

Bank Dhofar Morning Market Update



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Global Update

The record-breaking run in global stocks got fresh fuel to power the rally after the US reached a trade deal with Japan, an agreement with a key trading partner that eases concerns about the tariff war. Asian shares rose 1.6%, the most in a month, helping the MSCI gauge for global stocks extend its gains this year to 11%. Futures for the S&P 500 edged up 0.2% on the tariff news after the index closed at its highest level Tuesday. Contracts for European stocks advanced 1.1%. The Nikkei-225 index in Japan jumped 3.2%, with Toyota Motor Corp. and other carmakers leading the gains. A gauge of Chinese stocks in Hong Kong headed for its highest close since 2021. The yen weakened against the dollar and Japanese shares extended their gains on a report Prime Minister Shigeru Ishiba will announce his resignation by the end of August. An auction of 40-year government notes in Japan saw the weakest demand ratio since 2011. A gauge of the dollar rose 0.1% while yields on the 10-year Treasury rose two basis points to 4.36%. Oil edged higher. West Texas Intermediate crude rose 0.2% to \$65.46 a barrel. Spot gold fell 0.2% to \$3,425.94 an ounce.

Palm oil prices are expected to stay firm between 4,100-4,300 ringgit a ton over the next month, supported by festive demand from top buyer India and elevated US soybean oil prices, according to the Malaysian Palm Oil Council. Positive momentum in India’s monthly imports of Malaysian palm is expected to extend into 3Q. India is projected to import about 2.9m tons of palm oil to meet its seasonal festive demand in 3Q. This strong buying interest will support palm prices.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1755	1.1756	1.1731	O/N SOFR	4.280	4.280
GBPUSD	1.3533	1.3535	1.3517	1 month SOFR	4.349	4.349
USDJPY	146.63	147.2000	146.20	3 month SOFR	4.319	4.319
USDINR	86.41	86.47	86.37	6 months SOFR	4.206	4.206
USDCNY	7.1685	7.1722	7.1603	12 month SOFR	3.984	3.984
USDCHF	0.7924	0.7943	0.7922	3 years IRS	3.499	3.484
AUDUSD	0.6556	0.6569	0.6548	5 years IRS	3.535	3.519
NZDUSD	0.6002	0.6018	0.5985	The yield on 10-year Treasuries advanced two basis points to 4.37%. Japan’s 10-year yield advanced 9.5 basis points to 1.595%. Australia’s		

The Bloomberg Dollar Spot Index was little changed. The euro was little

changed at \$1.1743. The Japanese yen fell 0.1% to 146.83 per dollar. The offshore yuan rose 0.1% to 7.1610 per dollar. Borrowing the yen to invest in the Taiwan dollar has returned 13% in the past three months, while similar bets targeting the South African rand and Mexican peso have both risen around 10%.

10-year yield declined two basis points to 4.28%. S&P 500 futures rose 0.2% as of 12:38 p.m. Tokyo time. Japan’s Topix rose 3%. Australia’s S&P/ASX 200 rose 0.7%. The Shanghai Composite rose 0.7%. Euro Stoxx 50 futures rose 1.1%. Hong Kong’s Hang Seng rose 1%.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	6310	0.064	7.28
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	544	-0.410	7.23
				ShanghaiComposite Index	3609	0.746	7.66
Bank Deposit Rates for 5 years			4.50	MSX-30	4777	0.716	4.38
*Amount>500k OMR				NIFTY-50	25105	0.175	6.17
Calendar				Brent Crude (\$/bbl)	68.78	0.292	-5.29
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3423	-0.245	30.43
US Existing Home Sales	18:00	3.95m	4.0m	DXY	97	0.092	-10.14
-	-	-	-	Silver(\$/oz.)	39	-0.179	35.71

For any Treasury related requirement, please contact:
Telephone: +968 2265 2721/2722/2731/2716

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