

Markets stay resilient amid Fed and geopolitical risks

Macro headlines

Global markets faced a mixed backdrop as renewed US-Iran tensions and hawkish Fed signals offset resilient economic data. US Q2 GDP was confirmed at 1.5% annualised, while PCE inflation remained elevated at 3.7% y/y and core PCE at 3.3%. Fed Chair Warsh signaled that further tightening remains possible if inflation fails to moderate. Elsewhere, Germany's business sentiment improved, China's manufacturing PMI rose to 49.8, and AI-related activity remained strong. Geopolitical risks resurfaced after renewed US-Iran military exchanges, while US-Canada trade tensions also intensified.

Market performances

Global equities ended modestly higher, with the S&P 500 +0.49%, Nasdaq +0.85% and MSCI World +0.33%. GCC markets outperformed, led by Saudi Arabia +2.59% and Qatar +2.00%. The US 10-year Treasury yield eased to 4.72%, while the Dollar Index gained 0.91%. Commodities weakened, with Brent -5.38%, gold -3.21% and silver -3.79%. Bitcoin slipped 0.13%, while Solana gained 13.08%. Volatility eased, with the VIX falling 4.63%.

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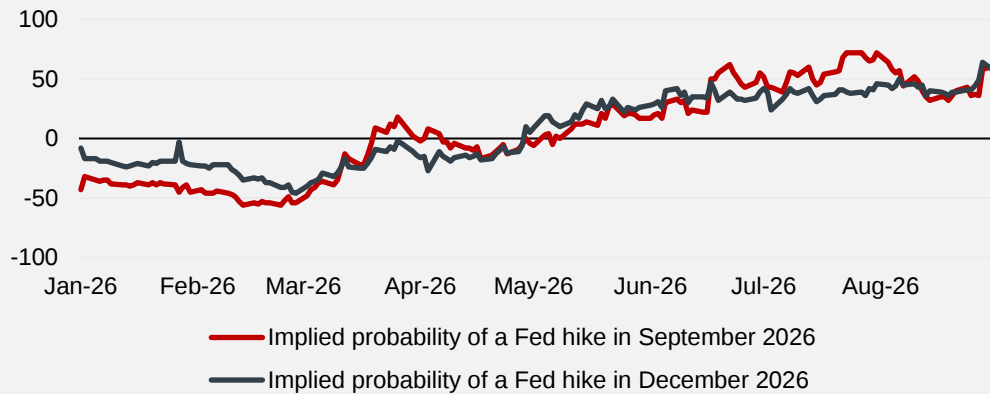
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Chart of the Week: Fed hike bets surge after warsh speech



Weekly Market View

Investment Strategy ♦ August 31, 2026

Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	3.64	-1.00	1.00	-23.00
UAE Eibor 3m	3.85	-1.45	17.75	39.06
UAE Eibor 12m	4.36	23.40	49.62	85.79
US 3m Bills	3.80	1.07	13.43	17.79
US 10yr Treasury	4.72	-1.59	28.25	55.10
German 10yr Bund	3.31	2.10	34.10	42.40
UK 10yr Gilt	5.06	0.30	25.10	58.40
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	500	-0.14	-0.68	-0.19
Global Treasuries	207	-0.21	-0.70	-0.76
Global Corporate	303	0.00	-0.85	-0.25
EM USD Sovereign	466	0.37	-0.02	1.52
EM LCY Sovereign	169	-0.04	1.89	3.88
Global High Yield	1,917	0.14	0.99	2.95
Currencies				
Dollar Index	99.54	0.91	0.77	1.40
EUR USD	1.1598	-0.80	-0.63	-1.37
GBP USD	1.3538	-0.78	0.61	0.47
USD JPY	159.74	0.72	0.51	2.16
Equities				
S&P 500	7,712	0.49	1.74	12.65
Dow Jones	53,560	0.53	4.95	11.44
NASDAQ	26,402	0.85	-2.11	13.60
STOXX 600	654	0.15	4.66	10.63
DAX	26,343	1.66	5.84	8.49
Nikkei 225	66,312	0.59	0.11	31.92
FTSE 100	10,824	0.07	3.99	8.99
SENSEX	76,957	-0.36	3.33	-9.34
Hang Seng	25,567	-1.63	1.60	-0.18
MSCI World	4,986	0.33	2.50	12.54
MSCI EM	1,722	0.01	-1.71	22.63
Regional Equities				
ADX	9,997	0.40	3.53	0.52
DFM	5,838	0.45	2.17	-2.72
Tadawul*	11,238	2.59	1.91	7.12
DSM*	9,876	2.00	-6.75	-8.23
MSM30*	7,533	0.13	-3.12	28.39
BHSE*	1,942	-0.12	-1.90	-6.05
KWSE*	8,894	0.86	0.90	-0.15
Commodities				
BBG Commodity Index	141.2	-0.21	3.76	27.81
Brent USD/bbl	91.0	-5.38	-2.98	46.77
WTI USD/bbl	86.3	-4.20	-4.53	45.25
Gold USD/t oz	4,451.0	-3.21	-1.88	3.14
Silver USD/t oz	67.2	-3.79	-11.84	-7.37
Platinum USD/t oz	1,808.5	-2.98	-5.02	-11.49
Aluminum	3,244.3	0.14	-12.76	8.91
Copper USD/MT	14,535.0	1.71	6.76	16.24

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Digital Assets				
Bitcoin	78,508.9	-0.13	5.20	-11.69
Ether	2,450.8	-0.53	20.44	-18.47
Solana	103.2	13.08	26.42	-16.44
XRP	1.4	0.39	4.47	-24.95
Volatility				
VIX	15.21	-4.63	-5.81	-3.48
MOVE	70.97	-3.31	1.07	10.96

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as of August 28 2026 unless stated otherwise; **Data as of August 27 2026.

Forthcoming important economic data/events

United States



Date & Time (GST)	Indicator	Period	Expected	Prior
8/27/2026 16:30	Wholesale Inventories MoM	Jul P	0.20%	0.20%
8/27/2026 16:30	Initial Jobless Claims	22-Aug	208k	206k
8/27/2026 16:30	Continuing Claims	15-Aug	1792k	1799k
8/28/2026 17:45	MNI Chicago PMI	Aug	57.9	57.6
8/28/2026 18:00	U. of Mich. Sentiment	Aug F	51	51
8/31/2026 18:30	Dallas Fed Manf. Activity	Aug	--	1.3
9/01/2026 17:45	S&P Global US Manufacturing PMI	Aug F	--	53.2
9/01/2026 18:00	ISM Manufacturing	Aug	55.4	55.6
9/01/2026 18:00	JOLTS Job Openings	Jul	7300k	7359k
9/01/2026 18:00	ISM Prices Paid	Aug	71.9	71.1
9/01/2026 18:00	Construction Spending MoM	Jul	-0.10%	-0.10%
9/02/2026 15:00	MBA Mortgage Applications	28-Aug	--	-1.00%
9/02/2026 16:15	ADP Employment Change	Aug	39k	44k
9/02/2026 18:00	Factory Orders	Jul	0.10%	-0.30%
9/02/2026 18:00	Durable Goods Orders	Jul F	--	1.10%
9/02/2026 22:00	Fed Releases Beige Book			
9/03/2026 16:30	Trade Balance	Jul	-\$71.6b	-\$73.3b
9/03/2026 17:45	S&P Global US Services PMI	Aug F	--	56.8
9/03/2026 18:00	ISM Services Index	Aug	54.3	54.1
9/04/2026 16:30	Change in Nonfarm Payrolls	Aug	60k	-23k
9/04/2026 16:30	Change in Manufact. Payrolls	Aug	5k	5k
9/04/2026 16:30	Unemployment Rate	Aug	4.20%	4.10%

Japan



Date & Time (GST)	Indicator	Period	Expected	Prior
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%
8/31/2026 3:50	Retail Sales YoY	Jul	2.20%	0.50%
8/31/2026 3:50	Industrial Production MoM	Jul P	-0.30%	1.90%
8/31/2026 9:00	Housing Starts YoY	Jul	10.50%	18.60%
8/31/2026 9:00	Annualized Housing Starts	Jul	--	0.786m
9/01/2026 4:30	S&P Global Japan PMI Mfg	Aug F	--	55.1
9/01/2026 9:00	Consumer Confidence Index	Aug	--	34.9
9/02/2026 3:50	Monetary Base YoY	Aug	--	-13.80%
9/03/2026 4:30	S&P Global Japan PMI Services	Aug F	--	52.3
9/04/2026 3:30	Household Spending YoY	Jul	-2.50%	-3.30%

Eurozone



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Date & Time (GST)	Indicator	Period	Expected	Prior
8/27/2026 10:00	Germany GfK Consumer Confidence	Sep	-29.5	-29.6
8/27/2026 10:45	France PPI YoY	Jul	--	2.60%
8/28/2026 10:45	France CPI YoY	Aug P	2.40%	2.10%
8/28/2026 11:55	Germany Unemployment Change (000's)	Aug	4.8k	6.0k
8/28/2026 13:00	Eurozone Consumer Confidence	Aug F	-15.5	-15.5
8/31/2026 16:00	Germany CPI YoY	Aug P	--	2.80%
8/31/2026-9/01/2026	Germany Retail Sales SA YoY	Jul	0.20%	0.00%
9/01/2026 11:50	France S&P Global Manufacturing PMI	Aug F	--	51.5
9/01/2026 11:55	Germany S&P Global/BME Manufacturing PMI	Aug F	--	54.1
9/01/2026 12:00	Eurozone S&P Global Manufacturing PMI	Aug F	--	52.8
9/01/2026 13:00	Eurozone CPI YoY	Aug P	--	2.90%
9/01/2026 13:00	Eurozone CPI Core YoY	Aug P	--	2.50%
9/01/2026 13:00	Eurozone Unemployment Rate	Jul	--	6.30%
9/03/2026 11:50	France S&P Global Services PMI	Aug F	--	48.4
9/03/2026 12:00	Eurozone S&P Global Services PMI	Aug F	--	51.7
9/03/2026 13:00	Eurozone PPI YoY	Jul	--	4.60%
9/04/2026 10:00	Germany Factory Orders WDA YoY	Jul	--	6.50%
9/04/2026 13:00	Eurozone Retail Sales YoY	Jul	--	0.70%

United Kingdom

Date & Time (GST)	Indicator	Period	Expected	Prior
9/01/2026 10:00	Nationwide House Px NSA YoY	Aug	2.10%	1.80%
9/01/2026 12:30	Mortgage Approvals	Jul	--	58.2k
9/01/2026 12:30	S&P Global UK Manufacturing PMI	Aug F	--	51.5
9/03/2026 12:30	S&P Global UK Services PMI	Aug F	--	52.8
9/03/2026 12:30	Official Reserves Changes	Aug	--	-\$281m
9/04/2026 12:30	S&P Global UK Construction PMI	Aug	--	44.7

China & India

Date & Time (GST)	Indicator	Period	Expected	Prior
8/28/2026 14:30	India Industrial Production YoY	Jul	6.00%	7.30%
8/31/2026 5:30	China Manufacturing PMI	Aug	49.5	49.2
8/31/2026 5:30	China Non-manufacturing PMI	Aug	49.6	49
8/31/2026 14:30	India GDP YoY	2Q	7.20%	7.80%
9/01/2026 5:45	China RatingDog PMI Mfg	Aug	50.7	50.9
9/01/2026 9:00	India HSBC PMI Mfg	Aug F	--	52.9
9/03/2026 5:45	China RatingDog PMI Composite	Aug	--	50.8
9/03/2026 5:45	China RatingDog PMI Services	Aug	--	50.4
9/03/2026 9:00	India HSBC PMI Services	Aug F	--	54.5

GCC 

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Date & Time (GST)	Indicator	Period	Expected	Prior
8/15/2026-8/31/2026	Kuwait CPI YoY	Jul	--	2.19%
8/19/2026-8/30/2026	Qatar CPI YoY	Jul	--	2.21%
8/23/2026-8/27/2026	Bahrain CPI YoY	Jul	--	2.30%
8/30/2026	Saudi Arabia M3 Money Supply YoY	Jul	--	8.40%
9/03/2026 8:15	Saudi Arabia S&P Global PMI	Aug	--	53.1
9/03/2026 8:15	UAE S&P Global PMI	Aug	--	52.7
9/03/2026 8:15	Dubai S&P Global PMI	Aug	--	51.7
9/03/2026 13:00	Qatar S&P Global PMI	Aug	--	48.5

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