

Bank Dhofar Morning Market Update



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Global Update

Japanese bonds joined a slump in global debt as a rush of corporate-debt sales and concerns over developed-world budgets dragged down European fixed-income securities and Treasuries. Yields on 20-year government bonds rose to levels last seen in 1999 while those on the 30-year maturity jumped to the highest since their debut. The yen extended its declines amid political uncertainty in the country. US 30-year bond yields held close to 5% after a spike on Tuesday that weighed on Wall Street. Australian bonds also fell. Asian stocks followed the US lower while the dollar rose for a second day. Treasuries slumped Tuesday, tracking declines in longer-maturity European bonds at the start of a month that is historically tough for debt markets. The vulnerability of global long-dated government debt reflects the accumulation of heavy spending, which requires rising bond sales to finance, and an overall trust deficit in sovereign debt.

Yen eased after reports of a potential early Liberal Democratic Party election, while the dollar rose against most Group-of-10 peers on strong Treasury yields. USD/JPY rises 0.3% to 148.80, its fourth day of gains, building on Tuesday's 0.8% jump amid political upheaval in Japan. Leveraged funds added to existing spot longs on the election report and again over the Tokyo fixing, an Asia-based FX trader said. Bloomberg Dollar Spot Index rose 0.1% after adding 0.5% Tuesday for its best one-day gain since July. Yields on Treasuries rose across the curve with 2-year up one basis point to 3.65% and 30-year hovering below the key 5% level at 4.975% amid a selloff in Japan's longer-maturity debt.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1640	1.1645	1.1622	O/N SOFR	4.340	4.340
GBPUSD	1.3394	1.3396	1.3361	1 month SOFR	4.273	4.273
USDJPY	148.36	148.9300	148.31	3 month SOFR	4.171	4.171
USDINR	88.17	88.17	87.99	6 months SOFR	4.021	4.021
USDCNY	7.1384	7.1470	7.1378	12 month SOFR	3.767	3.767
USDCHF	0.8046	0.8059	0.8042	3 years IRS	3.334	3.319
AUDUSD	0.6520	0.6525	0.6513	5 years IRS	3.376	3.356
NZDUSD	0.5867	0.5867	0.5854	S&P 500 futures were little changed as of 1:11 p.m. Tokyo time. Japan's		

The Bloomberg Dollar Spot Index rose 0.1%. The euro fell 0.1% to \$1.1625. The Japanese yen fell 0.3% to 148.87 per dollar. The offshore yuan was little changed at 7.1448 per dollar. Bitcoin fell 0.4% to \$110,957.11. Ether rose 0.2% to \$4,321.83. West Texas Intermediate crude fell 0.3% to \$65.38 a barrel. Spot gold was little changed.

Topix fell 0.8%. Australia’s S&P/ASX 200 fell 1.6%. Hong Kong’s Hang Seng fell 0.4%. The Shanghai Composite fell 1%. Euro Stoxx 50 futures rose 0.3%. The yield on 10-year Treasuries advanced two basis points to 4.28%. Japan’s 10-year yield was unchanged at 1.625%. Australia’s 10-year yield advanced seven basis points to 4.43%

				Global Markets			
Current Levels					Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.285	S&P 500	6416	-0.692	9.08
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	543	-1.498	7.00
				ShanghaiComposite Index	3821	-0.963	14.00
Bank Deposit Rates for 5 years			3.93	MSX-30	5120	0.350	11.87
*Amount>500k OMR				NIFTY-50	24597	0.072	4.03
Calendar				Brent Crude (\$/bbl)	68.94	-0.260	-4.32
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3536	0.080	34.73
S&P Global UK Services PMI	12:30	51.8	51.8	DXY	98	0.029	-9.27
Factory Orders (US)	18:00	-4.8%	8.2%	Silver(\$/oz.)	41	-0.331	40.98

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