

# Bank Dhofar Morning Market Update



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## Global Update

Bonds rallied worldwide after Japan indicated it's looking to stabilize its debt market after weeks of selloff. The dollar rebounded. Japan's 20-year bond yield slid 19.5 basis points after Bloomberg News reported the nation's finance ministry asked market participants for their views on the appropriate amount of government debt issuance. Treasuries rallied as lower Japanese yields and less supply will reduce competition for dollar-denominated assets. The yen fell on the report. Equity-index futures for the S&P 500 and Nasdaq 100 jumped 1%, holding their gains from a Monday holiday, as President Donald Trump extended a deadline on aggressive Euro-area tariffs. Contracts for European shares edged lower while Asian shares edged up, erasing losses earlier in the day.

Intraday bias in GBP/USD is turned neutral first with current retreat, and some consolidations could be seen below 1.3592 temporary top. Downside should be contained well above 1.3138 support to bring another rally. On the upside, firm break of 1.3592 will turn bias back to the upside for 100% projection of 1.2706 to 1.3442 from 1.3138 at 1.3874. In the bigger picture, up trend from 1.3051 (2022 low) is in progress. Next medium term target is 61.8% projection of 1.0351 to 1.3433 from 1.2099 at 1.4004. Outlook will now stay bullish as long as 55 W EMA (now at 1.2870) holds, even in case of deep pullback.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1387	1.1407	1.1364	O/N SOFR	4.260	4.260
GBPUSD	1.3564	1.3587	1.3539	1 month SOFR	4.329	4.329
USDJPY	142.85	143.5700	142.12	3 month SOFR	4.330	4.330
USDINR	85.14	85.42	85.14	6 months SOFR	4.271	4.271
USDCNY	7.1818	7.1928	7.1818	12 month SOFR	4.068	4.068
USDCHF	0.8212	0.8227	0.8188	3 years IRS	3.654	3.663
AUDUSD	0.6486	0.6495	0.6461	5 years IRS	3.675	3.691

NZDUSD	0.5999	0.6007	0.5971
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The reversal in the dollar came after a gauge of the currency fell more than 7% this year. Trump’s tariff threats and the risk of a widening US fiscal deficit are showing up most clearly in the dollar, diminishing the appeal of the currency.The euro was little changed at \$1.1389.The Japanese yen fell 0.1% to 143.05 per dollar.The offshore yuan was little changed at 7.1810 per dollar.The British pound was little changed at \$1.3566

Current Levels	
CBO Repo Rate	5
O/N OMIBOR	4.25
*Bank Deposit Rates for 1 years	4.25
Bank Deposit Rates for 5 years	4.50

\*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
Durable Goods Orders	16:30	-7.8%	9.2%
Durables Ex Transportation	16:30	0.0%	0.0%

Japan’s 20-year yield dropped 13.5 basis points to 2.37%, compared with 2.6% on Friday. Thirty- and 40-year rates also snapped back further after reaching their highest levels since inception last week. The yields on 10-year Treasuries fell five basis points. Long-term government bond yields in Australia, New Zealand and elsewhere also fell as investors reacted to the news.Also, Japan’s finance ministry will consider tweaking the composition of its bond program for the fiscal year ending March 2026, Reuters reported citing unidentified people.The yield on 10-year Treasuries declined four basis points to 4.48%.Australia’s 10-year yield declined six basis points to 4.32%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5803	-0.671	-1.34
Euro Stoxx 600	551	0.985	8.45
ShanghaiComposite Index	3341	-0.165	-0.31
MSX-30	4519	0.177	-1.27
NIFTY-50	24886	-0.460	5.25
Brent Crude (\$/bbl)	64.83	0.154	-11.48
Gold (\$/oz.)	3304	-1.203	25.88
		0.251	
DXY	99		-8.58
Silver(\$/oz.)	33	-1.267	14.41

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