Daily Market View

Investment Strategy ♦ November 4, 2026

Chips find their footing, jobs find their stride; a blue tide rises with the count

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Macro headlines

Tuesday's chip rally and firmer US jobs data were overtaken overnight by the midterm count. Early results showed Democrats gaining ground in the Senate, with House control still undecided and prediction markets pricing a likely sweep of both chambers. In energy, Brent fell 1.1% to USD103.60/bbl as markets weighed talks to end the regional conflict and the conflict in Ukraine against concerns that recent escalation could further disrupt supplies. Turning to macroeconomic data, US job openings rose to 7.52mn in September, well ahead of expectations, while quits climbed to 3.37mn, and factory orders rose 1.8% m/m, beating the 1.2% expected. Overnight, China's services PMI slowed to 50.8 from 51.6, below the 51.7 expected, while Hong Kong's economy grew 5.2% y/y in the third quarter, beating every forecast in a Bloomberg survey. On monetary policy, ECB Governing Council member Nagel said rates will probably have to be raised in December, citing a worsening inflation picture since September. In corporate news, AI hardware delivered, Advanced Micro Devices guided fourth quarter revenue to about USD17bn, above the USD16.3bn expected, lifting its shares about 7% in extended trading, while Super Micro Computer guided current quarter revenue to USD19.5bn to USD21.5bn, above estimates, and raised its annual sales outlook. Meta raised USD15bn from a dollar bond sale, and Eaton raised its full-year EPS guidance on data centre demand. Apple warned that rising memory chip costs would squeeze its margins, while Pfizer came in ahead of third quarter forecasts and raised its revenue and EPS guidance for the year. Tuesday rewarded AI growth that showed up in the numbers, and the midterm count has now made Washington part of the price.

Market performances

Wall Street finished mixed on Tuesday as investors returned to large technology and semiconductor stocks ahead of the midterm results. The S&P 500 rose 0.4%, snapping a three day losing streak, and the tech heavy Nasdaq gained 0.7%, while the Dow slipped 0.4%; the VIX eased to 20.83. Information technology led with a 1.3% gain, followed by industrials at 1.0% and communication services at 0.9%, while materials fell 1.9% and consumer staples 1.8%. Microsoft gained 3.0%, Nvidia and Meta 2.4% each and Amazon 2.3%, while Advanced Micro Devices rose about 4% ahead of its results and Broadcom more than 3%; Apple fell 2.1% and Walmart 2.2%. Treasuries sold off on the firmer data, with the 10-year yield up c5bps to 4.96% and the 2-year c3bps to 4.62%, while Bund yields rose c4bps and gilt yields c7bps. Gold slipped 0.4% to USD3,930/oz as yields rose, while the dollar index edged up 0.1%. Europe retreated as caution ahead of the vote and uncertainty over the talks curbed risk appetite, with the FTSE 100 down 1.1%, the STOXX 600 0.6%, the DAX 0.5% and the CAC 40 0.3%; miners led the declines as copper weakened. In Asia, Japan was closed for a holiday, while the Hang Seng rose 0.6% and the Sensex 1.6%; MSCI's emerging markets index lost 1.7%, while developed markets gained 0.1%. GCC markets were mixed, with Kuwait up 1.0%, Qatar 0.2% and the DFM and Bahrain 0.1% each, while Oman fell 0.6%, the ADX 0.3% and Tadawul 0.1%. Markets enter Wednesday with chips back in demand, yields higher and the vote count under way.

What's Next

Today the count continues, with final results for both chambers still due. ADP employment is expected at 67K from 90K and the ISM services index at 54.8 from 54.9, with prices paid seen at 74.6 from 74.0, while the US Treasury announces its quarterly refunding and Qualcomm and Arm report results. Thursday brings US initial jobless claims, seen at 196K from 194K, euro area producer prices, seen up 10.6% y/y from 8.2%, and the Bank of England, expected to raise its policy rate by 25bps to 4.00% on a 7 to 2 vote. Friday's October payrolls are seen rising 65,000 after 29,000, with unemployment at 4.2% and average hourly earnings up 2.9% y/y. Closer to home, ADIPEC continues in Abu Dhabi through Thursday, and Qatar's September inflation data is due this week. Asia has since turned lower on the results, with MSCI's Asia Pacific index down 1.6% and Korea's benchmark index 2.1%, while S&P 500 futures fell 1.1%, Nasdaq futures 2.1% and the dollar index 0.6%, as the 10-year yield eased c6bps to 4.90%. Markets head into the final count with the bar reset: a Democratic Congress would reduce the likelihood of further deficit expanding legislation, easing concerns about federal borrowing, while tighter regulatory scrutiny of technology and AI companies would test the chip rally just as Friday's payrolls arrive.

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Performance snapshot*				
Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	3.95	0.00	5.00	30.00
UAE Eibor 3m	4.28	-4.69	-4.11	36.76
UAE Eibor 12m	5.14	-8.65	4.35	92.34
US 3m Bills	4.11	4.56	0.34	34.79
US 10yr Treasury	4.96	4.96	-32.28	28.66
German 10yr Bund	3.33	3.80	-25.60	17.80
UK 10yr Gilt	5.26	6.90	-16.30	30.80
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	495	-0.22	1.37	-0.90
Global Treasuries	205	-0.23	1.27	-0.85
Global Corporate	298	-0.18	1.23	-1.41
EM USD Sovereign	455	-0.25	1.34	-1.71
EM LCY Sovereign	169	-0.18	0.62	1.14
Global High Yield	1,857	-0.06	-0.12	-2.37
Currencies				
Dollar Index	101.87	0.12	0.41	1.97
EUR USD	1.1193	0.05	-1.21	-2.75
GBP USD	1.3415	0.07	1.13	-0.13
USD JPY	158.69	0.47	0.81	0.96
Equities				
S&P 500	7,569	0.36	-1.08	-0.42
Dow Jones	51,787	-0.38	1.73	-2.62
NASDAQ	25,372	0.83	-5.54	-2.09
STOXX 600	646	-0.58	1.70	-0.99
DAX	25,865	-0.45	2.64	-0.53
Nikkei 225	63,082	0.00	-5.50	-1.06
FTSE 100	10,638	-1.14	0.31	-2.02
SENSEX	76,918	1.62	6.12	-2.19
Hang Seng	23,526	0.57	-4.42	-9.55
MSCI World	4,850	0.12	-1.07	-1.12
MSCI EM	1,548	-1.71	-9.18	-6.24
Regional Equities				
ADX	9,463	-0.29	-6.03	-4.81
DFM	5,811	0.05	-2.51	-1.15
Tadawul*	9,876	-0.07	-4.82	-12.12
DSM*	9,614	0.24	6.76	-2.66
MSM30*	7,222	-0.55	-7.79	-4.12
BHSE*	1,815	0.05	-4.27	-6.53
KWSE*	8,430	1.00	-2.34	-5.22
Commodities				
BBG Commodity Index	137.1	-0.68	-3.31	4.97
Brent USD/bbl	103.60	-1.12	0.07	23.67
WTI USD/bbl	96.09	-0.38	6.27	19.60
Gold USD/t oz	3,929.7	-0.42	-5.48	-3.07

Silver USD/t oz	49.8	-1.64	-17.58	-14.38
Platinum USD/t oz	1,420.4	-1.86	-17.23	-12.99
Aluminum	3,091.5	-1.60	-2.66	-4.22
Copper USD/MT	14,110.5	-1.87	-2.60	1.19
Digital Assets				
Bitcoin	77,803.9	1.43	-6.96	22.06
Ether	2,292.8	1.70	-14.48	22.78
Solana	93.6	1.56	-20.66	26.81
XRP	1.3	2.45	-14.05	18.28
Volatility				
VIX	20.83	-1.51	27.48	31.34
MOVE	99.97	-0.39	-9.49	24.22

Source: Bloomberg, and ADCB Asset Management *Notes: Data as at 8:00AM UAE time – November 3, 2026. Performance in local currency terms.

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