

Bank Dhofar Morning Market Update



Date: 20/10/25

Global Update

Asian equities traded above their record closing high as signs of easing trade frictions helped boost sentiment after recent volatility tied to concerns about US regional banks. MSCI's regional stock gauge jumped 1.7% and futures indicated gains in the US and Europe. Japanese shares rallied almost 3% and the yen pared its declines on expectations the pro-stimulus Sanae Takaichi will be elected as Japan's next prime minister. Chinese equities gained as investors looked past data that showed economic growth slowed to the weakest pace in a year. Market sentiment improved as President Donald Trump sought to ease trade tensions with China after markets were rattled on Friday by US bank-credit woes. A new round of US-China trade talks is set for this week with Treasury Secretary Scott Bessent and Vice Premier He Lifeng facing the task of negotiating down new escalatory measures. In China, political leaders will begin gathering in Beijing for a four-day meeting, known as its Fourth Plenum, with traders watching for fresh measures to extend China's strongest equity rally in eight years and shore up the yuan.

EUR/USD's rebound from 1.1540 extended higher last week but upside is capped well below 1.1778 resistance. Initial bias remains neutral this week and further fall is expected. 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, through, break of 1.1778 will target a retest on 1.1917 high instead.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1658	1.1674	1.1652	O/N SOFR	4.300	4.300
GBPUSD	1.3422	1.3443	1.3409	1 month SOFR	4.024	4.024
USDJPY	150.43	151.2000	150.38	3 month SOFR	3.870	3.870
USDINR	87.94	87.97	87.82	6 months SOFR	3.702	3.702
USDCNY	7.1252	7.1273	7.1234	12 month SOFR	3.468	3.468
USDCHF	0.7914	0.7942	0.7914	3 years IRS	3.198	3.189
AUDUSD	0.6483	0.6515	0.6475	5 years IRS	3.258	3.251
NZDUSD	0.5732	0.5743	0.5721	A rally in Treasuries driven by concerns around US regional bank credit		

The yen is likely to weaken as LDP leader Sanae Takaichi moves closer toward becoming Japan’s first female prime minister. USD/JPY rose 0.2% to 150.85 after touching 151.20 intraday.The euro rose 0.1% to \$1.1668.The offshore yuan was little changed at 7.1250 per dollar. AUD/USD rose 0.2% to 0.6500.NZD/USD up 0.2% to 0.5738.

exposures and resurgent trade tensions stalled as lender shares stabilized.US Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng are expected to meet this week after recent escalations in trade restrictions.The yield on 10-year Treasuries was little changed at 4.02%.Japan’s 10-year yield advanced 3.5 basis points to 1.655%.Australia’s 10-year yield advanced five basis points to 4.15%

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.75				
O/N OMIBOR			4	S&P 500	6664	0.527	13.30
*Bank Deposit Rates for 1 years			4.00	Euro Stoxx 600	566	-0.948	11.55
				ShanghaiComposite Index	3866	0.686	15.35
Bank Deposit Rates for 5 years			4.00	MSX-30	5326	0.679	16.37
*Amount>500k OMR				NIFTY-50	25846	0.530	9.31
Calendar				Brent Crude (\$/bbl)	61.08	-0.326	-14.93
				Gold (\$/oz.)	4267	0.364	62.59
Key Data Watch	Time (GST)	Expected	Prior			-0.003	
PPI MoM (ES)	9:00		1.6%	DXY	98		-9.27
PPI YoY (ES)	9:00		-1.6%	Silver(\$/oz.)	52	0.387	80.34
For any Treasury related requirement, please contact: Telephone: +968 2265 2721/2722/2731/2716							

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