

Bank Dhofar Morning Market Update



Date: 05/08/25

Global Update

Asian stocks advanced as a wave of dip buying combined with growing bets on potential interest-rate cuts. The MSCI Asia Pacific Index rose 0.6%, as South Korean shares gained 1%. Oil steadied after a three-day drop as investors weighed risks to Russian supplies, with US President Donald Trump stepping up his threat to penalize India for buying Moscow’s crude. The Indian rupee weakened 0.2% against the dollar. Treasuries and gold were little changed. In Japan, an auction of 10-year government bonds drew demand that was weaker than the 12-month average. Contracts for the S&P 500 gained 0.1% after the index had its biggest rally since May. Traders are increasingly pricing in interest rate cuts by the Federal Reserve after Friday’s weak jobs report, which dragged down stocks and sent bond prices sharply higher. Equities have rebounded sharply from their April lows, driven by growing optimism that corporate America can absorb the impact from tariffs and the US economy will be able to avoid a recession.

Japanese government bonds are poised to rise, following gains in US Treasuries amid growing expectations of a Federal Reserve rate cut. Investors are also focused on a 10-year JGB auction scheduled for later Tuesday. The chief executive of Mitsubishi UFJ Financial Group Inc. wants the Bank of Japan to raise its policy rate as early as the next meeting, given the outlook for higher inflation in the country. The yen is little changed.



Source: Reuters, Bloomberg

| Currencies | | | | Rates | | |
|------------|--------|----------|--------|--|------------|--------------------|
| | Open | High | Low | | Last Price | Previous Day Close |
| EURUSD | 1.1571 | 1.1588 | 1.1554 | O/N SOFR | 4.340 | 4.390 |
| GBPUSD | 1.3285 | 1.3303 | 1.3276 | 1 month SOFR | 4.351 | 4.351 |
| USDJPY | 147.09 | 147.2600 | 146.62 | 3 month SOFR | 4.321 | 4.321 |
| USDINR | 87.85 | 87.89 | 87.78 | 6 months SOFR | 4.240 | 4.240 |
| USDCNY | 7.1779 | 7.1824 | 7.1764 | 12 month SOFR | 4.061 | 4.061 |
| USDCHF | 0.8081 | 0.8097 | 0.8068 | 3 years IRS | 3.373 | 3.350 |
| AUDUSD | 0.6467 | 0.6480 | 0.6454 | 5 years IRS | 3.393 | 3.378 |
| NZDUSD | 0.5908 | 0.5923 | 0.5891 | S&P 500 futures rose 0.2% as of 12:43 p.m. Tokyo time. Japan's Topix | | |

The Bloomberg Dollar Spot Index was little changed. The euro was little changed at \$1.1561. The Japanese yen was little changed at 147.15 per dollar. The offshore yuan was little changed at 7.1832 per dollar. AUD/USD fell 0.1% to 0.6460 Australia’s household spending came in weaker than expected in June as consumers scaled back outlays on services. West Texas Intermediate crude fell 0.2% to \$66.17 a barrel. Spot gold was little changed.

rose 0.9%. Australia’s S&P/ASX 200 rose 1.2%. Hong Kong’s Hang Seng rose 0.2%. The Shanghai Composite rose 0.5%. Euro Stoxx 50 futures rose 0.1%. The yield on 10-year Treasuries was little changed at 4.20%. Japan’s 10-year yield declined two basis points to 1.480%. Australia’s 10-year yield declined 10 basis points to 4.21%

| | | | | Global Markets | | | |
|---------------------------------|------------|----------|----------------|-------------------------|-------|------------------|---------|
| | | | Current Levels | | Level | 1-Day Change (%) | YTD (%) |
| CBO Repo Rate | | | 5 | | | | |
| O/N OMIBOR | | | 4.25 | S&P 500 | 6330 | 1.474 | 7.62 |
| *Bank Deposit Rates for 1 years | | | 4.25 | Euro Stoxx 600 | 541 | 0.898 | 6.50 |
| | | | | ShanghaiComposite Index | 3602 | 0.525 | 7.47 |
| Bank Deposit Rates for 5 years | | | 4.50 | MSX-30 | 4800 | 0.617 | 4.88 |
| *Amount>500k OMR | | | | NIFTY-50 | 24612 | -0.447 | 4.09 |
| | | | | Brent Crude (\$/bbl) | 68.64 | -0.175 | -5.11 |
| Calendar | | | | Gold (\$/oz.) | 3372 | -0.049 | 28.48 |
| Key Data Watch | Time (GST) | Expected | Prior | DXY | 99 | 0.038 | -8.91 |
| Trade Balance (US) | 16:30 | -71.0b | -61.6b | | | | |
| S&P Global UK Service PMI | 12:30 | 52.9 | 52.8 | Silver(\$/oz.) | 37 | -0.034 | 29.39 |
| | | | | | | | |

For any Treasury related requirement, please contact:
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