Daily Market View

Investment Strategy ♦ October 27, 2026

Anthropic joins the AI party, oil leaves early; the Fed sets the tone tomorrow

Macro headlines

Monday gave the AI trade a fresh listing to price and the oil market a rare day of diplomacy. In corporate news, Anthropic filed publicly for a Nasdaq listing, disclosing third quarter revenue of USD16.8bn and targeting a valuation of USD1.5tn to USD2tn, according to Bloomberg, while the money behind the buildout kept flowing: Meta is seeking to raise as much as USD95bn and Broadcom arranged a USD63bn deal to fund chip purchases. Microsoft, meanwhile, will offer buyouts to about 60,000 workers as it retools for AI. Oil moved the other way, with Brent easing from its six-month high as senior officials from several countries met to revive talks aimed at preventing a broader escalation and agreed to continue security discussions. On geo finance matters, the US and Canada are working on a deal to ease tariffs on Canadian steel and autos, according to Reuters, while Lula's win of a fourth term put Brazilian assets under heavy pressure. Turning to macroeconomic data, the Dallas Fed survey showed Texas manufacturing remained solid in October, though input and output prices accelerated on higher energy costs. Overnight, China's industrial profits rose 14.4% y/y in September from 4.2%, the strongest gain in three months. On monetary policy, markets price about a 10% chance of a Fed hike tomorrow, but more than 70% odds of an increase by year end. Monday showed capital still queuing for AI and diplomacy back on the table for oil, though neither has yet eased the inflation pressure the Fed carries into tomorrow's decision.

Market performances

Wall Street rebounded on Monday as chipmakers pulled technology back to the front of the pack. The Nasdaq 100 rose 1.2%, the S&P 500 0.7% and the Dow 0.3%, while the VIX eased to 18.39 and the semiconductor index gained 3.3%, its best day in more than a month. Technology led with a 1.5% gain, followed by industrials at 1.4% and consumer discretionary at 1.1%, while communication services fell 1.4% as Alphabet lost 1.1% and Meta 1.9%. Intel rose 4%, Micron 3%, Advanced Micro Devices 2.8%, Nvidia 2.4% and Broadcom 2.3%. The Treasury curve flattened ahead of the Fed, with the 2-year yield up c3bps to 4.72% while the 10-year slipped c1bp to 4.99%. Brent fell 0.8% to USD115.81/bbl, while gold rose 0.5% to USD4,017/oz and the dollar index firmed 0.2%. Europe recovered, with the STOXX 600 up 0.8%, the DAX 0.9% and the FTSE 100 0.7%, as defence stocks rose 2.6% and travel and leisure 1.9%. In Asia, the Nikkei fell 0.8%, while the Sensex rose 0.7% and the Hang Seng 0.5%; MSCI's emerging markets index fell 1.0% as Brazilian assets sold off, while developed markets rose 0.6%. In the GCC, Tadawul rebounded 3.4%, followed by Qatar at 2.8%, Kuwait 2.0% and Oman 1.1%, while the ADX gained 0.6%, the DFM 0.3% and Bahrain eased 0.2%. Markets enter Tuesday with chips back in favour, a flatter curve and Brent still above USD115/bbl.

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What's Next

Today's US calendar puts the factory and the household side by side. September durable goods orders are expected to rise 1.9%m/m after a 0.1% decline, while the Conference Board's consumer confidence index is seen at 81.0 from 81.9 and new home sales at 650.5k from 684k. HSBC, Boeing and Visa report. The Fed announces its decision tomorrow, with a hold at 3.75% to 4.00% expected and Chair Warsh's press conference watched for hints of a December increase, the same day the Bank of Canada decides, the UK presents its budget and Alphabet and Microsoft report, alongside SK Hynix in Asia. Thursday brings the ECB, Amazon and the first estimate of US third quarter GDP; September PCE inflation is seen rising to 3.6% y/y from 3.4%. The BOJ decides on Friday, when Qatar's sovereign rating review is also due. Asia has extended the chip rally, with Korea's benchmark index up 4.5% and MSCI's Asia Pacific index 1%, while Brent has eased a further 0.9% to about USD114.70/bbl. Markets head into Wednesday with the bar set. Megacap results would need to confirm what the chip rally has already priced, while a hawkish signal on December would test how much of Monday's relief survives.

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Performance snapshot*				
Rates	Latest	1D (bp)	1M (bp)	3M (bp)
SOFR	3.92	0.00	5.00	28.00
UAE Eibor 3m	4.15	-7.30	-12.30	31.10
UAE Eibor 12m	4.67	-5.60	-38.30	42.00
US 3m Bills	4.11	-1.20	-1.20	22.50
US 10yr Treasury	4.99	-0.60	-12.60	29.50
German 10yr Bund	3.37	2.20	-18.80	16.40
UK 10yr Gilt	5.34	-1.20	-0.30	24.20
Fixed Income		1D (%)	1M (%)	3M (%)
Global Agg. Index	493	-0.01	0.39	-0.10
Global Treasuries	204	-0.02	0.49	0.34
Global Corporate	297	-0.01	0.00	-0.99
EM USD Sovereign	453	-0.12	-1.07	-1.80
EM LCY Sovereign	169	-0.42	0.24	2.22
Global High Yield	1,850	0.00	-1.90	-2.16
Currencies				
Dollar Index	101.96	0.15	0.85	0.51
EUR USD	1.1174	-0.23	-1.81	-1.81
GBP USD	1.3342	-0.21	0.77	0.17
USD JPY	157.50	0.40	-0.52	-3.88
Equities				
S&P 500	7,677	0.70	-0.38	3.62
Dow Jones	52,362	0.28	1.65	1.26
NASDAQ	29,273	1.09	-3.93	2.88
STOXX 600	641	0.77	0.12	0.22
DAX	25,411	0.91	0.00	2.62
Nikkei 225	62,190	-0.80	-4.35	-6.37
FTSE 100	10,767	0.72	0.58	1.20
SENSEX	73,607	0.66	-1.63	-3.65
Hang Seng	23,212	0.51	-6.53	-7.93
MSCI World	4,901	0.55	-0.77	2.48
MSCI EM	1,563	-0.98	-10.64	-6.53
Regional Equities				
ADX	9,641	0.55	-6.12	-2.03
DFM	5,752	0.31	-4.27	-0.82
Tadawul*	9,762	3.43	-8.60	-9.65
DSM*	8,852	2.75	-7.26	-11.76
MSM30*	7,358	1.09	-2.63	3.38
BHSE*	1,846	-0.15	-3.01	-6.16
KWSE*	8,493	1.96	-3.83	-1.95
Commodities				
BBG Commodity Index	142.9	-0.52	-1.29	4.90
Brent USD/bbl	115.81	-0.78	12.35	15.02
WTI USD/bbl	101.76	-1.46	10.42	10.38
Gold USD/t oz	4,016.7	0.52	-6.32	-0.81
Silver USD/t oz	54.0	0.14	-16.24	-6.30

Platinum USD/t oz	1,530.9	-1.44	-12.80	-4.15
Aluminum	3,067.2	-0.41	-5.83	-3.88
Copper USD/MT	14,500.0	0.59	-1.59	5.49
Digital Assets				
Bitcoin	79,732.1	-0.84	-5.33	22.48
Ether	2,302.7	-1.77	-13.79	22.17
Solana	100.2	-1.26	-12.15	31.67
XRP	1.3	-0.16	-13.15	15.83
Volatility				
VIX	18.39	-5.45	21.15	-1.66
MOVE	102.19	-1.08	7.06	27.61

Source: Bloomberg, and ADCB Asset Management *Notes: Data as at 8:00AM UAE time – October 27, 2026. Performance in local currency terms.

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