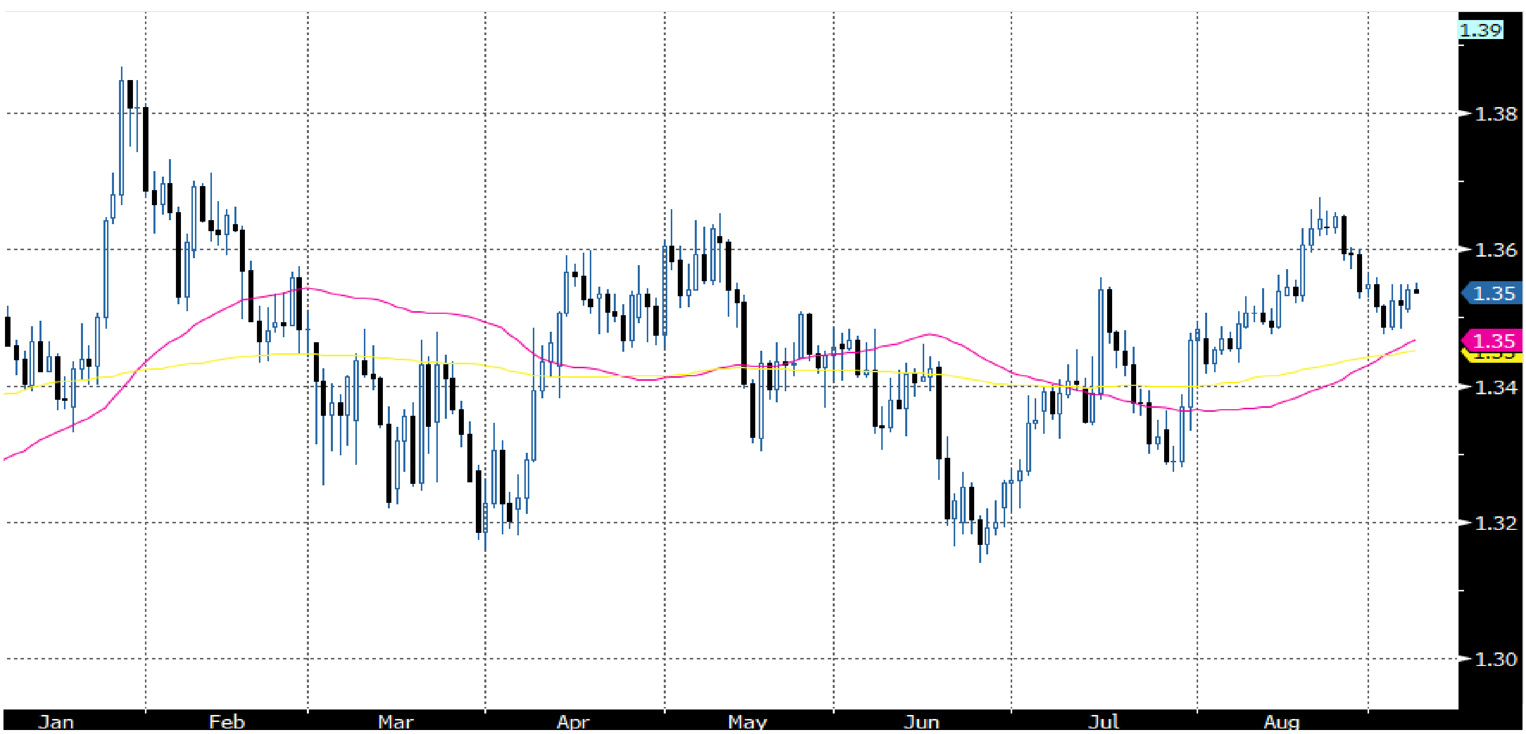
Bank Dhofar Morning Market Update

Date: 08/09/26

Global Update

The Japanese yen extended its rally, strengthening to its highest level since February and gaining more than 4% against the US dollar this month. The move is being driven by growing expectations that the Bank of Japan will raise interest rates at next week's meeting, supported by stronger-than-expected economic growth and the biggest wage increase in nearly three decades.Asian equities traded higher, led by South Korea, where gains in Samsung Electronics and SK Hynix boosted the Kospi Index by 2.1%. The broader MSCI Asia Pacific Index rose 0.4%, while Nasdaq futures gained 0.4%, reflecting continued optimism around technology stocks.Commodity markets remained firm. Brent crude oil climbed 0.5% to USD 97.46 per barrel as traders monitored developments regarding Iran and shipping through the Strait of Hormuz, while robust Chinese demand supported prices. Higher energy costs continue to raise inflation concerns globally. Gold rose 0.7% to USD 4,433 per ounce as a weaker US dollar increased the appeal of bullion. Copper also reached a record high amid expectations that the US may expand tariffs on refined metal imports.
Investor focus now shifts to a busy week of US economic data, culminating in Friday's inflation report, which could be critical in shaping expectations for the Federal Reserve's next policy decision. Corporate earnings from Oracle and Adobe later this week will also provide fresh insights into AI-related spending and the broader technology sector outlook.
The British pound traded firmer near 1.3545 during Asian hours, supported by UK government initiatives aimed at boosting economic growth and attracting private investment. Technically, the pair maintains a mildly bullish bias, holding above both the lower Bollinger Band and the 100-day moving average, while the RSI near 53 signals neutral momentum and a consolidative tone. Immediate support is seen at 1.3455, followed by the 100-day MA at 1.3445. A break below this zone could trigger a deeper correction. On the upside, initial resistance lies at 1.3560, with stronger resistance near 1.3660. A sustained move above these levels would reinforce bullish momentum and pave the way for a retest of recent highs.



Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.1623	1.1635	1.1622
GBPUSD	1.3541	1.3550	1.3534

Rates

	Last Price	Previous Day Close
O/N SOFR	3.660	3.660
1 month SOFR	3.742	3.742

USDJPY	154.36	154.3900	152.89
USDINR	94.51	94.69	94.51
USDCNY	6.7108	6.7115	6.7105
USDCHF	0.8095	0.8096	0.8083
AUDUSD	0.7218	0.7223	0.7206
NZDUSD	0.5879	0.5886	0.5851

The euro was little changed at $1.1626, while the British pound held steady near $1.3538 and the Australian dollar traded around $0.7209. The Japanese yen rose 0.7% to 153.32 per dollar, extending its rally on growing expectations of a Bank of Japan rate hike. The offshore yuan was little changed at 6.7100 per dollar.

3 month SOFR	3.813	3.813
6 months SOFR	3.942	3.942
12 month SOFR	4.124	4.124
3 years IRS	4.246	4.251
5 years IRS	4.267	4.272

The yield on US 10-year Treasuries was little changed at 4.78%.Japan's 10-year government bond yield declined 4 basis points to 2.89%, reflecting increased demand for government debt despite growing expectations of a BOJ rate hike.
Australia's 10-year government bond yield fell 3 basis points to 5.17%.

	Current Levels
CBO Repo Rate	4.25
O/N OMIBOR	4
***Bank Deposit Rates for 1 years**	4.45
Bank Deposit Rates for 5 years	4.45

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
NY Fed 1-Yr Inflation Expectations	19:00	3.6%	3.63%
Consumer Credit	23:00	$11.67b	$14.173b

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	7719	-0.376	12.75
Euro Stoxx 600	650	0.003	9.75
ShanghaiComposite Index	3947	0.363	-0.55
MSX-30	7606	-0.336	29.64
NIFTY-50	23689	-0.381	-9.34
Brent Crude ($/bbl)	97.57	0.598	62.12
Gold ($/oz.)	4434	0.678	2.66
DXY	99	-0.354	0.51
Silver($/oz.)	67	1.223	-6.55

For any Treasury related requirement, please contact:
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