

Bank Dhofar Morning Market Update



Date: 23/04/24

Global Update

Technology firms drove Hong Kong gauges higher after UBS Group AG upgraded shares in China and the city-state to overweight, citing resilient earnings despite the nation's property and macro worries. Futures for US shares were little changed after the S&P 500 topped 5,000 — halting a six-day rout — while the Nasdaq 100 rose 1%, with Nvidia Corp. leading gains in big tech. Apple Inc. was named a top pick for 2024 at Bank of America Corp. on optimism over its upcoming results. Investors are waiting to see if earnings will meet the lofty expectations for artificial intelligence this week when about 180 companies — representing over 40% of the S&P 500 market value — are due to report their results. The focus on earnings comes after a rout fueled by geopolitical fears and signals the Federal Reserve will be in no rush to cut rates. gold extended losses after its biggest daily decline in almost two years, with easing tension in the Middle East and signs the Federal Reserve will keep rates higher for longer crimping demand.

GBP/USD's decline extends further to as low as 1.2301 so far today. Intraday bias stays on the downside for 161.8% projection of 1.2892 to 1.2538 from 1.2708 at 1.2207 next. On the upside, above 1.2391 minor resistance will turn intraday bias neutral and bring consolidations first, before staging another fall. In the bigger picture, price actions from 1.3141 medium term top are seen as a corrective pattern to up trend from 1.0351. Fall from 1.2892 is seen as the third leg. Deeper decline would be seen to 1.2036 support and possibly below.



Source: Reuters, Bloomberg

| Currencies | | | | Rates | | |
|------------|--------|--------|--------|--------------|-----------|--------------------|
| | Open | High | Low | | 08-00 GST | Previous Day Close |
| EURUSD | 1.0655 | 1.0661 | 1.0652 | O/N SOFR | 5.310 | 5.300 |
| GBPUSD | 1.2350 | 1.2359 | 1.2348 | 1 month SOFR | 5.316 | 5.317 |
| USDJPY | 154.84 | 154.85 | 154.66 | 3 month SOFR | 5.323 | 5.326 |

| | | | | | | |
|--------|--------|--------|--------|---------------|-------|-------|
| USDINR | 83.36 | 83.38 | 83.30 | 6 months SOFR | 5.298 | 5.303 |
| USDCNY | 7.2445 | 7.2454 | 7.2440 | 12 month SOFR | 5.216 | 5.215 |
| USDCHF | 0.9120 | 0.9122 | 0.9113 | 3 years IRS | 4.649 | 4.649 |
| AUDUSD | 0.6450 | 0.6465 | 0.6447 | 5 years IRS | 4.398 | 4.398 |
| NZDUSD | 0.5919 | 0.5928 | 0.5917 | | | |

The euro was little changed at \$1.0659 the yen briefly strengthened against the dollar after Finance Minister Shunichi Suzuki's comments on the currency. The Japanese yen was little changed at 154.75 per dollar. The offshore yuan was little changed at 7.2516 per dollar. USD/CNH gains as much as 0.1% to 7.2552. The Australian dollar rose 0.2% to \$0.6463.

Treasuries were steady in Asia ahead of a flurry of bond auctions that will test investors' appetite after yields hit the highest in 2024. Australian and New Zealand bonds gained. The Bank of Japan is widely expected to leave its benchmark interest rate unchanged Friday, with investors focusing on any hints of a less dovish tilt as the yen trades around a 34-year low. The yield on 10-year Treasuries advanced one basis point to 4.62%. Japan's 10-year yield was unchanged at 0.880%. Australia's 10-year yield declined two basis points to 4.30%

| OMR Money Markets | | | | Global Markets | | | |
|---------------------------------|------------|----------|----------------|--------------------------|-------|------------------|---------|
| | | | Current Levels | | Level | 1-Day Change (%) | YTD (%) |
| CBO Repo Rate | | | 6 | | | | |
| O/N OMIBOR | | | 5.3875 | S&P 500 | 5011 | 0.873 | 5.05 |
| *Bank Deposit Rates for 1 years | | | 5.25 | Euro Stoxx 600 | 502 | 0.605 | 4.87 |
| Bank Deposit Rates for 5 years | | | 5.00 | Shanghai Composite Index | 3032 | -0.410 | 1.92 |
| *Amount>500k OMR | | | | MSX-30 | 4698 | -0.132 | 4.07 |
| | | | | NIFTY-50 | 22405 | 0.308 | 3.10 |
| Calendar | | | | Brent Crude (\$/bbl) | 87.42 | 0.494 | 14.08 |
| Key Data Watch | Time (GST) | Expected | Prior | Gold (\$/oz.) | 2305 | -0.942 | 11.75 |
| S&P Global US Manufacturing PMI | 17:45 | 52 | 51.9 | DXY | 106 | 0.012 | 4.69 |
| New Home Sales | 18:00 | 669k | 662k | Silver(\$/oz.) | 27 | -0.765 | 13.42 |

Source: Reuters, Bloomberg

**For any Treasury related requirement, please contact:
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