

Bank Dhofar Morning Market Update



Date: 03/12/25

Global Update

Asian stocks traded within tight ranges on Wednesday, mirroring similar moves on Wall Street as investors remained cautious ahead of a slew of US economic data. MSCI Inc.'s gauge of regional shares pared gains after rising 0.3% earlier. Futures on the S&P 500 and Nasdaq 100 indexes were higher by 0.2% each after the US benchmark capped its sixth advance in seven trading days on Tuesday. The muted moves in equities highlighted that sentiment remains fragile ahead of this month's rate decisions by the Federal Reserve and the Bank of Japan. The US is due to release ADP's report on private sector employment for November as well as the import price index and industrial production data for September later on Wednesday. While the regional benchmark languished, shares of Asian tech and semiconductor firms tracked US peers higher as Marvell Technology Inc.'s post-earnings comments around data center revenue outlook added fresh optimism to the AI trade. India's currency weakened as delays in finalizing a crucial trade deal with the US continue to hurt sentiment. The lack of forceful intervention by the central bank in recent weeks and foreign outflows from stocks contributed to the losses, according to analysts.

GBP/USD cycled around the 1.3200 level on Tuesday as pound traders keep their heads down during the long wait for further signs of interest rate cuts from both the Federal Reserve and the Bank of England heading into the final weeks of 2025. The overnight sustained close above the 1.3200 mark favors the GBP/USD bulls amid positive oscillators on the daily chart. The said handle might now offer immediate support to spot prices. Any further weakness is more likely to attract fresh buyers near the 1.3145 region and find decent support near the 1.3100 mark. A convincing break below the latter, however, would negate the positive bias and expose the 1.3040-1.3035 support. The pair could eventually drop to test the 1.3000 psychological mark, or the lowest level since April, touched earlier this month.



Source: Reuters, Bloomberg

| Currencies | | | | Rates | | |
|------------|--------|----------|--------|--|------------|--------------------|
| | Open | High | Low | | Last Price | Previous Day Close |
| EURUSD | 1.1600 | 1.1635 | 1.1590 | O/N SOFR | 4.050 | 0.000 |
| GBPUSD | 1.3231 | 1.3250 | 1.3206 | 1 month SOFR | 3.864 | 3.864 |
| USDJPY | 156.24 | 156.2400 | 155.00 | 3 month SOFR | 3.787 | 3.787 |
| USDINR | 89.43 | 89.78 | 89.43 | 6 months SOFR | 3.704 | 3.704 |
| USDCNY | 7.0721 | 7.0757 | 7.0715 | 12 month SOFR | 3.511 | 3.511 |
| USDCHF | 0.8039 | 0.8047 | 0.8019 | 3 years IRS | 3.252 | 3.250 |
| AUDUSD | 0.6549 | 0.6557 | 0.6531 | 5 years IRS | 3.314 | 3.306 |
| NZDUSD | 0.5729 | 0.5745 | 0.5718 | The muted moves in equities highlighted that sentiment remains fragile | | |

AUD/USD rises 0.2% after initially falling by same amount following the release of the GDP data. Australia's gross domestic product advanced 0.4% in the three months through September, slower than the predicted 0.7%, government data showed Wednesday. USD/JPY drifts lower as it consolidates below 156. EUR/USD rises toward mid 1.16-1.17. while GBP/USD advances to hold above 1.32.

ahead of this month's rate decisions by the Federal Reserve and the Bank of Japan. The US is due to release ADP's report on private sector employment for November as well as the import price index and industrial production data for September later on Wednesday. The long-delayed release of the September PCE index — the Fed's preferred inflation gauge — is due Friday. The yield on 10-year Treasuries declined one basis point to 4.08%. Australia's 10-year yield advanced three basis points to 4.65%.

| | | | | Global Markets | | | |
|---------------------------------|------------|----------|----------------|-------------------------|-------|------------------|---------|
| | | | Current Levels | | Level | 1-Day Change (%) | YTD (%) |
| CBO Repo Rate | | | 4.5 | | | | |
| O/N OMIBOR | | | 4 | S&P 500 | 6849 | 0.535 | 16.45 |
| *Bank Deposit Rates for 1 years | | | 4.00 | Euro Stoxx 600 | 573 | -0.553 | 12.93 |
| | | | | ShanghaiComposite Index | 3914 | 0.653 | 16.77 |
| Bank Deposit Rates for 5 years | | | 4.00 | MSX-30 | 5710 | 0.082 | 24.77 |
| *Amount>500k OMR | | | | NIFTY-50 | 26176 | -0.104 | 10.70 |
| Calendar | | | | Brent Crude (\$/bbl) | 63.08 | 1.138 | -11.50 |
| Key Data Watch | Time (GST) | Expected | Prior | Gold (\$/oz.) | 4253 | 0.314 | 62.04 |
| MBA Mortgage Applications | 16:00 | | 0.2% | DXY | 99 | -0.273 | -8.57 |
| ADP Employment Change | 17:15 | 10k | 42k | Silver(\$/oz.) | 57 | 1.581 | 98.58 |
| | | | | | | | |

| Calendar | | | |
|---------------------------|------------|----------|-------|
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