

Bank Dhofar Morning Market Update



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Global Update

Asian shares gained along with equity-index futures for Europe and the US as optimism grew about tariff discussions with India and Japan and a de-escalation of trade tensions with China. Tesla Inc. shares rose in after hours as Chief Executive Officer Elon Musk said he will step back “significantly” from the Department of Government Efficiency. Trump — frustrated that the central bank hasn’t moved to lower interest rates — posted on social media last week that Powell’s “termination cannot come fast enough! Rebuke of the Fed and comments from officials that Trump was studying whether he could fire Powell had sent the dollar to the lowest level since December 2023. Haven assets such as gold and the Japanese yen sold off Tuesday while Treasuries rallied, led by the far-end of the curve. Investors keen for early insight into whether China and other foreign governments remain eager to keep buying US Treasuries are turning to this week’s slew of bond auctions.

Further rally is expected in GBP/USD as long as 1.3277 support holds. Current rise should extend to retest 1.3433 high. Firm break there will confirm larger up trend resumption and target 100% projection of 1.2099 to 1.3206 from 1.2706 at 1.3813. Nevertheless, considering bearish divergence condition in 4H MACD, break of 1.3277 will indicate short term topping, and turn bias back to the downside for deeper pullback. Rise from 1.2099 could be the second leg. Overall, GBP/USD should target 1.4248 key resistance (2021 high) on break of 1.3433 at a later stage.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1421	1.1429	1.1308	O/N SOFR	4.320	4.310
GBPUSD	1.3332	1.3338	1.3234	1 month SOFR	4.322	4.322
USDJPY	141.57	143.2200	141.49	3 month SOFR	4.279	4.279
USDINR	85.27	85.47	85.27	6 months SOFR	4.128	4.128
USDCNY	7.3033	7.3085	7.2973	12 month SOFR	3.850	3.850
USDCHF	0.8189	0.8287	0.8179	3 years IRS	3.537	3.512
AUDUSD	0.6367	0.6405	0.6349	5 years IRS	3.599	3.600

The euro fell 0.3% to \$1.1386. The Japanese yen fell 0.3% to 142.01 per dollar. The offshore yuan rose 0.2% to 7.2979 per dollar. GBP/USD eased

US Treasury Secretary Scott Bessent said that the tariff standoff with China cannot be sustained and that the two countries will have to find ways

0.3% to 1.3382.
USD/CNH slipped 0.2% 7.3001.AUD/USD gained 0.5% to 0.6397 on exporter buying and cross flows, according to a trader.

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
MBA Mortgage Applications	15:00		-8.5%
S&P Global US Manufacturing PMI	17:45	49	50.2

to de-escalate in the very near future.US 2-year yields are steady at 3.82% while 10-year yields fall 6bps to 4.35%. In Tuesday’s US trading session, 2-year yields ended up 5bps, while 10-year yields edged down 1bp.Australia’s 10-year yield was little changed at 4.25%.

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5288	2.512	-10.10
Euro Stoxx 600	508	0.255	0.02
ShanghaiComposite Index	3305	0.160	-1.39
MSX-30	4291	-0.049	-6.24
NIFTY-50	24188	0.085	2.30
Brent Crude (\$/bbl)	68.11	1.008	-7.40
Gold (\$/oz.)	3319	-1.816	26.47
		0.397	
DXY	99		-8.46
Silver(\$/oz.)	33	0.553	13.10

For any Treasury related requirement, please contact:
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