

Bank Dhofar Morning Market Update



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Global Update

Asian equities climbed as investors bet on a strong finish to the year for markets following a rally in US stocks on Friday.

MSCI Inc.'s gauge for Asia Pacific jumped as much as 1.1%, led by tech, and US futures advanced. Commodity markets were in the spotlight, with gold and silver hitting record highs and oil gaining amid heightened geopolitical tensions as US President Donald Trump intensified a blockade on Venezuela. Copper also reached a new peak. In Japan, bond yields rose to multi-year highs following Friday's rate hike, while the yen strengthened after the nation's chief currency official sent a warning on recent moves. Hopes for a year-end rally in equities grew as dip buyers late last week helped US stocks recover from a slide driven by doubts over AI exuberance and the scope for Federal Reserve easing. The S&P 500 Index added 0.9% on Friday in a second day of gains, wiping out the week's loss as volumes spiked during a quarterly options and futures expiry, and as traders positioned for gains into 2026.

EUR/USD breaks its four-day losing streak, trading around 1.1720 during the Asian hours on Monday. On the daily chart, technical analysis indicates a prevailing bullish bias, as the pair remains slightly above the ascending channel pattern. Additionally, the 14-day Relative Strength Index at 61.63 remains in bullish territory, confirming firm momentum. RSI above 60 reinforces upward pressure and could sustain tests of nearby ceilings. The 20-period Simple Moving Average (SMA) has flattened just above price at 1.1738, capping near-term upside. The 50-period SMA rises at 1.1715, while the 100- and 200-period SMAs climb at 1.1670 and 1.1615, keeping the broader tone supported. However, the Relative Strength Index (14) sits at 46, below the midline, pointing to subdued momentum. The lower limit of the ascending regression channel and the 50-period SMA offer immediate support at 1.1715, just before the rising trend line at 1.1695. Below the latter, 1.1670 (100-period SMA) and 1.1615 (200-period SMA) could be seen as next support levels.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1713	1.1723	1.1706	O/N SOFR	3.660	#N/A N/A
GBPUSD	1.3379	1.3402	1.3371	1 month SOFR	3.729	3.729
USDJPY	157.70	157.7500	157.23	3 month SOFR	3.685	3.685
USDINR	89.41	89.73	89.41	6 months SOFR	3.599	3.599
USDCNY	7.0412	7.0414	7.0402	12 month SOFR	3.431	3.431
USDCHF	0.7945	0.7959	0.7943	3 years IRS	3.327	3.320

AUDUSD	0.6617	0.6629	0.6606	5 years IRS	3.443	3.429
NZDUSD	0.5752	0.5771	0.5741			

The euro was little changed at \$1.1717.The Japanese yen rose 0.3% to 157.33 per dollar.The offshore yuan was little changed at 7.0340 per dollar. AUD/USD rises to hold above 0.66 as GBP/USD advances and nears 1.34.

Current Levels	
CBO Repo Rate	4.5
O/N OMIBOR	4
*Bank Deposit Rates for 1 years	4.00
Bank Deposit Rates for 5 years	4.00

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
Chicago Fed Nat Activity Index	17:30	-0.17	
Housing Starts	12/22-12/27		

Japanese markets remained in focus after the central bank raised its benchmark interest rate to the highest in 30 years on Friday. Bank of Japan Governor Kazuo Ueda chose to keep his options open rather than bolster the yen, delivering a cautious rate hike that left the currency sliding toward levels which have triggered intervention in the past.The yield on 10-year Treasuries advanced two basis points to 4.17%.Australia’s 10-year yield advanced five basis points to 4.80%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	6835	0.882	16.20
Euro Stoxx 600	588	0.367	15.74
ShanghaiComposite Index	3915	0.632	16.80
MSX-30	5959	0.298	30.20
NIFTY-50	26128	0.623	10.50
Brent Crude (\$/bbl)	61.16	1.141	-14.21
Gold (\$/oz.)	4401	1.433	67.69
DXY	99	0.020	-9.10
Silver(\$/oz.)	69	2.200	137.48

For any Treasury related requirement, please contact:
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