Bank Dhofar Morning Market Update

Date: 19/11/26

Global Update

Global equity markets struggled to maintain early gains as investor enthusiasm surrounding Anthropic's record IPO faded amid lingering concerns about the sustainability of the AI-driven market rally. While US equity futures remained positive, Asian technology-heavy markets came under pressure, with Taiwan and South Korea leading declines as major chipmakers such as TSMC, Samsung Electronics, and SK Hynix retreated. Investors remain cautious following recent weakness in Nvidia shares and growing questions about whether AI-related investments will continue expanding or simply rotate among different companies. Meanwhile, copper rebounded modestly after a sharp selloff, reflecting reduced optimism toward AI-linked demand, while gold stabilized after a steep decline triggered by expectations of higher US interest rates.

West Texas Intermediate (WTI), the US crude oil benchmark, is trading around $82.15 during early Asian hours on Thursday, recovering some of its recent losses as escalating Middle East tensions provide support to prices. However, expectations of a global supply surplus continue to limit upside potential. From a technical perspective, WTI maintains a bearish near-term outlook as it remains below both the 100-day moving average (MA) and the Bollinger Bands' 20-day simple moving average (SMA), keeping prices confined to the lower half of the recent volatility range. The 14-day Relative Strength Index (RSI) hovers near 33, indicating oversold conditions that may temper further declines but have yet to signal a meaningful reversal. On the upside, resistance is seen at the 100-day MA around $87.55, followed by the Bollinger midline near $91.60, while the upper Bollinger Band around $106.15 represents a longer-term bullish target if momentum improves. On the downside, initial support is located at the lower Bollinger Band near $77.05, where profit-taking by sellers and fresh buying interest could help stabilize prices.



Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.0975	1.0979	1.0956
GBPUSD	1.3148	1.3153	1.3120
USDJPY	159.35	159.6300	159.28
USDINR	93.45	93.52	93.40

Rates

	Last Price	Previous Day Close
O/N SOFR	3.920	3.930
1 month SOFR	4.002	4.002
3 month SOFR	4.184	4.184
6 months SOFR	4.370	4.370

Internal

USDCNY	6.6671	6.6676	6.6660
USDCHF	0.8434	0.8443	0.8425
AUDUSD	0.6716	0.6724	0.6662
NZDUSD	0.5493	0.5503	0.5483

The US Dollar remained broadly supported, with the Bloomberg Dollar Spot Index edging higher, while the Australian Dollar weakened sharply after disappointing employment data reinforced expectations that the Reserve Bank of Australia has completed its tightening cycle and could begin cutting rates next year. The weak labor market figures erased the Aussie's gains for the year against the US Dollar. Elsewhere, major currency pairs were relatively subdued, with the euro holding near $1.0966, the Japanese yen trading around 159.5 per dollar, and the offshore Chinese yuan remaining stable as investors awaited further economic and policy developments.

12 month SOFR	4.627	4.627
3 years IRS	4.623	4.637
5 years IRS	4.589	4.603

Federal Reserve policymakers maintained a hawkish stance, with minutes from the October FOMC meeting showing that nearly all officials believe further interest rate increases may be necessary in the coming months to bring inflation back to the Fed's 2% target. This reinforced expectations that US monetary policy will remain restrictive for longer, keeping Treasury yields elevated, with the 10-year Treasury yield hovering around 5.06%. In contrast, Australian bond yields declined notably following weak jobs data, strengthening expectations of future RBA rate cuts, while Japanese government bond yields also moved lower amid a broader risk-off tone across markets.

	Current Levels
CBO Repo Rate	4.5
O/N OMIBOR	4
***Bank Deposit Rates for 1 years**	4.45
Bank Deposit Rates for 5 years	4.45

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
Initial Jobless Claims	17:30	198k	200k
Continuing Claims	17:30	1703k	1697k

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	7324	-0.230	6.98
Euro Stoxx 600	644	-1.025	8.76
ShanghaiComposite Index	3572	-0.442	-10.00
MSX-30	7294	-0.844	24.33
NIFTY-50	25258	0.120	-3.33
Brent Crude ($/bbl)	92.03	0.109	52.83
Gold ($/oz.)	3723	-0.061	-13.80
DXY	104	0.060	5.70
Silver($/oz.)	45	0.262	-36.94

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