Economic data remained broadly supportive despite the uncertain geopolitical backdrop. Flash PMIs indicated continued expansion across the major economies, with US business activity reaching its highest level in more than four years, while the UK, Eurozone, Japan, India, and Australia also reported positive growth momentum. However, inflation pressures remained evident in some regions, including Japan and Germany, while UK inflation accelerated on higher household energy costs. In the US, concerns around fiscal sustainability intensified as public debt exceeded USD40 trillion for the first time.

Market performances

Global equity markets weakened as rising government bond yields, elevated geopolitical uncertainty, and concerns over fiscal sustainability weighed on risk sentiment. US equities declined, with the Nasdaq falling 2.05%, the S&P 500 losing 1.43%, and the MSCI World Index down 1.19%. European markets also ended lower, although the FTSE 100 managed a modest gain. Emerging markets outperformed developed peers, supported by gains in Hong Kong. Fixed income markets remained under pressure as sovereign yields moved higher across major developed markets. Commodity markets were the strongest-performing asset class, with Brent crude oil gaining 6.63% and gold advancing 5.18% on safe-haven demand. The US dollar weakened modestly, while digital assets staged a strong rebound led by Bitcoin and Ether.

Chart of the Week: 30-Year yields rise globally



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Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	3.63	1.00	8.00	-24.00
UAE Eibor 3m	3.88	-6.62	24.79	40.51
UAE Eibor 12m	4.24	-5.99	25.98	62.39
US 3m Bills	3.78	1.36	13.13	16.72
US 10yr Treasury	4.71	4.17	17.61	56.69
German 10yr Bund	3.26	5.40	22.00	40.30
UK 10yr Gilt	5.06	2.30	16.30	58.10
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	501	0.18	0.45	-0.04
Global Treasuries	207	0.21	0.50	-0.55
Global Corporate	303	0.08	0.15	-0.25
EM USD Sovereign	464	-0.36	0.98	1.15
EM LCY Sovereign	169	0.52	2.91	3.92
Global High Yield	1,915	-0.02	1.71	2.80
Currencies				
Dollar Index	98.82	-0.87	-0.44	0.49
EUR USD	1.1680	0.94	0.66	-0.49
GBP USD	1.3645	0.78	1.57	1.43
USD JPY	158.87	-0.23	-0.14	1.35
Equities				
S&P 500	7,674	-1.43	2.69	12.11
Dow Jones	53,277	-0.85	5.33	10.85
NASDAQ	26,180	-2.05	-0.62	12.64
STOXX 600	654	-0.56	4.65	10.47
DAX	26,137	-1.15	5.01	6.72
Nikkei 225	65,638	-3.93	4.23	31.14
FTSE 100	10,817	0.62	3.35	8.91
SENSEX	77,635	-0.60	2.82	-9.01
Hang Seng	25,465	3.55	1.58	1.48
MSCI World	4,970	-1.19	3.51	12.18
MSCI EM	1,722	1.22	2.13	22.61
Regional Equities				
ADX	10,004	-0.43	3.58	0.12
DFM	5,857	-0.49	2.88	-3.15
Tadawul*	10,954	1.21	-0.66	4.42
DSM*	9,683	-3.38	-6.72	-10.03
MSM30*	7,523	0.19	-1.43	28.23
BHSE*	1,944	-0.52	0.75	-5.94
KWSE*	8,818	-0.23	1.22	-1.00
Commodities				
BBG Commodity Index	139.8	3.77	1.32	28.08
Brent USD/bbl	93.1	6.63	-8.84	55.12
WTI USD/bbl	85.6	5.66	-9.88	51.62
Gold USD/t oz	4,637.5	5.18	2.08	6.50
Silver USD/t oz	68.9	6.66	-8.67	-3.72
Platinum USD/t oz	1,883.1	7.46	-2.49	-8.78
Aluminum	3,239.9	-0.19	-12.26	8.76
Copper USD/MT	14,291.0	-1.75	5.51	14.29

Digital Assets				
Bitcoin	77,146.1	23.32	2.11	-11.57
Ether	2,442.1	29.91	17.84	-18.04
Solana	94.1	22.33	8.10	-26.11
XRP	1.5	37.74	2.54	-25.25
Volatility				
VIX	15.13	6.18	-9.40	1.20
MOVE	73.40	5.49	-6.41	14.76

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as of August 21 2026 unless stated otherwise; **Data as of August 20 2026.

Forthcoming important economic data/events

United States

Date & Time (GST)	Indicator	Period	Expected	Prior
8/24/2026 16:30	Chicago Fed Nat Activity Index	Jul	--	-0.02
8/25/2026 16:15	**ADP Weekly Employment Change**	**8-Aug**	**--**	**9.500k**
8/25/2026 16:30	Philadelphia Fed Non-Manufacturing Activity	Aug	--	7.4
8/25/2026 17:00	FHFA House Price Index MoM	Jun	0.20%	0.30%
8/25/2026 18:00	Richmond Fed Manufact. Index	Aug	7	5
8/25/2026 18:00	**New Home Sales**	**Jul**	**620k**	**628k**
8/25/2026	**Building Permits**	**Jul F**	**--**	**1443k**
8/26/2026 15:00	**MBA Mortgage Applications**	**21-Aug**	**--**	**-0.40%**
8/26/2026 16:30	**Personal Income**	**Jul**	**0.20%**	**0.20%**
8/26/2026 16:30	**Personal Spending**	**Jul**	**0.10%**	**0.30%**
8/26/2026 16:30	**PCE Price Index YoY**	**Jul**	**3.60%**	**3.70%**
8/26/2026 16:30	**Core PCE Price Index YoY**	**Jul**	**3.30%**	**3.30%**
8/26/2026 16:30	**Durable Goods Orders**	**Jul P**	**0.50%**	**0.50%**
8/26/2026 16:30	**GDP Annualized QoQ**	**2Q S**	**1.50%**	**1.50%**
8/26/2026 16:30	**GDP Price Index**	**2Q S**	**6.20%**	**6.20%**
8/26/2026 16:30	**Core PCE Price Index QoQ**	**2Q S**	**3.40%**	**3.40%**
8/27/2026 16:30	Retail Inventories MoM	Jul	--	0.00%
8/27/2026 16:30	**Wholesale Inventories MoM**	**Jul P**	**--**	**0.20%**
8/27/2026 16:30	**Initial Jobless Claims**	**22-Aug**	**208k**	**206k**
8/27/2026 16:30	**Continuing Claims**	**15-Aug**	**--**	**1799k**
8/27/2026 19:00	Kansas City Fed Manf. Activity	Aug	--	9
8/28/2026 17:45	MNI Chicago PMI	Aug	59	57.6
8/28/2026 18:00	**U. of Mich. Sentiment**	**Aug F**	**51**	**51**
8/28/2026 18:00	U. of Mich. Expectations	Aug F	--	50.6
8/28/2026 18:00	**U. of Mich. 1 Yr Inflation**	**Aug F**	**--**	**4.30%**
8/28/2026 18:00	**U. of Mich. 5-10 Yr Inflation**	**Aug F**	**--**	**3.30%**

Japan

Date & Time (GST)	Indicator	Period	Expected	Prior
8/25/2026 9:00	Leading Index CI	Jun F	--	116.4
8/25/2026 9:00	Coincident Index	Jun F	--	118.2
8/25/2026 9:30	Nationwide Dept Sales YoY	Jul	--	2.30%
8/25/2026 9:30	Tokyo Dept Store Sales YoY	Jul	--	4.40%
8/26/2026 3:50	**PPI Services YoY**	**Jul**	**3.20%**	**3.20%**
8/27/2026 10:00	Machine Tool Orders YoY	Jul F	--	50.40%
8/28/2026 3:30	**Tokyo CPI YoY**	**Aug**	**1.90%**	**2.00%**
8/28/2026 3:30	**Tokyo CPI Ex-Fresh Food, Energy YoY**	**Aug**	**2.00%**	**2.00%**
8/28/2026 3:30	Jobless Rate	Jul	2.50%	2.50%

Eurozone

Date & Time (GST)	Indicator	Period	Expected	Prior
8/25/2026 10:00	**Germany GDP SA QoQ**	**2Q F**	**--**	**0.20%**
8/25/2026 10:45	**France Consumer Confidence**	**Aug**	**--**	**86**
8/25/2026 12:00	Germany IFO Business Climate	Aug	--	86.6
8/25/2026 12:00	Germany IFO Current Assessment	Aug	--	86.5
8/25/2026 12:00	Germany IFO Expectations	Aug	--	86.7
8/25/2026-9/01/2026	**Germany Retail Sales MoM**	**Jul**	**--**	**-0.70%**
8/27/2026 10:00	**Germany GfK Consumer Confidence**	**Sep**	**--**	**-29.6**
8/27/2026 10:45	**France PPI YoY**	**Jul**	**--**	**2.60%**
8/28/2026 10:45	**France CPI EU Harmonized YoY**	**Aug P**	**--**	**2.40%**
8/28/2026 10:45	**France CPI YoY**	**Aug P**	**--**	**2.10%**
8/28/2026 11:55	Germany Unemployment Change (000's)	Aug	--	6.0k
8/28/2026 11:55	Germany Unemployment Claims Rate SA	Aug	--	6.40%
8/28/2026 13:00	Eurozone Economic Confidence	Aug	--	96.9
8/28/2026 13:00	Eurozone Industrial Confidence	Aug	--	-6.1
8/28/2026 13:00	Eurozone Services Confidence	Aug	--	4.7
8/28/2026 13:00	Eurozone Consumer Confidence	Aug F	--	--

United Kingdom

Date & Time (GST)	Indicator	Period	Expected	Prior
8/30/2026-9/05/2026	**Nationwide House Px NSA YoY**	**Aug**	**--**	**1.80%**

China & India

Date & Time (GST)	Indicator	Period	Expected	Prior
8/27/2026 5:30	**China Industrial Profits YoY**	**Jul**	**--**	**15.10%**
8/28/2026 14:30	**India Industrial Production YoY**	**Jul**	**6.00%**	**7.30%**

GCC

Date & Time (GST)	Indicator	Period	Expected	Prior
8/10/2026-8/24/2026	**Bah GDP Constant Prices YoY**	**1Q**	**--**	**4.60%**
8/15/2026-8/25/2026	**KUW CPI YoY**	**Jul**	**--**	**2.19%**
8/10/2026-8/17/2026	**QAT GDP Constant Prices YoY**	**1Q**	**--**	**2.00%**
8/19/2026-8/27/2026	**UAE M3 Money Supply YoY**	**Jun**	**--**	**15.10%**
8/20/2026-8/26/2026	**Dubai CPI YoY**	**Jul**	**--**	**5.66%**
8/23/2026-8/27/2026	**Bah CPI YoY**	**Jul**	**--**	**2.30%**
8/25/2026	**KSA Trade Balance**	**Jun**	**--**	**26023.5m**

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