

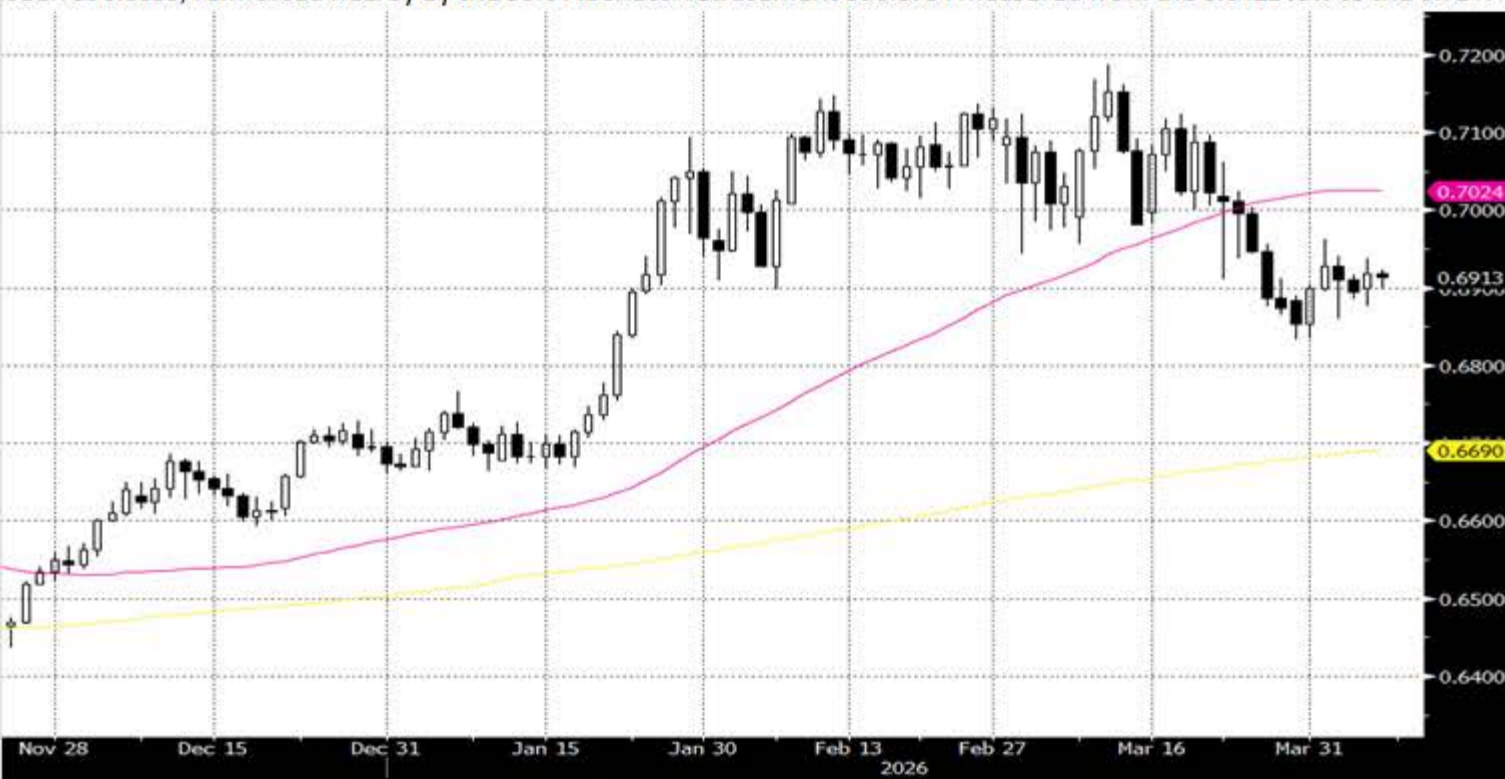
Bank Dhofar Morning Market Update

Date: 07/04/26

Global Update

Crude oil rose in volatile trading while global equities lost momentum as markets stayed cautious ahead of President Donald Trump's Tuesday 8:00 p.m. ET deadline for Iran to agree to a peace deal. Tentative ceasefire signals were offset by concerns over potential escalation. Brent crude gained 1.6%, trading above \$111 per barrel, after swinging between gains and losses. The US dollar, a preferred haven during the Iran conflict, strengthened 0.1%. Global equities fluctuated after Monday's gains on ceasefire optimism. US equity futures fell 0.5%, while Asian stocks rose 0.3%, trimming earlier advances. Gains in Asia were led by technology stocks, which are perceived as relatively insulated from the six-week Middle East conflict. Investor caution remains elevated due to uncertainty over escalation risks, possible oil supply disruptions, and policy responses. Focus remains firmly on the Strait of Hormuz, a critical route for Middle Eastern oil exports. Trump reiterated that any agreement must guarantee uninterrupted freedom of navigation through the waterway. In FX markets, a JPMorgan one-month G10 currency volatility index rose 17 bps to 7.98%, signaling contained but persistent event risk ahead of the deadline. Trump said talks with Iran are "going well," but reiterated strong warnings should no deal be reached, underscoring continued headline risk for energy and broader risk assets. On the geopolitical front, Iran reportedly rejected a ceasefire proposal via mediator Pakistan, demanding a permanent end to the war, the removal of sanctions, reconstruction commitments, and formal guarantees for safe passage through the Strait of Hormuz, according to state media. Trump said talks are "going well," but warned that failure to reach a deal could prompt severe military action, keeping headline risk elevated. Elsewhere across markets, gold fluctuated around \$4,650 an ounce, US 10-year Treasury yields rose 2 bps to 4.35%, and Bitcoin fell over 1.5% to around \$68,700, reflecting a cautious and risk-selective tone ahead of the deadline.

AUD/USD is back in the red, battling 0.6900 in the Asian session on Tuesday. The fading hopes for a US-Iran ceasefire act as a fresh headwind to the risk-sensitive Aussie, despite the RBA's hawkish stance. Investors remain on edge ahead of US President Trump's deadline for Iran to reopen the critical Strait of Hormuz. In the daily chart, AUD/USD trades at 0.6915. The near-term bias is neutral with a mild downside skew, as the pair eases away from the recent 0.7150 area while holding above clustered supports. Price remains above the 100- and 200-day Simple Moving Averages (SMAs), which sustain the broader uptrend context, but the Relative Strength Index (RSI) around 44 shows fading bullish momentum and growing selling pressure. The Average Directional Index (ADX) near 25 indicates trend strength has cooled from earlier elevated readings, aligning with a consolidative phase rather than an impulsive advance. Immediate support is seen at 0.6833, reinforced nearby by the 50% Fibonacci retracement at 0.6784 measured from the 0.6421 low to the 0.7147



Source: Reuters, Bloomberg

Currencies			Rates			
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1589	1.1606	1.1515	O/N SOFR	3.680	3.680
GBPUSD	1.3305	1.3320	1.3202	1 month SOFR	3.665	3.665
USDJPY	158.82	159.4800	158.55	3 month SOFR	3.682	3.682
USDINR	93.25	93.66	93.14	6 months SOFR	3.700	3.700
USDCNY	6.8829	6.8904	6.8820	12 month SOFR	3.735	3.735
USDCHF	0.7942	0.7999	0.7928	3 years IRS	3.646	3.591
AUDUSD	0.6928	0.6941	0.6866	5 years IRS	3.690	3.633
NZDUSD	0.5753	0.5759	0.5700			

The euro was little changed at \$1.1535. The Japanese yen was little changed at 159.82 per dollar. The offshore yuan was little changed at 6.8796 per dollar.

The yield on 10-year Treasuries advanced two basis points to 4.35%. Japan's 10-year yield was little changed at 2.430%. Australia's 10-year yield declined five basis points to 4.99%.

				Global Markets			
			Current Levels	Level	1-Day Change (%)	YTD (%)	
CBO Repo Rate			4.25	S&P 500	6575	0.717	-3.95
O/N OMIBOR			4	Euro Stoxx 600	598	2.495	0.93
*Bank Deposit Rates for 1 years			3.75	Shanghai Composite Index	3902	-1.169	-1.67
Bank Deposit Rates for 5 years			3.90	MSX-30	8200	0.113	39.76
*Amount > 500k OMR				NIFTY-50	22214	-2.052	-14.99
Calendar				Brent Crude (\$/bbl)	107.94	6.702	79.15
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	4581	-3.723	6.07
ADP Weekly Employment Change	16:15		10k	DXY	100	0.442	1.80
Durable Goods Orders	16:30	-1.2%	0.0%	Silver (\$/oz.)	70	-6.599	-2.14

For any Treasury related requirement, please contact:

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