

Bank Dhofar Morning Market Update



Date: 12/01/25

Global Update

US stock futures fell and the dollar weakened on concern over the Federal Reserve's independence after Chair Jerome Powell said threats of a criminal indictment were a consequence of the central bank's interest-rate policies. Futures on the S&P 500 slipped as much as 0.6% after Powell said the Fed had been served grand jury subpoenas from the Justice Department threatening a criminal indictment over renovations of its headquarters. Gold gained as much as 2% to a record, while the Swiss franc, seen as a haven, strengthened as much as 0.5%. The threat of a criminal indictment by the Trump administration marks an escalation of the president's feud with the Fed over the pace of rate cuts. Trump has long called for aggressive reductions while discussing the possibility of firing Powell. He has also sought to fire another governor at the central bank. Oil held its biggest two-day gain since October, as escalating protests in Iran threatened supply from OPEC's fourth-biggest producer. Brent climbed above \$63 a barrel after jumping almost 6% over Thursday and Friday, while West Texas Intermediate was near \$59. Trump said that the US is closely monitoring the protests in Iran and is mulling potential options as the Islamic Republic faces its third week of nationwide protests, the largest since 2022.

EUR/USD edges higher after registering gains in the previous six successive sessions, trading around 1.1650 during the Asian hours on Monday. The pair appreciates as the US Dollar struggles amid dovish Federal Reserve expectations. Friday's slower-than-expected US jobs growth suggests the US central bank could hold interest rates steady later this month. In the 4-hour chart, EUR/USD trades at 1.1647. The 20-period Simple Moving Average (SMA) slopes lower beneath the 50- and 100-period measures, while the pair trades below all four key averages. The 100-period SMA softens and the 200-period one edges higher but remains above spot, maintaining overhead pressure. The Relative Strength Index (RSI) prints 32 (near oversold), signaling bearish momentum. A descending trend line from 1.1801 caps rebounds, with resistance marked at 1.1712.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1634	1.1671	1.1622	O/N SOFR	3.640	0.000
GBPUSD	1.3402	1.3441	1.3391	1 month SOFR	3.671	3.671
USDJPY	158.06	158.2000	157.52	3 month SOFR	3.652	3.652
USDINR	90.22	90.25	90.20	6 months SOFR	3.592	3.592
USDCNY	6.9758	6.9770	6.9752	12 month SOFR	3.445	3.445

USDCHF	0.8009	0.8018	0.7973
AUDUSD	0.6678	0.6707	0.6676
NZDUSD	0.5724	0.5750	0.5723

EUR/USD rose above mid 1.16-1.17 while AUD/USD advanced to hover near 0.67. GBP/USD gained to hold above 1.34 while USD/JPY rises back above 158.NZD/USD climbs 0.2% to 0.5745.

Current Levels	
CBO Repo Rate	4.5
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
ADP Weekly Employment Change	17:15		
CPI MoM	17:30	0.3%	

3 years IRS	3.379	3.391
5 years IRS	3.492	3.492

US Treasury futures were little changed in Asia after initially gaining on the news about the Fed. The benchmark 10-year yield ended virtually flat on Friday, when US jobs data left expectations for additional Fed rate cuts intact.Australia's 10-year yield advanced one basis point to 4.70%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	6966	0.648	1.76
Euro Stoxx 600	610	0.967	2.95
ShanghaiComposite Index	4151	0.745	4.59
MSX-30	6164	0.616	5.06
NIFTY-50	25587	-0.374	-2.08
Brent Crude (\$/bbl)	63.39	0.079	4.17
Gold (\$/oz.)	4569	1.318	5.78
DXY	99	-0.099	0.73
Silver(\$/oz.)	83	4.484	16.43

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.