

Bank Dhofar Morning Market Update



Date: 20/02/25

Global Update

Equities fell across Asia as risk-off sentiment took hold. The yen strengthened. A gauge of Asian shares dropped 0.8% and an index of Chinese technology shares in Hong Kong slumped by more than 2% after rallying to a three-year high. Treasuries edged higher in Asian trading and gold held near a record high. US equity index futures declined after the S&P 500 closed up 0.2%. A gauge of dollar strength dropped and the yen gained after a Bank of Japan board member signaled more rate hikes are in the offing. Meanwhile, Fed minutes Wednesday showed policymakers in January expressed a readiness to hold interest rates steady amid stubborn inflation and economic-policy uncertainty. Officials also revealed pausing or slowing the balance-sheet runoff — a process known as quantitative tightening, or QT, until the government’s debt-ceiling drama is resolved. Investors will also be focused on Alibaba Group Holding Ltd., which faces a key test in its earnings presentation Thursday after a DeepSeek-sparked rally added more than \$110 billion to its market value. In commodities, oil prices steadied Thursday after gaining in the prior session against the backdrop of uncertainties about crude supplies from Russia, Kazakhstan and OPEC+. West Texas Intermediate crude fell 0.4% to \$71.96 a barrel. Spot gold rose 0.3% to \$2,943.18 an ounce.

Aluminum rose for a fifth day toward its highest close in nearly nine months, after the European Union backed a gradual ban on the Russian metal, threatening supplies. Aluminum rose 0.6% to \$2,703.50 a ton on the LME as of 12:17 p.m. in Shanghai. Other restrictions on Russian metal flows have rattled the global aluminum market, including the London Metal Exchange’s ban on deliveries of new product from the nation. Prices of the most widely used metal by volume have extended gains to 6% so far this year, along with a broad rally in commodities.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0423	1.0438	1.0419	O/N SOFR	4.370	4.330
GBPUSD	1.2586	1.2595	1.2579	1 month SOFR	4.320	4.320
USDJPY	151.47	151.4800	150.25	3 month SOFR	4.330	4.330
USDINR	86.85	86.86	86.79	6 months SOFR	4.307	4.307
USDCNY	7.2798	7.2822	7.2653	12 month SOFR	4.245	4.245
USDCHF	0.9046	0.9047	0.9027	3 years IRS	4.079	4.094

AUDUSD	0.6344	0.6366	0.6328	5 years IRS	4.079	4.095
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The yen rose to its strongest level against the dollar since December, amid expectations the Bank of Japan will continue to raise interest rates this year. The Australian dollar edged higher following the nation's strong employment data. The Bloomberg Dollar Spot Index was little changed. The euro was little changed at \$1.0428. The Japanese yen rose 0.5% to 150.67 per dollar. The offshore yuan rose 0.2% to 7.2729 per dollar. The Australian dollar was little changed at \$0.6346.

The yield on 10-year Treasuries declined two basis points to 4.52%. Australia's 10-year yield was little changed at 4.53%. S&P 500 futures fell 0.2% as of 12:31 p.m. Tokyo time. Nikkei 225 futures (OSE) fell 0.8%. Australia's S&P/ASX 200 fell 1.4. Hong Kong's Hang Seng fell 1.7%. The Shanghai Composite fell 0.2%. Euro Stoxx 50 futures were little changed. US 2-year yields are down 1bp to 4.26%. US trading session, 2-year yields ended 4bps lower while 10-year declined 2bps. Treasury's \$16 billion 20-year new issue was awarded at 4.830% at the 1 p.m. New York time bidding deadline.

	Current Levels
CBO Repo Rate	5
O/N OMIBOR	4.25
*Bank Deposit Rates for 1 years	4.20
Bank Deposit Rates for 5 years	4.50

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
US Initial Jobless Claims	17:30	216k	219k
US Continuing Claims	17:30	1882k	1886k

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	6144	0.238	4.46
Euro Stoxx 600	552	-0.910	8.76
ShanghaiComposite Index	3346	-0.162	-0.17
MSX-30	4453	-0.356	-2.71
NIFTY-50	22878	-0.241	-3.24
Brent Crude (\$/bbl)	75.72	-0.408	2.01
Gold (\$/oz.)	2940	0.240	12.04
		-0.127	
DXY	107		-1.34
Silver(\$/oz.)	33	0.347	13.53

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