

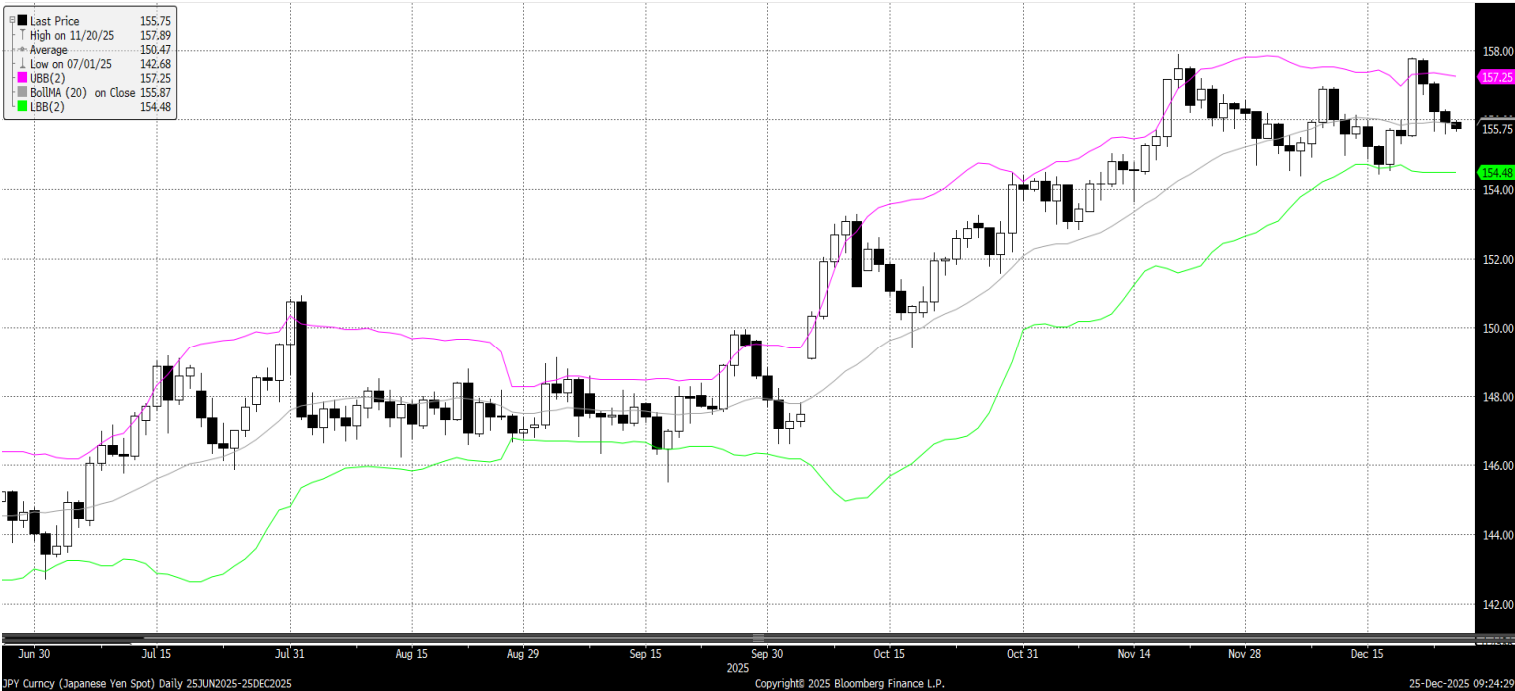
Bank Dhofar Morning Market Update



Date: 25/12/25

Global Update

A relatively quiet session on Wall Street before Christmas saw stocks hitting all-time highs, with more signs the jobs market is not quickly deteriorating supporting bets on a soft economic landing. Investors hoping for a “Santa Claus Rally” — which typically encompasses the last five trading days of the year and the first two of the new one — saw the S&P 500 rising in a shortened session ahead of the holiday. Treasury yields edged lower. The dollar barely budged. Stocks hit record. The subdued action contrasts with the extreme turbulence driven by the tariff storm earlier in the year that put the equity benchmark on the brink of a bear market. Since then, stocks have surged, with every dip being bought at a record pace and the fear of missing out dominating sentiment. While the impressive rally briefly stalled as exuberance over artificial intelligence was questioned in the final stretch of the year, bets the Federal Reserve will have further room to cut rates in 2026 kept fueling optimism over Corporate America’s profits. USD/JPY down 0.1% to 155.73. Short-end Japanese government bonds fell after an auction of two-year debt drew tepid demand due to rising rate hike risks. The yen held gains against the dollar amid thin holiday trading. JGB futures erased earlier gains to trade at 132.73, while 2-year JGB yield rose 1 bp to 1.11%. Bank of Japan Governor Kazuo Ueda said in a speech on Thursday that the achievement of the 2% stable inflation target is “steadily approaching,” and the nation’s real rate is at significantly low level. BOJ should take a cautious approach to raising interest rates while the government pulls out all the stops to energize the economy, former board member Yutaka Harada said in an interview



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1779	1.1785	1.1772	O/N SOFR	3.660	0.000
GBPUSD	1.3505	1.3524	1.3495	1 month SOFR	3.732	3.732
USDJPY	155.93	155.9700	155.65	3 month SOFR	3.689	3.689
USDINR	89.55	89.83	89.52	6 months SOFR	3.604	3.604

USDCNY	7.0140	7.0153	7.0059
USDCHF	0.7886	0.7887	0.7868
AUDUSD	0.6709	0.6715	0.6700
NZDUSD	0.5836	0.5848	0.5835

The Bloomberg Dollar Spot Index fell 0.1%. The euro fell 0.1% to \$1.1778. The British pound fell 0.1% to \$1.3500. The Japanese yen rose 0.2% to 155.96 per dollar. Bitcoin fell 0.1% to \$87,565.85. Ether fell 1% to \$2,942.88. West Texas Intermediate crude was little changed. Spot gold fell 0.1% to \$4,479.42 an ounce

12 month SOFR	3.448	3.448
3 years IRS	3.348	3.348
5 years IRS	3.452	3.452

The S&P 500 rose 0.3%. The Nasdaq 100 rose 0.3%. The Dow Jones Industrial Average rose 0.6%. The MSCI World Index rose 0.2%. Bloomberg Magnificent 7 Total Return Index rose 0.1%. The Russell 2000 Index rose 0.3%. The yield on 10-year Treasuries declined three basis points to 4.13%. Germany’s 10-year yield was little changed at 2.86%. Britain’s 10-year yield was little changed at 4.51%. The yield on 2-year Treasuries declined three basis points to 3.50%. The yield on 30-year Treasuries declined three basis points to 4.79%.

		Global Markets			
Current Levels			Level	1-Day Change (%)	YTD (%)
CBO Repo Rate	4.5				
O/N OMIBOR	4	S&P 500	6932	0.322	17.86
*Bank Deposit Rates for 1 years	4.00	Euro Stoxx 600	589	-0.005	15.97
		ShanghaiComposite Index	3955	0.362	18.00
Bank Deposit Rates for 5 years	4.00	MSX-30	5945	-0.050	29.90

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
Housing Starts YoY (JPN)	9:00	0.6%	3.2%
Gold and Forex Reserve (RU)	17:00	--	\$741.5b

For any Treasury related requirement, please contact:
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