

Bank Dhofar Morning Market Update



Date: 17/03/26

Global Update

Asian equities gained momentum as Nvidia's strong AI outlook boosted market sentiment, while traders monitored shipping activity through the crucial Strait of Hormuz. Crude oil climbed 2.9%. The MSCI Asia Pacific Index rose 1.2%, led by technology giants including Samsung Electronics and Taiwan Semiconductor Manufacturing Co. South Korea's benchmark — often viewed as an AI bellwether — advanced 2.5%. Nvidia's projection of generating at least \$1 trillion in AI-chip revenue through 2027 has renewed investor interest in Asian tech firms, which are seen as key suppliers in the AI supply-chain buildout and less vulnerable to Middle East tensions. The sector has rebounded from April's declines following President Donald Trump's tariff announcement, supported by expectations that heavy AI investments will deliver substantial returns. Meanwhile, oil markets remained in focus. Brent crude rebounded to around \$103 a barrel after Iran escalated attacks on energy infrastructure in the Persian Gulf, reversing Monday's 2.8% drop. U.S. equity futures edged lower, signaling that Monday's optimism may be waning amid rising geopolitical risks.

USD/JPY extended its move above 159.00 during Tuesday's Asian session, holding onto gains after Monday's brief pullback from the 159.75 region. The Yen remains under pressure amid uncertainty surrounding the economic fallout from the Iran conflict and concerns that potential disruptions to oil supply could revive inflation and heighten stagflation risks. Still, fears of possible currency intervention are likely to cap sharp JPY depreciation as markets await key policy decisions from the FOMC on Wednesday and the Bank of Japan on Thursday. From a technical standpoint, USD/JPY maintains a mildly bullish short-term tone following its sustained break above the week-long range resistance near 158.00. The MACD histogram has inched into positive territory, while the MACD line hovers just above the signal line around the zero level—pointing to improving, though still measured, upside momentum. Meanwhile, the RSI near 64 remains below the overbought threshold, suggesting that buyers are still in control without signs of immediate fatigue.



Source: Reuters, Bloomberg

| Currencies | | | | Rates | | |
|------------|--------|----------|--------|---------------|------------|--------------------|
| | Open | High | Low | | Last Price | Previous Day Close |
| EURUSD | 1.1505 | 1.1510 | 1.1487 | O/N SOFR | 3.650 | 3.650 |
| GBPUSD | 1.3320 | 1.3321 | 1.3296 | 1 month SOFR | 3.678 | 3.678 |
| USDJPY | 159.07 | 159.4500 | 159.02 | 3 month SOFR | 3.683 | 3.683 |
| USDINR | 92.39 | 92.44 | 92.39 | 6 months SOFR | 3.664 | 3.664 |
| USDCNY | 6.8861 | 6.8879 | 6.8818 | 12 month SOFR | 3.623 | 3.623 |
| USDCHF | 0.7877 | 0.7891 | 0.7870 | 3 years IRS | 3.457 | 3.445 |
| AUDUSD | 0.7072 | 0.7094 | 0.7049 | 5 years IRS | 3.502 | 3.489 |
| NZDUSD | 0.5861 | 0.5861 | 0.5841 | | | |

The dollar fell on Monday amid improving risk appetite as the price of crude oil fell on hopes that more tankers will be able to traverse the Strait of Hormuz. The yen strengthened against the dollar as strategists watched the pair for any potential intervention. The euro fell 0.1% to \$1.1490. The offshore yuan was

The yield on 10-year Treasuries advanced two basis points to 4.24%. Japan's 10-year yield was unchanged at 2.265%. Australia's 10-year yield declined seven basis points to 4.93%.

| | | | | Global Markets | | | |
|---------------------------------|------------|----------|----------------|--------------------------|------------------|---------|--------|
| | | | Current Levels | Level | 1-Day Change (%) | YTD (%) | |
| CBO Repo Rate | | | 4.25 | S&P 500 | 6699 | 1.013 | -2.13 |
| O/N OMIBOR | | | 4 | Euro Stoxx 600 | 598 | 0.440 | 1.06 |
| *Bank Deposit Rates for 1 years | | | 3.75 | Shanghai Composite Index | 4083 | -0.043 | 2.88 |
| Bank Deposit Rates for 5 years | | | 3.90 | MSX-30 | 7652 | -0.683 | 30.43 |
| *Amount > 500k OMR | | | | NIFTY-50 | 23477 | 0.292 | -10.15 |
| Calendar | | | | Brent Crude (\$/bbl) | 102.88 | 2.684 | 70.59 |
| Key Data Watch | Time (GST) | Expected | Prior | Gold (\$/oz.) | 5034 | 0.551 | 16.54 |
| ADP Weekly Employment Change | 16:15 | | 15.5 | DXY | 100 | 0.221 | 1.64 |
| Pending Home Sales MoM | 18:00 | -0.6% | -0.8% | Silver (\$/oz.) | 82 | 1.812 | 14.76 |

For any Treasury related requirement, please contact:

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