

Bank Dhofar Morning Market Update



Date: 02/02/26

Global Update

Gold and silver continued to tumble alongside global equities, as assets that had surged in January faced heavy selling pressure following Friday’s sharp market reversal. Gold dropped as much as 6.3%, briefly slipping below \$4,600 an ounce after nearly reaching \$5,600 last month. Silver fell even more sharply, plunging up to 12% after Friday’s record 26% decline. Asian equity markets recorded their steepest two-day loss since early April, with futures pointing to further weakness in both European and U.S. markets. Technology stocks were hit particularly hard, as concerns over stretched valuations and massive AI-related investments pushed MSCI’s Asian tech index to its biggest fall since November. Risk sentiment deteriorated broadly across asset classes. Bitcoin briefly dipped below \$75,000, while the U.S. dollar held on to Friday’s gains following President Donald Trump’s nomination of Kevin Warsh as the next Federal Reserve Chair. If confirmed by the Senate, the former Fed governor will succeed Jerome Powell when his term ends in May. Warsh, 55, aligned himself with Trump in 2025 by arguing publicly for lower rates, going against his longstanding reputation as an inflation hawk. The US president said Friday he had not asked Warsh to commit to cuts. The MSCI All Country World Index — one of the broadest measures of equity markets — fell 0.4% as the Asian benchmark slid 2%. South Korea’s Kospi — a bellwether for the AI sector — plunged 4%, and Nasdaq 100 Index futures dropped more than 1% amid concerns about high valuations.

EUR/USD edges modestly higher after opening with a downside gap, trading near 1.1840 during Monday’s Asian session. However, the pair remains vulnerable to further downside as the US Dollar finds support following President Donald Trump’s nomination of Kevin Warsh as the next Federal Reserve Chair. EUR/USD trades at 1.1925, with support at 1.1895 in the spotlight. Technical indicators are pointing to a growing bearish momentum. The Moving Average Convergence Divergence (MACD) histogram has slipped below zero and shows expanding red bars, and the Relative Strength Index (RSI) is attempting to break the key 50 level. A confirmation below the mentioned 1.1895 area (January 28, 29 lows) would bring the January 27 low, at 1.1850, to the focus, ahead of the January 23 low near 1.1730.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1856	1.1875	1.1840	O/N SOFR	3.650	0.000
GBPUSD	1.3686	1.3706	1.3662	1 month SOFR	3.669	3.669
USDJPY	154.77	155.5100	154.70	3 month SOFR	3.660	3.660

USDINR	91.81	91.84	91.56	6 months SOFR	3.616	3.616
USDCNY	6.9536	6.9536	6.9489	12 month SOFR	3.491	3.491
USDCHF	0.7724	0.7748	0.7715	3 years IRS	3.373	3.389
AUDUSD	0.6961	0.6975	0.6921	5 years IRS	3.502	3.517
NZDUSD	0.6034	0.6034	0.5993	US 2-year yields are up 1bp to 3.53% while 10-year yields gain 2bps to 4.255%, and 30-year yields ended up 2bps to 4.89%.		

USD/JPY rose in response to Takaichi's weekend clarification of earlier yen comments. AUD/USD had already hit the 0.6921 session low ahead of gold losing over 6% intraday before both pared declines. GBP/USD and EUR/USD both edged higher.

Japan's 10-year yield was unchanged at 2.240%.Australia's 10-year yield was little changed at 4.81%.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.25				
O/N OMIBOR			4	S&P 500	6939	-0.430	1.37
*Bank Deposit Rates for 1 years			3.75	Euro Stoxx 600	611	0.636	3.18
Bank Deposit Rates for 5 years			3.75	ShanghaiComposite Index	4061	-1.395	2.31
*Amount>500k OMR				MSX-30	6247	-1.323	6.47
				NIFTY-50	24867	0.167	-4.83
Calendar				Brent Crude (\$/bbl)	66.02	-4.760	9.14
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	4667	-4.641	8.05
S&P Global US Manufacturing PMI	18:45	52	51.9			0.126	
				DXY	97		-1.23
ISM New Orders	19:00		47.7	Silver(\$/oz.)	77	-9.316	7.81

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.