

Bank Dhofar Morning Market Update

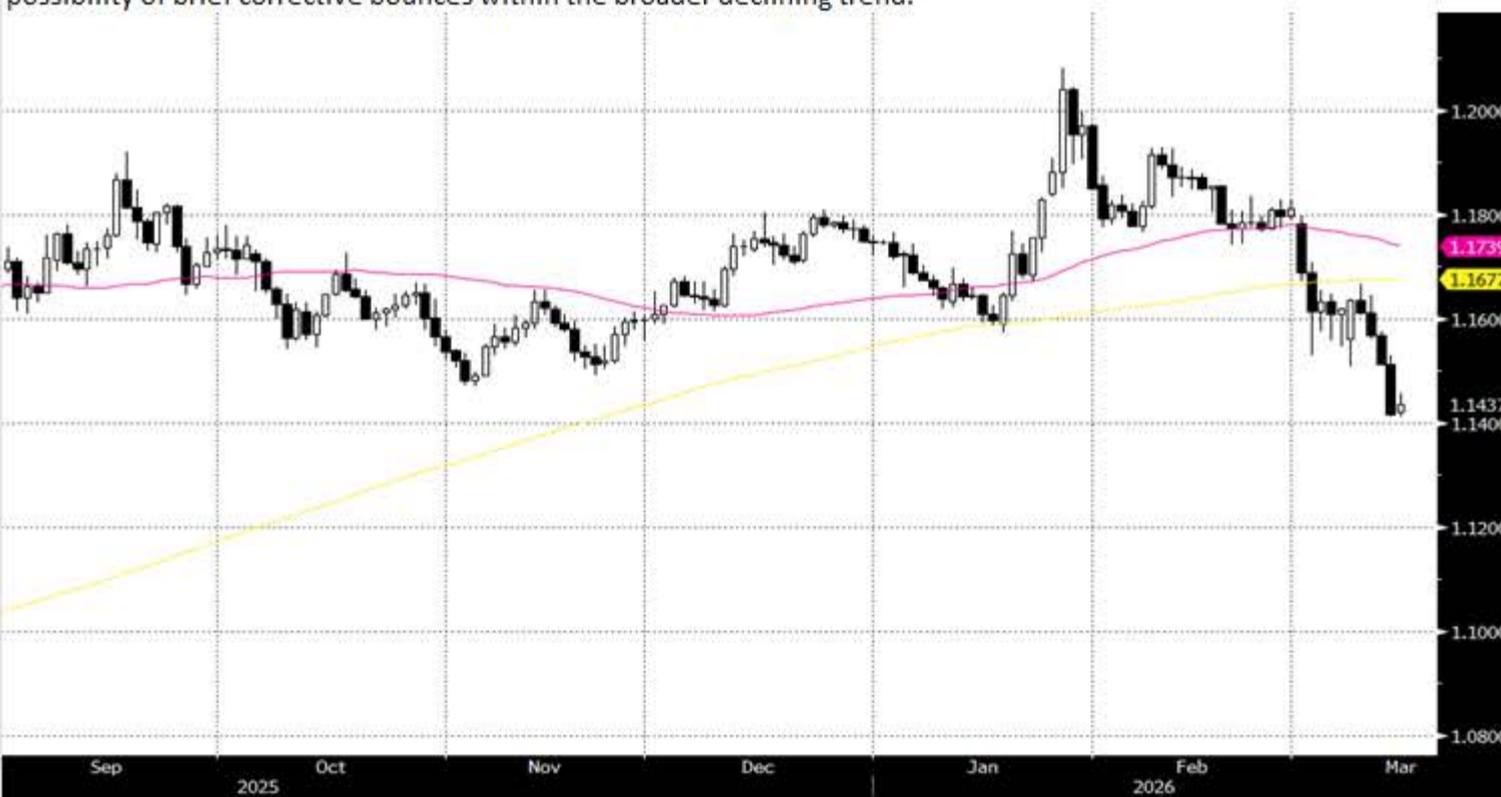


Date: 16/03/26

Global Update

Equity markets steadied while crude oil retreated from its earlier spike after President Donald Trump urged countries to support efforts to reopen the Strait of Hormuz and noted that the US was engaging in talks with Iran. Futures on the S&P 500 rose 0.5%, following four consecutive days of losses in the underlying index. Iran, however, stated it had not requested negotiations or a ceasefire. The MSCI All Country World Index, the broadest global equity benchmark, was largely unchanged after three days of declines, while Asian stocks slipped 0.1%. Sentiment also improved as the US dollar weakened, with Bloomberg's gauge of the currency falling 0.2%. The dollar, which had become a preferred safe haven during the Middle East conflict, slipped against nearly all major currencies. Brent crude traded near \$104 a barrel, pulling back from an earlier high of \$106.50 following US strikes on military facilities on Kharg Island, the key export terminal for Iranian oil. West Texas Intermediate fell back below \$100 a barrel. The US strike on Kharg Island threatened to add new volatility to energy markets already experiencing some of the sharpest oil price fluctuations in decades. The surge in crude prices since the conflict began has spilled over into broader financial markets—driving Treasury yields higher on inflation concerns, strengthening the US dollar, and putting pressure on global equities. Gold fell for a fourth day to trade around \$5,000 an ounce.

The EUR/USD pair is attempting to recover, trading back toward 1.1450 during Monday's Asian session. However, further upside may be limited as rising tensions in the Middle East continue to support safe-haven demand for the US Dollar over the Euro. On the 4-hour chart, the pair trades around 1.1470. The near-term outlook has turned bearish, with EUR/USD slipping below the clustered 20- and 50-period moving averages. Meanwhile, the 100- and 200-period moving averages positioned near 1.17 highlight a broader downside bias. Price action remains aligned with the lower Bollinger Band, signaling ongoing selling pressure and constrained downside volatility rather than conditions for an immediate oversold rebound. The RSI at 29.99 has dipped into oversold territory, reinforcing the bearish setup while also suggesting the possibility of brief corrective bounces within the broader declining trend.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1560	1.1565	1.1507	O/N SOFR	3.660	3.660
GBPUSD	1.3349	1.3376	1.3283	1 month SOFR	3.667	3.667
USDJPY	158.00	158.9000	157.91	3 month SOFR	3.669	3.669
USDINR	92.21	92.35	92.18	6 months SOFR	3.641	3.641
USDCNY	6.9284	6.9284	6.9146	12 month SOFR	3.551	3.551
USDCHF	0.7791	0.7826	0.7785	3 years IRS	3.400	3.350
AUDUSD	0.6991	0.7022	0.6956	5 years IRS	3.460	3.416
NZDUSD	0.5877	0.5895	0.5849			

The euro rose 0.2% to \$1.1443. The Japanese yen rose 0.1% to 159.56 per dollar. The offshore yuan was little changed at 6.9032 per dollar

US Treasuries gained, with benchmark 10-year yields dropping two basis points to 4.26% to head for their first decline in five sessions. Japan's 10-year yield advanced 2.5 basis points to 2.265%. Australia's 10-year yield advanced three basis points to 4.98%

				Global Markets				
			Current Levels	Level	1-Day Change (%)	YTD (%)		
CBO Repo Rate			4.25	S&P 500	6740	-1.328	-1.54	
O/N OMIBOR			4	Euro Stoxx 600	599	-1.015	1.10	
*Bank Deposit Rates for 1 years			3.75	Shanghai Composite Index	4090	-0.835	3.05	
Bank Deposit Rates for 5 years			3.90	MSX-30	7528	2.032	28.32	
				NIFTY-50	23858	-2.424	-8.69	
Calendar				Brent Crude (\$/bbl)	110.66	19.344	83.39	
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	5121	-0.986	18.55	
Empire Manufacturing	16:30	3.9	7.1	DXI	99	0.378	1.06	
Industrial Production MoM	17:15	0.1%	0.7%	Silver(\$/oz.)	84	-0.056	17.91	

For any Treasury related requirement, please contact:
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