Bank Dhofar Morning Market Update

Date: 27/10/25

Global Update

The rally in global equities found new momentum on signs the US and China were closing in on a trade deal, triggering gains in copper and oil.MSCI's index for global stocks climbed 0.3% to an all-time high, helped by records for Japan, South Korea and a gauge of Asian shares. Futures for the S&P 500 and the Nasdaq 100 advanced after both underlying indexes closed at a new peak last week.Copper surged, as did oil, with the potential US-China deal bolstering the demand outlook.The Australian and New Zealand dollars, popular proxies for China exposure, strengthened. As risk appetite strengthened, the yield on the 10-year Treasury rose two basis points to 4.03%. Gold dropped about 1% to $4,075 an ounce.
Soybeans rallied on hopes for a revival in bilateral trade of the crop.Trade negotiators from China and the US announced Sunday that they'd struck a slew of agreements on issues spanning tariffs, shipping fees, fentanyl and export controls over two days in Malaysia. That marked a significant cooling of tensions, after a fresh volley of tariff threats and tit-for-tat export controls threatened to derail the bilateral relationship.
EUR/USD stayed in sideway trading above 1.1540 last week and outlook is unchanged. Initial bias remains neutral this week and further decline is expected with 1.1727 resistance intact. Break of 1.1540 will resume the decline from 1.1917 and target 1.1390 support, or even further to 38.2% retracement of 1.0176 to 1.1917 at 1.1252. On the upside, though, break of 1.1727 resistance will turn bias back to the upside for 1.1778, and then retest of 1.1917 high instead.

Source: Reuters, Bloomberg

Currencies	Open	High	Low
EURUSD	1.1627	1.1648	1.1618
GBPUSD	1.3315	1.3336	1.3312
USDJPY	153.01	153.1800	152.66
USDINR	87.87	87.99	87.86
USDCNY	7.1086	7.1136	7.1086

Rates	Last Price	Previous Day Close
O/N SOFR	4.240	4.240
1 month SOFR	3.986	3.986
3 month SOFR	3.859	3.859
6 months SOFR	3.701	3.701
12 month SOFR	3.479	3.479

USDCHF	0.7976	0.7978	0.7945
AUDUSD	0.6512	0.6547	0.6511
NZDUSD	0.5755	0.5788	0.5749

The euro was little changed at $1.1630.The Japanese yen was little changed at 153.00 per dollar.The offshore yuan rose 0.2% to 7.1136 per dollar.AUD/USD gains as much as 0.5% to approach mid 0.65-0.66 while NZD/USD rises 0.2% but remains below 0.58. GBP/USD drifts higher to hold above 1.33.

3 years IRS	3.249	3.221
5 years IRS	3.316	3.285

The Fed is forecast to cut rates by 25 basis points. On Friday, Wall Street saw a relief rally as cooler-than-estimated inflation data reinforced trader conviction on rate cuts. The slowest pace in three months for underlying inflation was welcomed by traders, who've been flying almost blind amid the dearth of data since the start of the government shutdown. The ECB and BOJ are expected to leave rates unchanged.The yield on 10-year Treasuries advanced two basis points to 4.02%.Japan's 10-year yield advanced one basis point to 1.665%
Australia's 10-year yield advanced three basis points to 4.17%

	Current Levels
CBO Repo Rate	4.75
O/N OMIBOR	4
***Bank Deposit Rates for 1 years**	4.00
Bank Deposit Rates for 5 years	4.00

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
Durable Goods Orders	16:30	0.2%	
Durables Ex Transportation	16:30	0.2%	

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	6792	0.790	15.47
Euro Stoxx 600	576	0.231	13.42
ShanghaiComposite Index	3991	1.039	19.08
MSX-30	5396	0.474	17.90
NIFTY-50	25951	0.606	9.76
Brent Crude ($/bbl)	66.05	0.182	-8.01
Gold ($/oz.)	4065	-1.180	54.87
DXY	99	0.030	-8.76
Silver($/oz.)	48	-1.363	65.96

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