

Bank Dhofar Morning Market Update



Date: 26/03/25

Global Update

Asian stocks traded in a tight range Wednesday as investors searched for a clear direction amid weaker US consumer confidence and uncertainty about President Donald Trump's upcoming tariffs. The MSCI Asia Pacific Index snapped a three-day decline, eking out a 0.3% gain after it lost early momentum. US and European equity-index futures were steady while the 10-year US Treasury yield edged up. The dollar was little changed after ending a four-day rally Tuesday. While markets have taken some comfort from Trump's recent comments about the "reciprocal" tariffs he is due to announce April 2, Tuesday's US economic data adds to concerns investors have about growth in the world's largest economy. One positive news amid the uncertainty was Morgan Stanley and Goldman Sachs Inc. strategists boosting their optimism for Chinese stocks, citing factors including improving earnings outlook. Consumer sentiment surveys have been dismal of late as households fear a resurgence in inflation from Trump's tariffs. Companies have warned of higher prices and less demand, coinciding with economists' forecasts that suggest a risk of stagflation and rising odds of recession. In commodities, West Texas Intermediate crude rose 0.3% to \$69.18 a barrel. Spot gold fell 0.2% to \$3,015.17 an ounce. Copper surged to a record in New York as reports of halted shipments from Chile intensified a supply squeeze caused by a rush to import the metal into the United States before President Donald Trump slaps the industry with tariffs. The benchmark price on the London Metal Exchange was trading at around \$US10,100 a tonne on Wednesday afternoon, widening the gap with the New York contract to more than \$US1600 a tonne. Goldman Sachs, on the other hand, remains bullish on copper's prospects, particularly if there are no negative surprises in Trump's tariff announcements next week. The broker maintained its price forecast of \$US10,200 a tonne for the fourth quarter this year on the back of strong electrification demand, China stimulus offsetting the drag from tariffs, and slower mine supply growth.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0791	1.0797	1.0778	O/N SOFR	4.310	4.290
GBPUSD	1.2944	1.2949	1.2927	1 month SOFR	4.322	4.322
USDJPY	149.91	150.6200	149.84	3 month SOFR	4.296	4.296
USDINR	85.68	85.80	85.67	6 months SOFR	4.194	4.194
USDCNY	7.2628	7.2658	7.2611	12 month SOFR	4.004	4.004
USDCHF	0.8825	0.8841	0.8817	3 years IRS	3.787	3.772

AUDUSD	0.6303	0.6311	0.6278	5 years IRS	3.789	3.773
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The Bloomberg Dollar Spot Index was little changed. The euro was little changed at \$1.0783. The Japanese yen fell 0.4% to 150.48 per dollar. The offshore yuan fell 0.1% to 7.2736 per dollar. The USD/CHF pair rebounds after two consecutive days of losses, trading around 0.8840 during Asian hours on Wednesday. The pair strengthens as the US Dollar (USD) finds support amid prevailing market caution ahead of US President Donald Trump's upcoming tariff announcement on April 2.

The yield on 10-year Treasuries advanced two basis points to 4.34. Australia's 10-year yield advanced four basis points to 4.46%. S&P 500 futures were little changed as of 1:40 p.m. Tokyo time. Japan's Topix rose 0.6%. Australia's S&P/ASX 200 rose 0.7%. The Shanghai Composite rose 0.2%. Euro Stoxx 50 futures rose 0.1%. Morgan Stanley strategists raised their 2025 year-end index targets for Chinese stocks. Similarly, strategists at Goldman Sachs expect more fundamental upside to the recent rally as more positive earnings revisions should be coming.

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

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
UK House Price Index YoY	13:30	-	3.3%
UK CPI MoM	11:00	-0.3%	0.3%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5777	0.157	-1.78
Euro Stoxx 600	553	0.667	8.86
Shanghai Composite Index	3374	0.107	0.65
MSX-30	4408	0.454	-3.68
NIFTY-50	23689	0.088	0.19
Brent Crude (\$/bbl)	73.20	0.260	-0.91
Gold (\$/oz.)	3017	-0.117	14.94
		0.182	
DXY	104		-3.79
Silver(\$/oz.)	34	-0.368	16.27

For any Treasury related requirement, please contact:

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