

Bank Dhofar Morning Market Update



Date: 01/07/26

Global Update

The dollar strengthened against all its Group-of-10 peers as traders awaited key speeches from a swath of central bankers, including Federal Reserve Chairman Kevin Warsh, just as bets increased for an interest-rate hike. The Bloomberg Dollar Spot Index climbed 0.1%, after rising 0.6% last quarter. The yen weakened 0.1% to 162.71 per dollar after falling to a 40-year low this week. South Korea's won slid toward its weakest level since the global financial crisis, hurt by factors including overseas investors selling local stocks. Gold dropped 0.8% to around \$3,975 an ounce on speculation the Fed may raise rates, reducing the appeal of the non-interest bearing metal. Silver and platinum also retreated. Stocks wavered, while Treasuries were little changed in Asia after 10-year yields jumped nine basis points on Tuesday. Global investors face key tests this week, with Warsh and European Central Bank President Christine Lagarde set to speak in Europe before attention turns to the US June payrolls report on Thursday for clues about the path of rates. The speeches come after global stocks surged last quarter as investors looked past geopolitical tensions and piled into the AI trade. Meanwhile, traders in the fed funds market are ramping up bets that the Fed may start raising rates as soon as July, a previously unthinkable move that risks being derailed by a series of economic data.

The Indian Rupee (INR) opens lower against the US Dollar (USD) on Wednesday. The USD/INR pair rises to near 94.72 as stronger United States (US) Treasury Yields and higher US Dollar have diminished the appeal of risk-sensitive currencies. However, the downside in the Indian currency is expected to remain limited as oil prices remain lower. During press time, 10-year US Treasury Yields trade 0.18% higher to near 4.47%. On Tuesday, US bond yields surged a little over 2%, following strong US JOLTS Job Openings data for May. The US Dollar Index (DXY), which tracks the Greenback's value against six major currencies, is up 0.16% to near 101.33. On Tuesday, the US Bureau of Labor Statistics reported that employers posted 7.594 million fresh jobs, higher than the estimated 7.3 million and the previous reading of 7.585



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1422	1.1423	1.1402	O/N SOFR	3.620	3.640
GBPUSD	1.3261	1.3262	1.3232	1 month SOFR	3.644	3.644
USDJPY	162.55	162.8400	162.53	3 month SOFR	3.732	3.732
USDINR	94.67	94.75	94.61	6 months SOFR	3.846	3.846
USDCNY	6.7898	6.7959	6.7885	12 month SOFR	3.994	3.994
USDCHE	0.8084	0.8096	0.8078	3 years IRS	3.897	3.884
AUDUSD	0.6919	0.6920	0.6883	5 years IRS	3.855	3.840
NZDUSD	0.5678	0.5682	0.5661	S&P 500 futures fell 0.3% as of 6:52 a.m. London time. Nasdaq 100 futures fell 0.3%. The MSCI Asia Pacific Index rose 0.1%. The MSCI Emerging Markets Index rose 0.1%. Japan's Topix rose 0.6%. Australia's S&P/ASX 200 fell 0.7%. The Shanghai Composite rose 0.2%. Euro Stoxx 50 futures were little changed. The yield on 10-year Treasuries little changed at 4.46%. Japan's 10-year yield advanced 3.5 basis points to 2.705%		

Calendar				Global Markets			
Key Data Watch	Time (GST)	Expected	Prior		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.25	S&P 500	7499	0.792	9.55
O/N OMIBOR			4	Euro Stoxx 600	642	0.883	8.37
*Bank Deposit Rates for 1 years			4.45	Shanghai Composite Index	4106	0.281	3.45
Bank Deposit Rates for 5 years			4.00	MSX-30	7561	0.711	28.88
*Amount>500k OMR				NIFTY-50	24015	0.627	-8.09
Calendar				Brent Crude (\$/bbl)	73.01	0.096	21.36
S&P Global Japan PMI Mfg	4:30	--	54.9	Gold (\$/oz.)	3966	-1.046	-8.18
US MBA Mortgage Application	15:00	--	-3.8%	DXY	101	0.138	3.06
				Silver(\$/oz.)	57	-1.977	-19.85

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