

Bank Dhofar Morning Market Update



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Global Update

Japanese shares extended their rally after the election of a pro-stimulus lawmaker as the country’s next leader sent the yen sliding and drove up yields on long-tenor bonds. Gold set another record as political crises around the world lifted demand for the haven asset. The Nikkei index gained 0.7% to a new intraday peak, following a 4.8% jump on Monday. Asian artificial intelligence and chip stocks advanced after Advanced Micro Devices Inc.’s blockbuster deal with OpenAI. US equity-index futures fell as President Donald Trump said he would be willing to talk to Democrats about health care only after the government reopened. In Japan, a 30-year government bond auction drew a stronger demand ratio than its 12-month average. Bond futures pared their losses after the sale, the first since Sanae Takaichi’s near-certain ascent to become Japan’s next prime minister. While equities worldwide have surged to successive record highs, worries over the US government shutdown and a political crisis in France have driven investors toward alternative assets such as gold and Bitcoin, sending both to new peaks. At the same time, a flurry of AI-related deals among chipmakers has propelled shares higher and fueled some concerns of a speculative bubble reminiscent of the late-1990s dot-com era. GBP/USD range trades. The mid-September swift GBP/USD decline ended at \$1.3324 on the 25th of September, marginally below its \$1.3334 early September low, before recovering to its early October high at \$1.3527 below which it has been range trading ever since. If exceeded, the 23 September high at \$1.3536 would be next in line.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1711	1.1716	1.1697	O/N SOFR	4.180	4.180
GBPUSD	1.3485	1.3487	1.3473	1 month SOFR	4.102	4.102
USDJPY	150.35	150.6200	150.24	3 month SOFR	3.935	3.935
USDINR	88.73	88.77	88.72	6 months SOFR	3.788	3.788
USDCNY	7.1200	7.1272	7.1184	12 month SOFR	3.583	3.583
USDCHF	0.7950	0.7958	0.7948	3 years IRS	3.329	3.328
AUDUSD	0.6617	0.6624	0.6604	5 years IRS	3.384	3.381
NZDUSD	0.5843	0.5843	0.5824	S&P 500 futures fell 0.1% as of 12:29 p.m. Tokyo time. Japan's Topix		

The Bloomberg Dollar Spot Index was little changed. The euro was little changed at \$1.1704. The Japanese yen was little changed at 150.39 per dollar. The offshore yuan rose 0.1% to 7.1368 per dollar. Bitcoin fell 0.8% to \$124,226.31. Ether fell 0.1% to \$4,685.45. West Texas Intermediate crude rose 0.3% to \$61.90 a barrel. Spot gold was little changed.

rose 0.3%. Australia’s S&P/ASX 200 fell 0.3%. Euro Stoxx 50 futures were unchanged. The yield on 10-year Treasuries was little changed at 4.16%. Japan’s 10-year yield advanced one basis point to 1.690%. Australia’s 10-year yield advanced seven basis points to 4.40%. UK’s 10-year yield is at 4.74%. Canadian 10-year yield is at 3.21%.

				Global Markets			
Current Levels					Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.75				
O/N OMIBOR			4	S&P 500	6740	0.365	14.60
*Bank Deposit Rates for 1 years			4.00	Euro Stoxx 600	570	-0.037	12.34
				ShanghaiComposite Index	3883	0.524	15.84
Bank Deposit Rates for 5 years			4.00	MSX-30	5185	-0.500	13.29
*Amount>500k OMR				NIFTY-50	25148	0.282	6.36
Calendar				Brent Crude (\$/bbl)	65.65	0.290	-8.56
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3974	0.324	51.41
Trade Balance (US)	16:30	-77.9b	-60.2b	DXY	98	0.032	-9.54
Leading Index CI (JPN)	9:00	105.8	105.9	Silver(\$/oz.)	48	-0.017	67.82

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