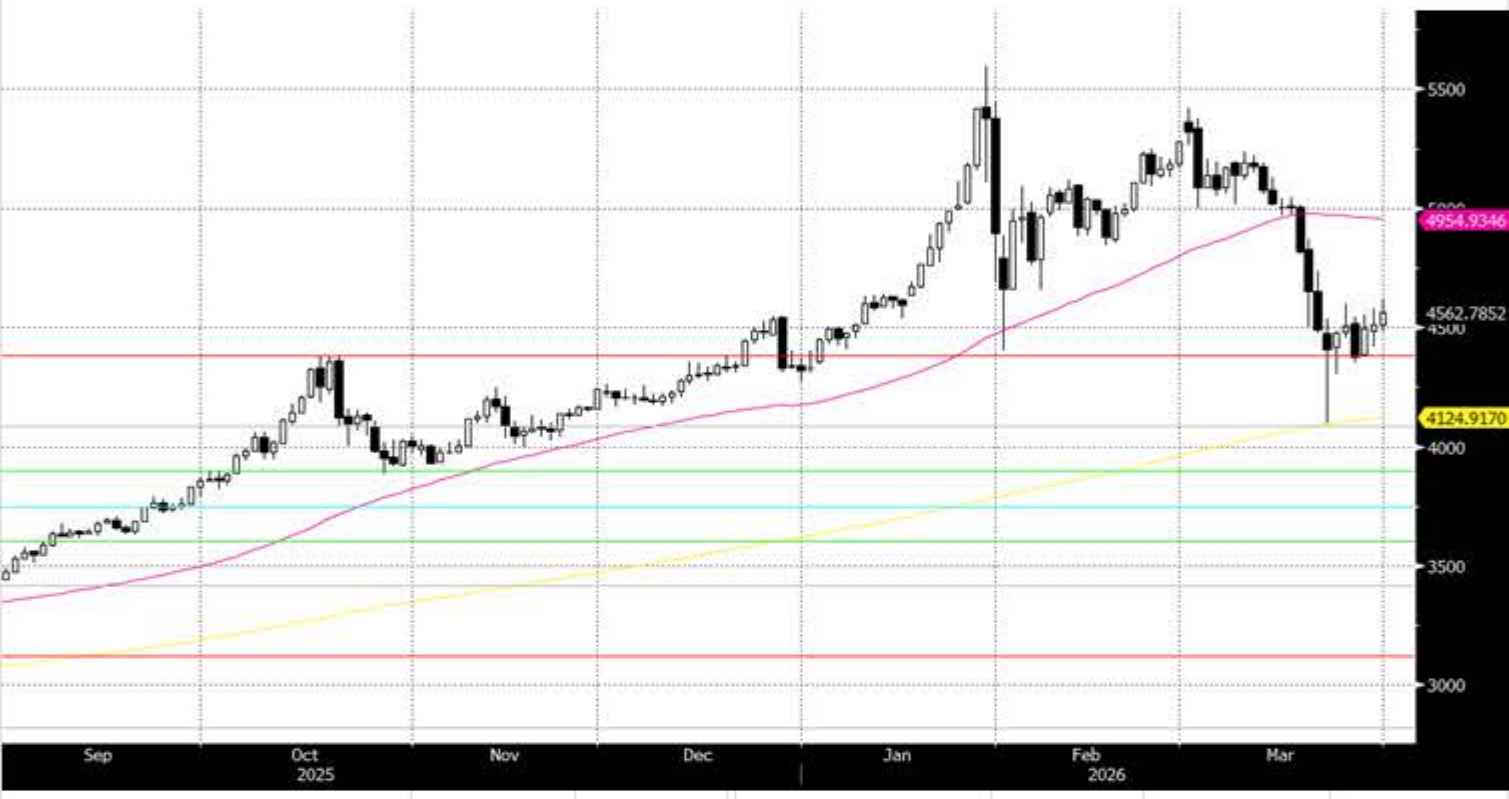
Bank Dhofar Morning Market Update

Date: 31/03/26

Global Update

Equity-index futures moved higher while oil gave back earlier gains after the Wall Street Journal reported that President Donald Trump signaled he would consider ending the U.S. military campaign against Iran even if the Strait of Hormuz remains largely closed.S&P 500 futures rose 0.9%, and European equity futures pointed to a 0.4% advance at the open as sentiment improved on the news. In contrast, the recovery in Asian equities lost momentum, with the MSCI Asia Pacific Index slipping 1% and heading for its weakest month since October 2008.West Texas Intermediate crude retreated to around $103 per barrel after nearly touching $107 earlier, as traders priced in the possibility of reduced geopolitical risk. U.S. Treasuries continued to rally, while the dollar weakened against most major currencies.The market volatility followed a soft start for global equities and a spike in oil prices after Iran struck a Kuwaiti crude carrier in Dubai. A potential U.S. withdrawal from the conflict could help ease regional tensions and improve the outlook for reopening the strategically critical Strait of Hormuz. Restoring energy flows would support major Asian importers such as India and China and help alleviate concerns about slowing global economic growth.Elsewhere, Treasuries rallied after the Wall Street Journal report, with the benchmark 10-year yield dropping two basis points to 4.33%. The securities had advanced on Monday after Federal Reserve Chair Jerome Powell downplayed near-term inflation risks from higher energy prices.Gold rose 1% to trade around $4,550 an ounce, while silver jumped 2.7%.

Gold extended its rebound for a third consecutive session, though it remains poised for its weakest monthly performance in more than 17 years. Meanwhile, the U.S. dollar's recent winning streak has paused as quarter-end repositioning and profit-taking set in. Despite the recovery, gold faces notable overhead pressure, particularly near the 100-day Simple Moving Average (SMA) at $4,637, with the daily RSI signaling a still-bearish tone.In the near term, the bias stays mildly bearish, as prices continue to trade below the 100-day SMA while managing to hold above the $4,400 support zone. This setup suggests that short-term sellers remain active within the context of a broader uptrend, supported by the steady upward slope of the 100- and 200-day SMAs. The Relative Strength Index, currently at 40.90, remains below the neutral 50 line but above oversold readings, indicating ongoing — though not exhausted — downward momentum.Immediate resistance is aligned with the 100-day SMA around $4,637. A daily close above this level would ease the bearish tone and potentially pave the way toward the $4,700 region. On the downside, initial support is seen near the recent low at $4,420, followed by the $4,350 demand area and the rising 200-day SMA around $4,129.



Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.1465	1.1491	1.1448
GBPUSD	1.3186	1.3225	1.3159
USDJPY	159.71	159.9700	159.59
USDINR	93.48	95.13	93.48
USDCNY	6.9061	6.9100	6.9022
USDCHF	0.7993	0.8003	0.7979
AUDUSD	0.6853	0.6875	0.6834
NZDUSD	0.5721	0.5736	0.5707

The euro was little changed at $1.1469.The Japanese yen was little changed at 159.72 per dollar.The offshore yuan was little changed at 6.9147 per dollar

Rates

	Last Price	Previous Day Close
O/N SOFR	3.630	3.630
1 month SOFR	3.668	3.668
3 month SOFR	3.700	3.700
6 months SOFR	3.745	3.745
12 month SOFR	3.827	3.827
3 years IRS	3.591	3.608
5 years IRS	3.631	3.651

The yield on 10-year Treasuries declined two basis points to 4.33% Japan's 10-year yield declined two basis points to 2.340%.Australia's 10-year yield declined eight basis points to 4.99%.

	Current Levels
CBO Repo Rate	4.25
O/N OMIBOR	4
*Bank Deposit Rates for 1 years	3.75
Bank Deposit Rates for 5 years	3.90

*Amount>500k OMR

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	6344	-0.395	-7.33
Euro Stoxx 600	581	0.944	-1.94
ShanghaiComposite Index	3908	-0.382	-1.53
MSX-30	8133	1.291	38.62
NIFTY-50	22331	-2.139	-14.54
Brent Crude ($/bbl)	113.04	0.239	87.42
Gold ($/oz.)	4562	1.128	5.61
DXY	100	-0.077	2.15
Silver($/oz.)	72	2.822	0.55

Calendar

Key Data Watch	Time (GST)	Expected	Prior
FHFA House Price Index MoM	17:00	0.1%	0.1%
S&P Cotality CS 20-City MoM SA	17:00	0.35%	0.47%

For any Treasury related requirement, please contact:
Telephone: +968 2265 2721/2722/2731/2716

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