

Bank Dhofar Morning Market Update



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Global Update

Asian stocks rose to an all-time high, led by Japanese equities, after a pro-stimulus lawmaker emerged as the country's next leader. MSCI's regional stock gauge advanced for a sixth consecutive day, while the Nikkei 225 index jumped 4.8% to an all-time high as Sanae Takaichi was in line to become the country's next prime minister. While the US government shutdown meant the crucial nonfarm payrolls data didn't get published, swap traders are confident the Federal Reserve will execute another quarter-point interest-rate cut in October. Back in Japan, Takaichi is set to become Japan's first female prime minister after winning the Liberal Democratic Party leadership contest during the weekend. Gold rose above \$3,900 an ounce to yet another record, extending a rally that's been a feature of commodity markets all year. Bitcoin also set another all-time high over the weekend. Oil advanced after OPEC+ agreed Sunday to revive just 137,000 barrels a day of halted supply — a slower pace than earlier this year.

EUR/USD's stayed in range above 1.1644 last week and outlook is unchanged. Further fall is in favor as long as 1.1819 resistance holds. Break of 1.1644 and sustained trading below 55 D EMA (now at 1.1675) will indicate medium term topping at 1.1917, on bearish divergence condition in D MACD. Further fall should then be seen to 1.1390 support. Nevertheless, break of 1.1819 will retain near term bullishness and bring retest of 1.1917 high instead. For now, further rally will remain in favor as long as 1.1390 support holds, and firm break of 1.2000 psychological level will carry larger bullish implications.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1724	1.1731	1.1707	O/N SOFR	4.200	4.200
GBPUSD	1.3430	1.3458	1.3423	1 month SOFR	4.102	4.102
USDJPY	149.11	150.2500	149.05	3 month SOFR	3.935	3.935
USDINR	88.74	88.78	88.74	6 months SOFR	3.788	3.788
USDCNY	7.1200	7.1272	7.1184	12 month SOFR	3.583	3.583
USDCHF	0.7963	0.7978	0.7954	3 years IRS	3.322	3.312
AUDUSD	0.6605	0.6613	0.6582	5 years IRS	3.376	3.361
NZDUSD	0.5815	0.5840	0.5809	Longer-maturity Japanese bonds slid the most in months, with the 40-year yield surging 14 basis points, on concern a government led by Takaichi may sell more debt to finance tax cuts and stimulate the economy. US Treasuries also fell along with bond futures for		

USD/JPY topped 150 as the pair's surge extends on expectations Japan's new leader will push for fiscal stimulus and a lack of monetary tightening. EUR/USD drifts lower but holds above

1.17.AUD/USD edges higher to hold above 0.66. GBP/USD falls toward 1.34.

Australia.US 2-year yields steady at 3.58% while 10-year yields gain 3bps to 4.15%. In Friday’s US trading session 2-and 10-year yields rose 4bps.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.75				
O/N OMIBOR			4	S&P 500	6716	0.007	14.18
*Bank Deposit Rates for 1 years			4.00	Euro Stoxx 600	570	0.502	12.38
				ShanghaiComposite Index	3883	0.524	15.84
Bank Deposit Rates for 5 years			4.00	MSX-30	5211	0.623	13.86
*Amount>500k OMR				NIFTY-50	24942	0.191	5.48
Calendar				Brent Crude (\$/bbl)	65.52	1.550	-8.75
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3934	1.234	49.91
Trade Balance	16:30	-\$61.0b	-\$78.3b	DXY	98	0.353	-9.60
Exports MoM	16:30		0.3%	Silver(\$/oz.)	49	1.156	68.00

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