

Bank Dhofar Morning Market Update



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Global Update

Stocks edged up in Asia along with futures for European and US markets after President Donald Trump sought to reassure a business roundtable over the outlook for the economy and the steps he's taking to boost growth. Futures for the S&P 500 and the Nasdaq 100 gained after Trump said he doesn't see a US recession, downplaying Wall Street's jitters around his trade war. Contracts for Europe jumped as much as 1% after Ukraine accepted a US proposal for a 30-day truce with Russia. Trump's tariff policy, geopolitical realignments over Ukraine, sticky inflation and the unknown pace of Federal Reserve interest-rate cuts have hit the markets this year, leaving US stocks on the verge of a correction. The VIX gauge of stock volatility is hovering near its highest since August, while a similar measure for Treasuries is at levels not seen since November as market participants remain nervous about US economic growth. On the US consumer inflation reading later Wednesday, economists forecast it stayed elevated last month after a large increase in January, adding to evidence that progress on taming prices has stalled. The consumer price index is seen advancing 0.3% in February after a 0.5% gain at the start of the year.

Gold recently formed a growth wave to 2,931 USD, followed by a correction to 2,880 USD. An upward move towards 2,906 USD is forming a consolidation range around this level. A breakout to the upside could trigger a further rise towards 2,980 USD, the local target. After reaching this level, a correction back to 2,900 USD is likely. If the price moves downward from the consolidation range, a correction to 2,860 USD is possible. This scenario is supported by the MACD indicator, with its signal line positioned above zero and pointing sharply upward.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0919	1.0922	1.0896	O/N SOFR	4.330	4.340
GBPUSD	1.2951	1.2956	1.2919	1 month SOFR	4.325	4.325
USDJPY	147.78	148.2700	147.68	3 month SOFR	4.299	4.299
USDINR	87.27	87.29	87.17	6 months SOFR	4.185	4.185
USDCNY	7.2267	7.2376	7.2161	12 month SOFR	3.994	3.994
USDCHF	0.8827	0.8840	0.8816	3 years IRS	3.706	3.724
AUDUSD	0.6298	0.6300	0.6282	5 years IRS	3.721	3.735

The euro fell 0.2% to \$1.0898. The Japanese yen fell 0.3% to 148.15 per dollar. The offshore yuan fell 0.2% to 7.2377 per dollar. AUD/USD falls to hold below 0.63 while GBP/USD drifts lower toward 1.29. USD/CAD traded flat at 1.444. NZD/USD fell 0.2% to 0.5705.

.Bank of Japan Governor Kazuo Ueda indicated he's not too concerned about the country's government bond yields ascending to the highest level since 2008, signaling he's not planning any imminent action to counter the moves. US 2-year yields are down 1bp to 3.94% while 10-year yields also down 1bp to 4.27%. Australia's 10-year yield advanced eight basis points to 4.45%.

	Current Levels
CBO Repo Rate	5
O/N OMIBOR	4.25
*Bank Deposit Rates for 1 years	4.25
Bank Deposit Rates for 5 years	4.50

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
MBA Mortgage Applications	15:00		20.4%
CPI MoM	16:30	0.3%	0.5%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5572	-0.757	-5.26
Euro Stoxx 600	537	-1.704	5.77
Shanghai Composite Index	3375	-0.138	0.70
MSX-30	4405	-0.017	-3.74
NIFTY-50	22430	-0.303	-5.14
Brent Crude (\$/bbl)	70.05	0.719	-5.17
Gold (\$/oz.)	2914	-0.062	11.03
		0.142	
DXY	104		-4.54
Silver(\$/oz.)	33	-0.569	13.33

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