

# Bank Dhofar Morning Market Update



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## Global Update

The dollar weakened and investors sought traditional safe-haven assets after President Donald Trump moved to oust Federal Reserve Governor Lisa Cook, stoking concerns over the central bank’s independence. A gauge of the dollar retreated 0.3% before paring losses as Trump posted on his Truth Social account that Cook will be removed effective immediately. Gold, which rose as much as 0.6%, trimmed its gains after Cook said she won’t resign, the Washington Post reported. The yen and the Swiss franc also made similar moves. Asian stocks fell 0.7%. Futures for the S&P 500 dipped 0.1%. The Treasury curve steepened, with a drop in two-year yields reflecting growing speculation of a Fed interest-rate cut as soon as next month, while 30-year yields climbed on concern looser monetary policy would risk fueling inflation. French bond futures opened lower in Asia trading. Trump’s move adds to the negative sentiment toward US assets, after his tariff war and widening deficit revived a “Sell America” theme earlier this year and Wall Street questioned US exceptionalism. Traders have been seeking alternatives to the dollar, the world’s reserve currency, and Treasuries, and any perception of eroding Fed independence could accelerate that shift. Japanese government bonds are expected to advance, as the recent rise in yields driven by expectations of interest-rate hike by the Bank of Japan has paused. Demand remains focused at current yield levels. The yen held steady against the dollar after weakening overnight.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1618	1.1660	1.1610	O/N SOFR	4.360	4.320
GBPUSD	1.3455	1.3490	1.3448	1 month SOFR	4.331	4.331
USDJPY	147.79	147.8800	146.99	3 month SOFR	4.223	4.223
USDINR	87.73	87.81	87.69	6 months SOFR	4.085	4.085
USDCNY	7.1556	7.1566	7.1525	12 month SOFR	3.861	3.861
USDCHF	0.8060	0.8067	0.8028	3 years IRS	3.375	3.382
AUDUSD	0.6482	0.6494	0.6471	5 years IRS	3.427	3.424
NZDUSD	0.5848	0.5866	0.5829	S&P 500 futures fell 0.1% as of 12:26 p.m. Tokyo time. Japan’s Topix fell		

The Bloomberg Dollar Spot Index was little changed. The euro was little changed at \$1.1629. The Japanese yen was little changed at 147.68 per dollar. The offshore yuan was little changed at 7.1561 per dollar. Bitcoin rose 0.3% to \$109,910.86. Ether rose 1.2% to \$4,406.15. West Texas Intermediate crude fell 0.5% to \$64.49 a barrel. Spot gold rose 0.2% to \$3,372.63 an ounce.

1%. Australia’s S&P/ASX 200 fell 0.4%. Hong Kong’s Hang Seng fell 0.1%. The Shanghai Composite rose 0.1%. Euro Stoxx 50 futures fell 0.6%. The yield on 10-year Treasuries advanced two basis points to 4.29%. Japan’s 10-year yield was unchanged at 1.615%. Australia’s 10-year yield advanced two basis points to 4.30%.

				Global Markets			
Current Levels					Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.285	S&P 500	6439	-0.427	9.48
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	559	-0.442	10.09
				ShanghaiComposite Index	3888	0.114	16.00
Bank Deposit Rates for 5 years			3.93	MSX-30	5010	0.105	9.47
*Amount>500k OMR				NIFTY-50	24805	-0.653	4.91
Calendar				Brent Crude (\$/bbl)	68.47	-0.465	-5.34
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3379	0.383	28.74
Durable Goods Orders (US)	16:30	-9.3%	9.3%	DXY	98	-0.045	-9.31
Durable EX Transportation (US)	16:30	0.2%	0.2%	Silver(\$/oz.)	39	0.712	34.42

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