

Bank Dhofar Morning Market Update



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Global Update

Stocks in Asia rose for a fourth day. Shares in Japan and South Korea rose, while Chinese stocks were mixed. S&P 500 futures advanced after benchmarks slid on Tuesday. Investors have slashed holdings of US equities by the most on record while cash levels jumped, according to Bank of America Corp.'s latest survey. Uncertainty over President Donald Trump's economic policies, particularly around trade and tariffs, has spurred fears of a recession, with traders seeking clarity from the Federal Reserve policy decision later Wednesday. Investors have also been hunting for opportunities elsewhere, with benchmarks in China and Japan rallying in recent weeks. Japan's exports rose at a faster pace as businesses increased orders ahead of the rollout of higher tariffs in the US. Indonesian stocks rebounded slightly after mass selloffs triggered circuit breakers and trading halts on Tuesday. The benchmark Jakarta Composite Index is up as much as 1.3%.

Elsewhere in Asia, Chinese banks are slashing rates on consumer loans to record lows as policymakers ramp up stimulus to stabilize growth and counter US President Donald Trump's tariffs. In commodities, oil slipped as broader market weakness and concerns about a global glut of crude overshadowed escalating tensions in the Middle East. Meanwhile, gold extended a record high above \$3,030 an ounce.

Gold price touched a fresh all-time peak, around the \$3,039 region during the Asian session on Wednesday. The daily RSI is holding above the 70 mark, suggesting slightly overbought conditions. Heading into the key central bank event risk, this makes it prudent to wait for some near-term consolidation or a modest pullback before traders start positioning for any further appreciating move. Meanwhile, the recent breakout and acceptance above the \$3,000 psychological mark suggests that the path of least resistance for the Gold price remains to the upside. Meanwhile, any corrective slide could be seen as a buying opportunity and remain limited near the \$3,005-3,000 range.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0945	1.0947	1.0928	O/N SOFR	4.320	4.300
GBPUSD	1.3001	1.3004	1.2986	1 month SOFR	4.317	4.317
USDJPY	149.27	149.6400	149.20	3 month SOFR	4.295	4.295
USDINR	86.64	86.68	86.52	6 months SOFR	4.200	4.200
USDCNY	7.2317	7.2369	7.2314	12 month SOFR	4.031	4.031

USDCHF	0.8767	0.8779	0.8763	3 years IRS	3.812	3.806
AUDUSD	0.6361	0.6367	0.6355	5 years IRS	3.800	3.790

The yen retreated against the dollar, though fluctuated earlier as the BOJ stood pat and said a virtuous cycle of wages and prices is intensifying, while keeping an eye on the global trade situation. Traders are turning their focus to Governor Kazuo Ueda’s press conference Wednesday afternoon.The euro fell 0.1% to \$1.0933 The Japanese yen fell 0.1% to 149.49 per dollar.The offshore yuan fell 0.2% to 7.2392 per dollar.The Australian dollar was little changed at \$0.6357

The Fed is expected to hold interest rates steady and its quarterly dot plot should give investors more insight into the outlook for the economy. Traders will also be focused on Fed Chair Jerome Powell’s press conference and his juggling act between communicating the central bank’s current view of the economy and weighing the potential impact of Trump’s trade policy.The yield on 10-year Treasuries advanced one basis point to 4.29%.Japan’s 10-year yield advanced one basis point to 1.515%.Australia’s 10-year yield advanced two basis points to 4.42%

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	5615	-1.065	-4.54
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	554	0.610	9.20
				ShanghaiComposite Index	3428	-0.058	2.27
Bank Deposit Rates for 5 years			4.50	MSX-30	4362	-0.398	-4.69
*Amount>500k OMR				NIFTY-50	22894	0.262	-3.17
				Brent Crude (\$/bbl)	70.33	-0.312	-4.79
				Gold (\$/oz.)	3038	0.095	15.74
						0.143	
				DXY	103		-4.70
				Silver(\$/oz.)	34	0.064	17.76

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
MBA Mortgage Applications	15:00		11.2%
FOMC Rate Decision	22:00	4.5%	4.5%

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