# Bank Dhofar Morning Market Update

**Date: 12/08/26**

## Global Update

Asian equities advanced, led by technology and AI-related stocks, after stronger-than-expected earnings reinforced optimism around artificial intelligence spending. South Korea's Kospi surged 4.6%, with Samsung Electronics and SK Hynix both gaining around 7% on positive shareholder return expectations, while the MSCI Asia Pacific Index rose 0.7% on broad semiconductor strength. In the US, CoreWeave jumped 16% and Super Micro Computer gained 7.6% in after-hours trading following robust results and upbeat guidance, lifting Nasdaq 100 futures. Oil prices moved higher as tensions surrounding the Strait of Hormuz remained unresolved despite reports of progress in US-Iran discussions, tempering risk sentiment ahead of key US CPI data. Markets are closely watching inflation figures, with economists expecting headline CPI to rise just 0.1% in July after a 0.4% decline previously, which could ease concerns over further Federal Reserve tightening. Meanwhile, the yen remained near 159.43 per dollar, close to levels that previously triggered Japanese intervention, Treasury yields were steady around 4.69%, and gold rebounded 0.7% as investors balanced geopolitical risks against expectations for US monetary policy.

Gold prices are trading with a modest positive bias in the Asian session, attracting dip buyers after retreating from the recent high near $4,435. However, bullion remains below the key $4,400 level as investors await the US CPI release, which is expected to provide critical guidance on the Federal Reserve's interest rate outlook and the next directional move for the precious metal. Recent geopolitical tensions in the Middle East and inflation concerns linked to higher oil prices continue to underpin safe-haven demand, while uncertainty over future Fed policy is keeping traders cautious.From a technical perspective, gold is holding above the 100-day SMA around $4,388, preserving the broader bullish structure. Immediate resistance is seen near $4,435, followed by the major hurdle around the 200-day SMA at $4,500. A decisive break above this zone could trigger a fresh bullish extension. On the downside, initial support is located at $4,388, with further supports at $4,298 and $4,161. A sustained move below these levels may expose the longer-term support area near $3,940. Overall, the near-term bias remains cautiously bullish above the 100-day SMA, though volatility is likely to increase sharply following the US inflation data.


Source: Reuters, Bloomberg

### Currencies

| | Open | High | Low |
|---|---|---|---|
| **EURUSD** | 1.1542 | 1.1545 | 1.1533 |
| **GBPUSD** | 1.3507 | 1.3511 | 1.3502 |
| **USDJPY** | 159.29 | 159.4600 | 159.20 |
| **USDINR** | 95.41 | 95.43 | 95.40 |
| **USDCNY** | 6.7465 | 6.7468 | 6.7455 |
| **USDCHF** | 0.8108 | 0.8124 | 0.8107 |
| **AUDUSD** | 0.7062 | 0.7069 | 0.7054 |
| **NZDUSD** | 0.5881 | 0.5884 | 0.5866 |

### Rates

| | Last Price | Previous Day Close |
|---|---|---|
| **O/N SOFR** | 3.630 | 3.630 |
| **1 month SOFR** | 3.640 | 3.640 |
| **3 month SOFR** | 3.738 | 3.738 |
| **6 months SOFR** | 3.856 | 3.856 |
| **12 month SOFR** | 4.006 | 4.006 |
| **3 years IRS** | 4.081 | 4.080 |
| **5 years IRS** | 4.108 | 4.108 |

The US 10-year Treasury yield was little changed at 4.69%, reflecting a cautious

In the currency markets, the euro was little changed at $1.1535, while the Japanese yen traded around 159.43 per dollar, remaining close to the key 160 level that could attract intervention from Japanese authorities. The offshore yuan was steady at 6.7480 per dollar. Meanwhile, the British pound held near $1.3505, the Australian dollar traded around $0.7056, supported by risk-on sentiment and technology-led equity gains, while the New Zealand dollar hovered near $0.5866 per US dollar.

stance ahead of the closely watched US inflation report. Meanwhile, Japan's 10-year government bond yield rose 3 basis points to 2.845%, extending its upward trend amid expectations of further policy normalization by the Bank of Japan. Australia's 10-year government bond yield was little changed at 5.03%, as investors balanced stronger risk sentiment across equities against uncertainty surrounding the global interest rate outlook.

| | Current Levels |
|---|---|
| CBO Repo Rate | 4.25 |
| O/N OMIBOR | 4 |
| *Bank Deposit Rates for 1 years | 4.45 |
| Bank Deposit Rates for 5 years | 4.00 |

*Amount>500k OMR

## Calendar

| Key Data Watch | Time (GST) | Expected | Prior |
|---|---|---|---|
| MBA Mortgage Applications | 15:00 | | -2.9% |
| CPI MoM | 16:30 | 0.1% | -0.4% |

## Global Markets

| | Level | 1-Day Change (%) | YTD (%) |
|---|---|---|---|
| S&P 500 | 7728 | -0.321 | 12.89 |
| Euro Stoxx 600 | 661 | 0.009 | 11.54 |
| ShanghaiComposite Index | 3947 | 0.316 | -0.56 |
| MSX-30 | 7467 | 0.470 | 27.27 |
| NIFTY-50 | 24383 | -0.362 | -6.68 |
| Brent Crude ($/bbl) | 89.71 | 0.911 | 49.11 |
| Gold ($/oz.) | 4398 | 0.640 | 1.82 |
| DXY | 100 | 0.060 | 1.59 |
| Silver($/oz.) | 65 | 0.872 | -8.96 |

**For any Treasury related requirement, please contact:**
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