

Bank Dhofar Morning Market Update



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Global Update

Stock-index futures and Asian shares rose as President Donald Trump revealed plans to unveil a “major” trade deal later Thursday, boosting optimism that the US was making headway in negotiations. The pound extended gains. Contracts for US and European stocks gained 0.8% after Trump announced the deal in a Truth Social post, without disclosing the name of the country. The administration is expected to announce an agreement with the United Kingdom, according to people familiar with the matter. Asian shares rebounded from losses of as much as 0.5% to rise 0.3%. Treasuries fell and gold rose 1%. Stocks got a lift Wednesday after China and the US announced plans to do trade talks in Switzerland this weekend. Traders have stayed cautious after Federal Reserve Chair Jerome Powell assuaged concerns about the US economy while warning that the risks of higher unemployment and faster inflation have risen. The Fed held its rate on Wednesday. West Texas Intermediate crude rose 0.8% to \$58.56 a barrel. Spot gold rose 1% to \$3,396.81 an ounce.

The pound advanced on a report that President Donald Trump is expected to announce a trade agreement with UK later Wednesday in US. GBP/USD climbs back above 1.33. UK equity index futures are also merely holding the gains they had already posted before the NYT report. Traders may want the details on the BOE’s stance -- and on what Britain promised in order to reach an accord -- before piling into sterling.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1301	1.1336	1.1300	O/N SOFR	4.320	4.360
GBPUSD	1.3293	1.3356	1.3286	1 month SOFR	4.337	4.337
USDJPY	143.83	143.9500	143.45	3 month SOFR	4.307	4.307
USDINR	84.64	84.66	84.53	6 months SOFR	4.183	4.183
USDCNY	7.2382	7.2390	7.2325	12 month SOFR	3.923	3.923
USDCHF	0.8237	0.8243	0.8224	3 years IRS	3.484	3.462
AUDUSD	0.6424	0.6465	0.6424	5 years IRS	3.520	3.496

The Bloomberg Dollar Spot Index fell 0.2%. The euro rose 0.2% to \$1.1329. The Japanese yen rose 0.2% to 143.54 per dollar. The offshore yuan was little changed at 7.2318 per dollar. There were no surprises from the FOMC, however, which left the rate band unchanged at 4.25% to 4.50% for a third straight meeting. And Powell reiterated that the picture was too cloudy to make any decisions, but policy was "well positioned" to act as necessary.

Australia’s 10-year yield declined four basis points to 4.24%. S&P 500 futures rose 0.7% as of 12:44 p.m. Tokyo time. Australia’s S&P/ASX 200 rose 0.3%. The Shanghai Composite rose 0.4%. Euro Stoxx 50 futures rose 0.9%. The 10-year yield finished -3.5 bps richer at 4.269%. The 2-year was -0.6 bps lower at 3.776%. The Dow rallied 0.70%, with the S&P 500 up 0.43%, while the NASDAQ advanced 0.27%. The DXY rose to hit 99.972 from the overnight low of 99.286 before drifting down to 99.811 at the close.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	5631	0.435	-4.26
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	533	-0.537	5.09
				ShanghaiComposite Index	3355	0.377	0.10
Bank Deposit Rates for 5 years			4.50	MSX-30	4353	0.255	-4.88
*Amount>500k OMR				NIFTY-50	24374	-0.164	3.09
Calendar				Brent Crude (\$/bbl)	61.62	0.834	-15.86
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3389	0.734	29.14
US Wholesale Inventories MoM	18:00	0.6%	0.3%	DXY	100	0.054	-8.13
Bank of England Bank Rate	15:02	4.5%	4.5%	Silver(\$/oz.)	33	1.215	13.66

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