

Oil risks and fiscal pressures test market resilience

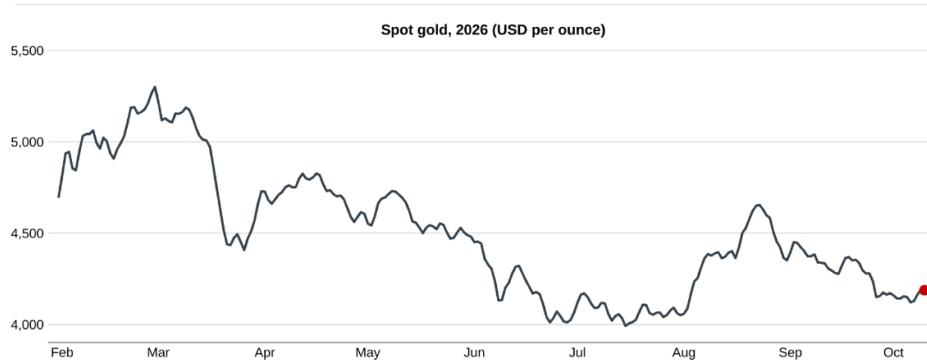
Macro headlines

Global markets navigated persistent geopolitical uncertainty, elevated borrowing costs and sticky inflation pressures, despite signs of stronger economic activity. The Global Composite PMI rose to 54.3 in September, a 40-month high, while US services activity remained resilient, although rising input costs reinforced inflation concerns. Federal Reserve minutes signalled another potential rate hike before year-end, while US 10-year Treasury yields remained elevated amid fiscal and inflation pressures. In Europe, the euro weakened as concerns over France's fiscal trajectory intensified, while Germany's industrial data remained mixed. Elsewhere, India's RBI raised rates by 25bps to 5.5%, and the Bank of Japan maintained its tightening bias. Geopolitical risks continued to influence energy markets, with disruptions around the Strait of Hormuz and US Gulf production sustaining oil-price pressures. Meanwhile, an announced Russia-Ukraine energy ceasefire offered tentative relief, although implementation remained uncertain. AI-related demand remained a bright spot, supporting strong semiconductor exports from Taiwan and earnings expectations across the technology sector.

Market performances

Global equities advanced despite macroeconomic uncertainty, with the S&P 500 gaining 1.15%, Nasdaq rising 0.64% and MSCI World advancing 0.73%. European markets were mixed, while Japan's Nikkei gained 1.06%. GCC equities underperformed, with ADX falling 1.78%, DFM declining 1.40% and Qatar losing 2.03%, while Oman outperformed with a 3.08% gain. Fixed-income markets were mixed, with the US 10-year Treasury yield easing 3.28bp to 5.24%, while UK gilt yields rose 7.70bp. The Dollar Index strengthened 0.28%, while the euro weakened 0.49%. Commodities gained, with Brent rising 2.42% to USD104.2/bbl, WTI advancing 0.81% and gold increasing 1.28%. Copper gained 2.33%, while digital assets weakened, led by declines in Ether (-6.76%) and Solana (-7.51%). Market volatility eased, with the VIX falling 3.07% and the MOVE index declining 8.22%.

Chart of the Week: Gold has lost about a fifth since the war started



Source: Bloomberg, ADCB. Daily spot gold, USD per ounce; line traced from Bloomberg chart.

Source: Bloomberg, ADCB Asset Management | Note: negative values indicate an implied probability of a rate cut.

Wishwesh Pandya

Investment Strategist

+971 (0)2 812 7463

Wishwesh.pandya@adcb.com

Mohammed AlHemeiri

Investment Strategist

+971 (0)2 812 6450

mohammed.alhemeiri@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

+971 (0)2 812 6457

kishore.muktinutalapati@adcb.com

www.adcb.com/marketinsights

Weekly Market View

Investment Strategy ♦ October 12 2026

Performance snapshot*				
Rates	Latest	1W (bp)	3M (bp)	YTD (bp)
SOFR	3.87	-1.00	32.00	0.00
UAE Eibor 3m	4.19	-3.10	29.14	71.73
UAE Eibor 12m	4.84	-22.98	66.74	122.49
US 3m Bills	4.14	5.14	36.42	51.76
US 10yr Treasury	5.24	-3.28	67.66	107.08
German 10yr Bund	3.46	1.90	41.60	62.60
UK 10yr Gilt	5.42	7.70	57.10	96.40
Fixed Income		1W (%)	3M (%)	YTD (%)
Global Agg. Index	488	0.03	-2.07	-2.74
Global Treasuries	202	-0.05	-1.76	-3.09
Global Corporate	294	0.15	-2.81	-3.21
EM USD Sovereign	451	0.79	-3.53	-1.75
EM LCY Sovereign	169	0.49	1.63	3.67
Global High Yield	1,857	0.22	-2.45	-0.31
Currencies				
Dollar Index	102.22	0.28	1.25	3.96
EUR USD	1.1204	-0.49	-1.89	-4.65
GBP USD	1.3242	-0.05	-1.27	-1.79
USD JPY	158.44	0.29	-2.08	1.02
Equities				
S&P 500	7,812	1.15	3.12	14.11
Dow Jones	51,655	0.93	-1.87	7.47
NASDAQ	27,366	0.64	4.13	17.74
STOXX 600	634	0.03	-1.49	6.65
DAX	25,175	-0.57	0.08	2.44
Nikkei 225	69,031	1.06	0.69	37.13
FTSE 100	10,607	0.86	0.52	6.25
SENSEX	71,970	0.78	-6.57	-14.96
Hang Seng	24,231	1.00	0.15	-5.54
MSCI World	4,962	0.73	1.94	12.01
MSCI EM	1,709	-0.01	1.07	21.68
Regional Equities				
ADX	9,812	-1.78	-1.41	-1.97
DFM	5,828	-1.40	-3.71	-3.78
Tadawul*	10,376	-0.16	-4.00	-1.09
DSM*	9,006	-2.03	-10.75	-16.32
MSM30*	7,832	3.08	2.46	33.50
BHSE*	1,896	-0.47	-5.68	-8.27
KWSE*	8,633	-0.93	-0.35	-3.09
Commodities				
BBG Commodity Index	143.3	1.71	13.47	31.22
Brent USD/bbl	104.2	2.42	37.77	72.10
WTI USD/bbl	91.2	0.81	28.62	59.96
Gold USD/t oz	4,183.7	1.28	1.80	-2.90
Silver USD/t oz	60.9	0.76	1.59	-15.13
Platinum USD/t oz	1,698.2	-0.53	3.59	-17.86
Aluminum	3,039.6	-1.89	-3.11	2.04
Copper USD/MT	14,689.0	2.33	9.55	17.47

Weekly Market View

Investment Strategy ♦ October 12 2026

Digital Assets				
Bitcoin	84,067.8	-2.37	29.22	-5.94
Ether	2,569.4	-6.76	38.67	-16.67
Solana	112.8	-7.51	40.18	-12.35
XRP	1.4	-5.69	25.81	-24.51
Volatility				
VIX	14.84	-3.07	-1.26	-0.74
MOVE	98.47	-8.22	41.58	53.96

Source: Bloomberg, and ADCB Asset Management | Notes: *Data as of October 12, 2026.

Forthcoming important economic data/events

United States



Date & Time (GST)	Indicator	Period	Expected	Prior
10/13/2026 14:00	NFIB Small Business Optimism	Sep	98.2	98.7
10/13/2026 16:15	ADP Weekly Employment Change	26-Sep	--	23.750k
10/13/2026 18:00	Existing Home Sales	Sep	3.95m	3.98m
10/13/2026-10/19/2026	Federal Budget Balance	Sep	-\$29.0b	\$197.9b
10/14/2026 15:00	MBA Mortgage Applications	9-Oct	--	-4.20%
10/14/2026 16:30	Real Avg Weekly Earnings YoY	Sep	--	0.30%
10/14/2026 16:30	CPI YoY	Sep	3.60%	3.40%
10/14/2026 16:30	Core CPI YoY	Sep	2.50%	2.40%
10/14/2026 22:00	Fed Releases Beige Book			
10/15/2026 16:30	Retail Sales Advance MoM	Sep	0.30%	1.20%
10/15/2026 16:30	Empire Manufacturing	Oct	12.6	7.6
10/15/2026 16:30	Initial Jobless Claims	10-Oct	200k	197k
10/15/2026 16:30	Continuing Claims	3-Oct	1710k	1716k
10/15/2026 16:30	PPI Final Demand MoM	Sep	0.60%	0.40%
10/15/2026 16:30	PPI Ex Food and Energy MoM	Sep	0.30%	0.20%
10/15/2026 18:00	Business Inventories	Aug	0.40%	0.80%
10/16/2026 16:30	New York Fed Services Business Activity	Oct	--	-8.7
10/16/2026 17:15	Industrial Production MoM	Sep	0.40%	0.00%
10/16/2026 17:15	Manufacturing Production MoM	Sep	0.30%	-0.30%
10/16/2026 17:15	Capacity Utilization	Sep	76.50%	76.30%
10/19/2026 18:00	NAHB Housing Market Index	Oct	--	32

Japan



Date & Time (GST)	Indicator	Period	Expected	Prior
10/13/2026 3:50	PPI YoY	Sep	7.60%	7.60%
10/14/2026 3:50	Money Stock M2 YoY	Sep	--	2.00%
10/15/2026 3:50	Core Machine Orders YoY	Aug	15.60%	11.20%
10/15/2026 8:30	Capacity Utilization MoM	Aug	--	0.50%
10/15/2026 8:30	Industrial Production MoM	Aug F	--	-1.70%
10/19/2026 8:30	Tertiary Industry Index MoM	Aug	--	0.40%

Weekly Market View

Investment Strategy ♦ October 12 2026

Eurozone



Date & Time (GST)	Indicator	Period	Expected	Prior
10/13/2026 10:00	Germany CPI YoY	Sep F	3.30%	3.30%
10/13/2026 10:00	Germany CPI EU Harmonized YoY	Sep F	3.30%	3.30%
10/14/2026 10:00	Germany Wholesale Price Index YoY	Sep	--	6.80%
10/15/2026 10:45	France CPI EU Harmonized YoY	Sep F	3.40%	3.40%
10/15/2026 10:45	France CPI YoY	Sep F	3.00%	3.00%
10/15/2026 13:00	Eurozone Industrial Production WDA YoY	Aug	-0.10%	0.00%
10/16/2026 13:00	Eurozone CPI YoY	Sep F	3.80%	3.80%
10/16/2026 13:00	Eurozone CPI Core YoY	Sep F	2.50%	2.50%

United Kingdom



Date & Time (GST)	Indicator	Period	Expected	Prior
10/15/2026 10:00	Monthly GDP (MoM)	Aug	-0.10%	0.40%
10/15/2026 10:00	Industrial Production YoY	Aug	0.70%	0.60%
10/15/2026 10:00	Manufacturing Production YoY	Aug	2.30%	2.60%
10/15/2026 10:00	Index of Services 3M/3M	Aug	0.70%	0.60%
10/19/2026 3:01	Rightmove House Prices YoY	Oct	--	-0.80%

China & India



Date & Time (GST)	Indicator	Period	Expected	Prior
10/12/2026 14:30	India CPI YoY	Sep	5.58%	4.82%
10/14/2026 10:30	India Wholesale Prices YoY	Sep	10.57%	9.92%
10/14/2026-10/16/2026	India Exports YoY	Sep	--	26.10%
10/14/2026-10/16/2026	India Imports YoY	Sep	--	14.10%
10/15/2026 14:30	India Unemployment Rate	Sep	--	5.00%
10/14/2026 5:30	China PPI YoY	Sep	4.40%	3.80%
10/14/2026 5:30	China CPI YoY	Sep	1.00%	0.80%
10/14/2026 5:30	China CPI Core YoY	Sep	--	1.00%
10/14/2026 6:00	China Exports YoY	Sep	25.70%	25.00%
10/14/2026 6:00	China Imports YoY	Sep	25.00%	28.20%
10/19/2026 6:00	China GDP YoY	3Q	4.30%	4.30%
10/19/2026 6:00	China Retail Sales YoY	Sep	0.50%	0.40%
10/19/2026 6:00	China Industrial Production YoY	Sep	5.30%	5.20%

GCC



Date & Time (GST)	Indicator	Period	Expected	Prior
10/08/2026-10/20/2026	Oman CPI YoY	Sep	--	3.40%
10/11/2026	Saudi Industrial Production YoY	Aug	--	-8.10%
10/14/2026-10/19/2026	UAE M3 Money Supply YoY	Aug	--	13.80%
10/14/2026-10/22/2026	Qatar CPI YoY	Sep	--	--
10/15/2026-10/26/2026	Dubai CPI YoY	Sep	--	5.54%
10/15/2026	Saudi CPI YoY	Sep	--	1.80%
10/18/2026-10/23/2026	GDP Constant Prices YoY	2Q	--	--

Disclaimer

This publication is intended for general information purposes only. It should not be construed as an offer, recommendation or solicitation to purchase or dispose of any securities or to enter in any transaction or adopt any hedging, trading or investment strategy. Neither this publication nor anything contained herein shall form the basis of any contract or commitment whatsoever. Distribution of this publication does not oblige Abu Dhabi Commercial Bank PJSC ("ADCB") to enter into any transaction.

The content of this publication should not be considered legal, regulatory, credit, tax or accounting advice. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in this publication.

Information contained herein is based on various sources, including but not limited to public information, annual reports and statistical data that ADCB considers accurate and reliable. However, ADCB makes no representation or warranty as to the accuracy or completeness of any statement made in or in connection with this publication and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this publication. This publication is intended for qualified customers of ADCB.

Charts, graphs and related data or information provided in this publication are intended to serve for illustrative purposes only. The information contained in this publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. All statements as to future matters are not guaranteed to be accurate. ADCB expressly disclaims any obligation to update or revise any forward-looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

ADCB does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its publications. As a result, recipients of this publication should be aware that any or all of the foregoing services may at time give rise to a conflict of interest that could affect the objectivity of this publication.

Past performance does not guarantee future results. Investment products are not bank deposits and are not guaranteed by ADCB. They are subject to investment risks, including possible loss of principal amount invested. Please refer to ADCB's Terms and Conditions for Investment Services.

This publication is being furnished to you solely for your information and neither it nor any part of it may be used, forwarded, disclosed, distributed or delivered to anyone else. You may not copy, reproduce, display, modify or create derivative works from any data or information contained in this publication.