

# Bank Dhofar Morning Market Update



Date: 15/01/25

## Global Update

Asian stocks saw modest gains while the dollar steadied as traders awaited US inflation data for clues on the path of Federal Reserve policy. The MSCI Asia Pacific Index advanced 0.2%, with benchmarks in Hong Kong, South Korea and Japan up less than 0.5%. US equity futures edged higher. The dollar gauge was little changed after dropping 0.4% in the previous session. The consumer price report comes at a crucial time for global markets, after a spate of solid US economic data trimmed Fed rate cut expectations and triggered a debt selloff. Wednesday's muted moves are in contrast to risk-on gains in Asia in the previous session, buoyed by a report that Donald Trump's incoming team is considering gradual tariff hikes. Australian bonds slipped. The People's Bank of China pumped a near-historic amount of short-term cash into its financial system on Wednesday, dialing up liquidity support amid a cash squeeze with the new year holiday looming. The seven-day repo rate fell 15 basis points to 2.15% as trading opened following the operation. In commodities, oil edged higher after dropping by the most in more than a month as the impact of US sanctions against Russian flows continued to reverberate. West Texas Intermediate crude was little changed. Spot gold fell 0.1% to \$2,674.26 an ounce.

Aluminum ticked higher, with the European Union considering import restrictions on Russian metal and Chinese production growth expected to slow. The metal climbed toward \$2,600 a ton in London, gaining as much as 0.7%. In China, the aluminum industry is approaching an inflection point this year as limits on capacity are set to slow production growth, leaving less metal available for export and supporting prices, according to researcher Shanghai Metals Market. The country is the world's largest supplier. Aluminum traded 0.2% higher at \$2,564 a ton on the London Metal Exchange at 10:39 a.m. in Shanghai.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		08-00 GST	Previous Day Close
EURUSD	1.0308	1.0308	1.0295	O/N SOFR	4.300	4.300
GBPUSD	1.2215	1.2218	1.2193	1 month SOFR	4.305	4.306
USDJPY	157.96	158.0800	157.72	3 month SOFR	4.308	4.302
USDINR	86.49	86.56	86.49	6 months SOFR	4.296	4.279
USDCNY	7.3310	7.3317	7.3310	12 month SOFR	4.278	4.245
USDCHF	0.9124	0.9132	0.9121	3 years IRS	4.253	4.252

<b>AUDUSD</b>	0.6195	0.6196	0.6181	<b>5 years IRS</b>	4.286	4.286
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The euro fell 0.1% to \$1.0296. The Japanese yen was little changed at 157.97 per dollar. The offshore yuan was little changed at 7.3479 per dollar. The Australian dollar fell 0.1% to \$0.6187. The dollar consolidated against major currency peers ahead of US inflation data which is forecast to show inflation remains sticky and progress on disinflation is stalling. The Bloomberg Dollar Spot Index was little changed after falling 0.4% in previous session.

The yield on 10-year Treasuries declined one basis point to 4.78%. Australia's 10-year yield advanced two basis points to 4.64%. S&P 500 futures were little changed as of 11:48 a.m. Tokyo time. Japan's Topix rose 0.7%. Australia's S&P/ASX 200 was little changed. Euro Stoxx 50 futures rose 0.2%. Nasdaq 100 futures were little changed. The 30-year Treasury bond's yield reached new highs above 5% Tuesday as inflation anxiety persisted despite a report showing wholesale prices rose less than economists estimated in December.

				<b>Global Markets</b>			
			<b>Current Levels</b>		<b>Level</b>	<b>1-Day Change (%)</b>	<b>YTD (%)</b>
<b>CBO Repo Rate</b>			5				
<b>O/N OMIBOR</b>			4.25	<b>S&amp;P 500</b>	5843	0.115	-0.66
<b>*Bank Deposit Rates for 1 years</b>			4.25	<b>Euro Stoxx 600</b>	508	-0.079	0.13
<b>Bank Deposit Rates for 5 years</b>			4.00	<b>ShanghaiComposite Index</b>	3233	-0.246	-3.54
<small>*Amount&gt;500k OMR</small>				<b>MSX-30</b>	4611	0.297	0.75
				<b>NIFTY-50</b>	23206	0.129	-1.86
<b>Calendar</b>				<b>Brent Crude (\$/bbl)</b>	80.02	0.138	7.22
<b>Key Data Watch</b>	<b>Time (GST)</b>	<b>Expected</b>	<b>Prior</b>	<b>Gold (\$/oz.)</b>	2676	-0.070	1.95
<b>US CPI MoM</b>	17:30	0.3%	0.2%			-0.011	
<b>UK Retail Price Index</b>	11:00	391.4	390.7	<b>DXY</b>	109		0.71
				<b>Silver(\$/oz.)</b>	30	-0.214	3.24

**For any Treasury related requirement, please contact:**

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