

# Bank Dhofar Morning Market Update



Date: 11/06/26

## Global Update

Global equities slipped to a more than one-month low as a technology-led selloff deepened against the backdrop of escalating geopolitical tensions, with renewed US strikes on Iran effectively collapsing ceasefire hopes and pushing Brent crude toward the \$95–96/bbl range, thereby reinforcing inflation concerns and triggering a broad risk-off move across markets; the weakness has been most evident in technology and AI-linked names, where elevated valuations and crowded positioning are now unwinding after a strong rally, with semiconductor and megacap stocks extending declines and dragging global indices lower; at the same time, the macro backdrop has turned more challenging, as stronger-than-expected economic data combined with rising energy prices have revived expectations of a higher-for-longer interest rate environment, with the European Central Bank widely anticipated to deliver a rate hike, contributing to a repricing in global bond markets and adding further pressure on equity valuations; volatility has correspondingly picked up, with the VIX moving higher and reflecting increasing investor uncertainty amid geopolitical risks, tightening financial conditions, and concerns around market concentration and a heavy IPO pipeline; despite the broader cautious tone, US futures have shown some resilience, with Nasdaq futures recovering into positive territory, suggesting selective dip buying and some stabilization in sentiment, although the overall market environment remains fragile and highly sensitive to further developments in the Iran conflict, oil price trajectory, and central bank policy expectations.

USD/JPY continued to consolidate near its recent highs around the 160.50 level — a zone closely associated with Japan’s last major FX intervention — as markets remain positioned for further upside amid diverging monetary policy expectations; the sharp rise in Japan’s factory-gate inflation has strengthened the case for a hawkish shift by the Bank of Japan, with policymakers increasingly concerned about the combined impact of yen weakness and rising import costs, and markets now pricing in a potential rate hike at next week’s meeting, along with growing speculation for follow-up tightening in the later part of the year as traders closely monitor signals from Governor Kazuo Ueda; at the same time, the pair continues to draw support from safe-haven demand for the US dollar, underpinned by escalating geopolitical tensions in the Middle East after Iran’s Islamic Revolutionary Guard Corps claimed drone attacks on US naval assets in Bahrain in response to earlier US strikes, while also warning of further retaliation, thereby sustaining a bid for the dollar and keeping the broader risk environment fragile.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1535	1.1556	1.1526	O/N SOFR	3.600	3.600
GBPUSD	1.3368	1.3392	1.3350	1 month SOFR	3.624	3.624
USDJPY	160.55	160.5600	160.43	3 month SOFR	3.665	3.665
USDINR	95.58	95.67	95.56	6 months SOFR	3.748	3.748
USDCNY	6.7783	6.7786	6.7743	12 month SOFR	3.926	3.926
USDCHF	0.7999	0.8006	0.7980	3 years IRS	3.990	3.996
AUDUSD	0.6999	0.7012	0.6988	5 years IRS	3.992	4.000
NZDUSD	0.5797	0.5818	0.5786			

The euro was little changed at \$1.1544. The Japanese yen was little changed at 160.53 per dollar. The offshore renminbi was little changed at 6.7786 per dollar. The yield on 10-year Treasuries was little changed at 4.55%. Japan’s 10-year yield was unchanged at 2.675%. Australia’s 10-year yield advanced one basis point to 4.90%

160.53 per dollar. The offshore yuan was little changed at 6.7766 per dollar.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.25				
O/N OMIBOR			4	S&P 500	7267	-1.620	6.16
*Bank Deposit Rates for 1 years			4.45	Euro Stoxx 600	618	-0.076	4.39
				Shanghai Composite Index	3964	-0.726	-0.12
Bank Deposit Rates for 5 years			4.00	MSX-30	7651	0.338	30.41
*Amount>500k OMR				NIFTY-50	23140	-0.323	-11.44
				Brent Crude (\$/bbl)	94.51	1.525	57.04
				Gold (\$/oz.)	4081	0.205	-5.53
						0.002	
Initial Jobless Claims			16:30	220k	225k		1.65
Continuing Claims			16:30	1785k	1777k		-10.96
				Silver(\$/oz.)	64	0.710	-10.96

**For any Treasury related requirement, please contact:**

**Telephone: +968 2265 2721/2722/2731/2716**

Disclaimer: Any information contained in this document should not be construed as an offer, invitation, solicitation, or advice of any kind to buy or sell any financial products or services offered by Bank Dhofar S.A.O.G ("Bank Dhofar S.A.O.G"), unless specifically stated so. Foreign exchange and derivative transactions involve numerous risks including among others, market, counterparty default and illiquidity risk. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You may consider asking advice from your advisers in making this assessment. No part of this report/document may be copied or redistributed by any recipient for any purpose without Bank Dhofar S.A.O.G's prior written consent. All information contained in this document has been obtained from official sources believed to be accurate and reliable and Bank Dhofar S.A.O.G makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Opinions, estimates and projections constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinion of Bank Dhofar S.A.O.G and are subject to change without notice.