Bank Dhofar Morning Market Update

Date: 21/10/25

Global Update

Asian shares MSCI's regional stock gauge topped its record close with benchmarks in Japan and South Korea both at all-time highs. An all-country index was also poised for a new peak and equity-index futures indicated more gains for US benchmarks after Monday's rally. Japanese shares rose amid expectations the pro-stimulus Sanae Takaichi will become the nation's next prime minister.US President Donald Trump signed a landmark pact with visiting Australian Prime Minister Anthony Albanese to boost America's access to rare earths and other critical minerals, an effort to counter China's tight grip on the supply chains of key metals.

The two governments will jointly invest in a swathe of mines and processing projects in Australia to boost production of commodities used in advanced technologies from electric vehicles to semiconductors and fighter planes. The Treasury 10-year yield traded below 4% as falling oil prices eased concern about inflation before Friday's consumer-price data announcement. Brent crude oil hovered close to $60 a barrel, heading for the lowest close since May.

Intraday bias in USD/JPY remains neutral at this point. On the downside, below 149.37 will target 55 D EMA (now at 148.78). Sustained break there will target 145.47 support next. Nevertheless, firm break of 151.38 minor resistance will argue that pullback from 153.26 short term top has completed, and bring retest of this high.In the bigger picture, current development suggests that corrective pattern from 161.94 (2024 high) has completed with three waves at 139.87. Larger up trend from 102.58 (2021 low) could be ready to resume through 161.94 high.

Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.1642	1.1655	1.1632
GBPUSD	1.3405	1.3416	1.3389
USDJPY	150.75	151.2400	150.47
USDINR	87.94	87.97	87.74
USDCNY	7.1201	7.1206	7.1157
USDCHF	0.7924	0.7934	0.7914
AUDUSD	0.6513	0.6525	0.6500

Rates

	Last Price	Previous Day Close
O/N SOFR	4.180	4.180
1 month SOFR	4.024	4.024
3 month SOFR	3.870	3.870
6 months SOFR	3.702	3.702
12 month SOFR	3.468	3.468
3 years IRS	3.187	3.181
5 years IRS	3.238	3.233

NZDUSD	0.5744	0.5752	0.5726

The yen weakened against its major peers as political uncertainty in Japan eased with Sanae Takaichi set to become the nation's next prime minister. A dollar gauge inched up with investors awaiting a possible delayed release of US inflation data later this week.USD/JPY rises back above 151 while EUR/USD consolidates below mid 1.16-1.17. AUD/USD drifts lower toward 0.65 as GBP/USD falls back under 1.34. The offshore yuan was little changed at 7.1187 per dollar.

On inflation data, after a delay caused by the US government shutdown, the Bureau of Labor Statistics is set to release September's consumer price index on Friday. The data, originally slated for Oct. 15, will give Federal Reserve officials a key reading on inflation ahead of their Oct. 30 policy meeting.The yield on 10-year Treasuries was little changed at 3.98%.Japan's 10-year yield declined one basis point to 1.660%.Australia's 10-year yield declined four basis points to 4.11%.

	Current Levels
CBO Repo Rate	4.75
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
Philadelphia Fed Non-Manufacturing Activity	16:30		-12.3

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	6735	1.067	14.51
Euro Stoxx 600	572	1.035	12.70
ShanghaiComposite Index	3910	1.197	16.66
MSX-30	5361	0.662	17.14
NIFTY-50	25843	0.518	9.30
Brent Crude ($/bbl)	60.82	-0.295	-15.29
Gold ($/oz.)	4340	-0.364	65.38
DXY	99	0.150	-8.99
Silver($/oz.)	52	-1.137	79.41

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