Bank Dhofar Morning Market Update

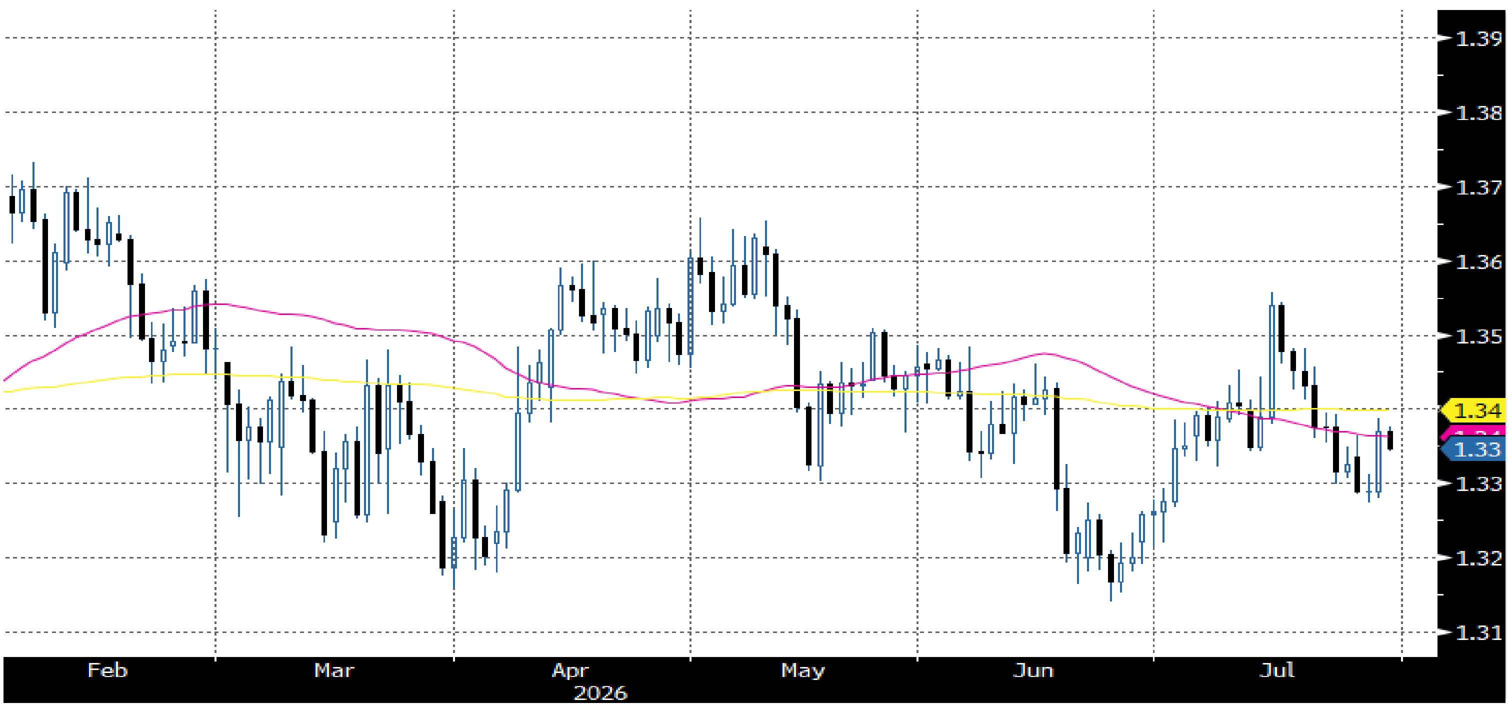
Date: 30/07/26

Global Update

Asian equities rebounded, snapping a two-day decline, with the MSCI Asia Pacific Index rising 0.6% as technology shares recovered. South Korea's Kospi surged 2.2%, led by a 4.3% gain in Samsung after reporting a sharp jump in chip profits. US equity futures also advanced, with Nasdaq 100 futures up 1%, supported by strong earnings from Microsoft, whose cloud business delivered its fastest growth in four years. However, Meta weighed on sentiment after issuing a weaker-than-expected revenue outlook.In fixed income markets, Treasury yields remained volatile following the Federal Reserve's decision to leave interest rates unchanged. The yield curve steepened, with the 30-year Treasury yield briefly reaching its highest level since 2007 as investors reassessed the outlook for inflation and future policy easing. Fed Chair Kevin Warsh indicated that holding rates steady should not be interpreted as inactivity, while the rare dissent by three voting members in favour of a rate hike highlighted ongoing inflation concerns.Commodity markets were mixed. WTI crude oil eased 1.2% to around $83.45 per barrel despite renewed US strikes on Iran, while gold extended gains for a second session, trading near $4,080 per ounce as lower dollar levels and interest-rate uncertainty supported safe-haven demand.Overall, markets remain focused on three key themes: the correction in global semiconductor stocks amid questions over AI-related spending returns, escalating geopolitical tensions in the Middle East, and uncertainty surrounding the path of US monetary policy. Attention now shifts to the Bank of England's policy decision and the Bank of Japan meeting later this week.

The British pound is trading slightly weaker against the US dollar during the Asian session, hovering around the 1.33 area, after failing to extend Wednesday's rally to a weekly high. The pair remains under pressure as the US dollar recovers some ground following the Federal Reserve's latest policy decision. [fxstreet.com]

The Fed left interest rates unchanged as expected, but the decision revealed a divided committee, with three policymakers favouring a rate hike. While the initial market reaction weakened the dollar, investors continue to price in the possibility of further tightening if inflation remains persistent. This, coupled with ongoing geopolitical tensions in the Middle East, has supported renewed demand for the safe-haven US dollar



Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.1467	1.1475	1.1448
GBPUSD	1.3370	1.3376	1.3342
USDJPY	163.41	163.5500	163.21
USDINR	95.58	95.65	95.57
USDCNY	6.7610	6.7622	6.7602
USDCHF	0.8137	0.8156	0.8132
AUDUSD	0.6955	0.6966	0.6948
NZDUSD	0.5796	0.5813	0.5790

Rates

	Last Price	Previous Day Close
O/N SOFR	3.650	3.650
1 month SOFR	3.749	3.749
3 month SOFR	3.843	3.843
6 months SOFR	3.979	3.979
12 month SOFR	4.148	4.148
3 years IRS	4.122	4.115
5 years IRS	4.130	4.122

The yield on 10-year Treasuries was little changed at 4.68%.Japan’s 10-year yield

The euro fell 0.1% to $1.1454.The Japanese yen was little changed at 163.48 per dollar.The offshore yuan was little changed at 6.7614 per dollar

advanced three basis points to 2.775%.Australia's 10-year yield advanced six basis points to 4.97%.

	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

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	7316	-1.516	6.88
Euro Stoxx 600	645	-0.291	8.92
ShanghaiComposite Index	3785	-1.147	-4.64
MSX-30	7281	0.473	24.11
NIFTY-50	24271	0.084	-7.11
Brent Crude ($/bbl)	89.54	-1.311	48.83
Gold ($/oz.)	4056	-0.284	-6.10
DXY	101	0.068	2.68
Silver($/oz.)	57	-0.424	-19.79

Calendar

Key Data Watch	Time (GST)	Expected	Prior
Personal Income	16:30	0.3%	0.7%
PCE Price Index MoM	16:30	-0.1%	0.4%

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