

Bank Dhofar Morning Market Update



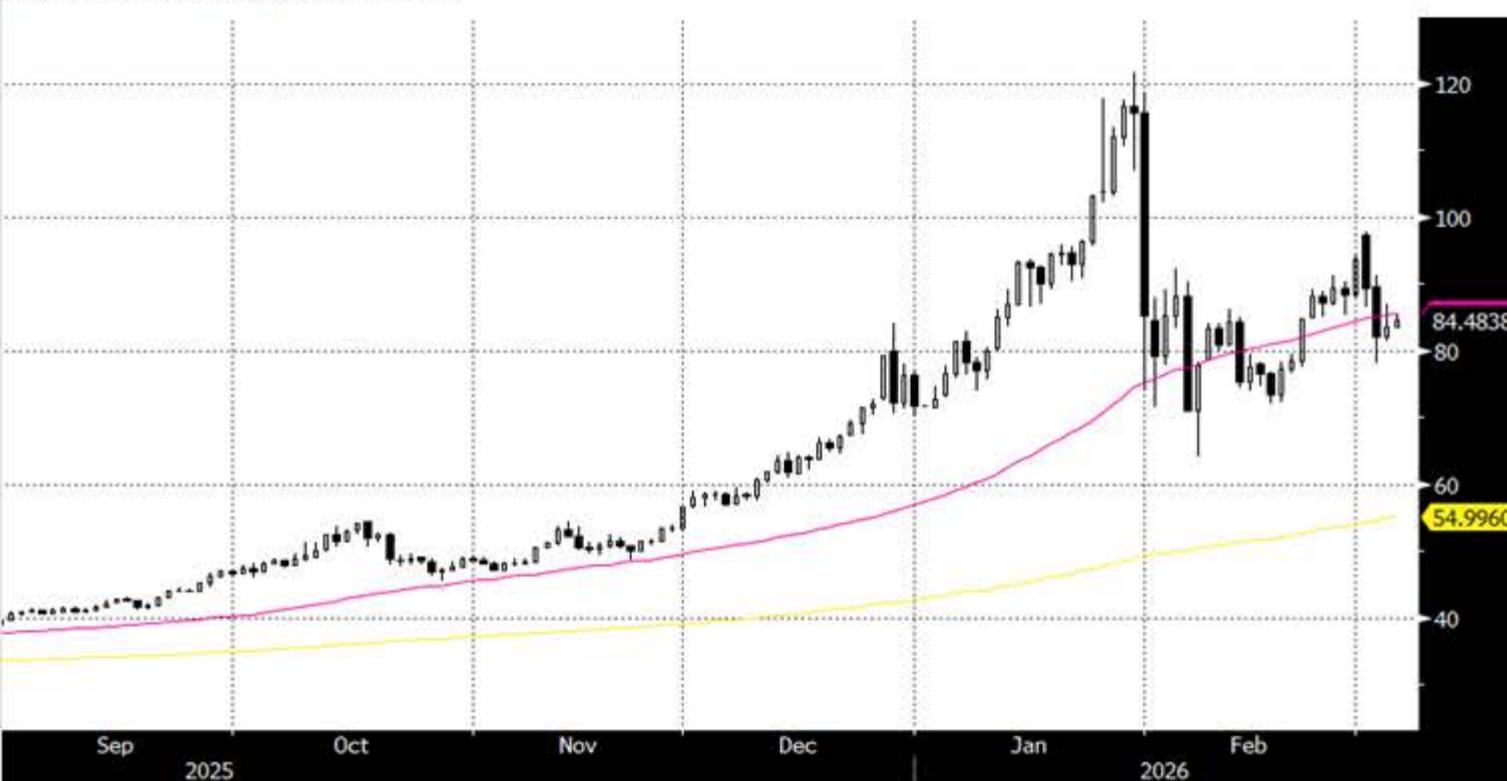
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Global Update

Asian equities rebounded on Thursday, with South Korea leading the advance after suffering its sharpest decline on record. Markets showed signs of calming following a burst of volatility triggered by the Middle East conflict. The Kospi Index jumped 8.4%, helping lift the MSCI Asia Pacific Index by 2.2%, marking its first gain in four sessions. The upswing followed Wednesday's rally on Wall Street, where stronger economic data helped ease inflation worries. Still, the recovery appeared cautious. US and European equity futures slipped slightly, and the US dollar firmed as investors sought haven assets. Chinese stocks also traded higher, despite the country setting its 2026 GDP growth target at 4.5%–5%, its lowest since 1991, and projecting CPI at around 2%. While sentiment improved across equity markets, crude oil extended its climb. Gold and silver also posted further gains amid concerns the conflict could persist. Treasuries weakened somewhat, pushing the 10-year yield up by two basis points to 4.11%. Support from US stocks offered Asian traders a partial reprieve from Wednesday's broad regional declines, as investors continued to assess the war's impact on growth and inflation. For the rebound to be sustained, investors will likely need greater clarity on the duration of the conflict and the extent to which it will fan inflation.

Uncertainty about how long the conflict could last is forcing investors to look to recent history as a guide for markets. Many are revisiting trades enacted after Russia's 2022 invasion of Ukraine, betting that this week's spike in energy prices will stoke inflation, sparking lasting strength in the dollar as well as weakness in bonds and stocks.

Silver (XAG/USD) is extending its positive momentum for a second straight session on Thursday, though the upside remains limited and the metal continues to trade within Wednesday's broader range. During the Asian session, prices are holding above the \$84.00 level, registering a gain of more than 1% on the day. Despite the modest rebound, the near-term outlook stays slightly bearish as XAG/USD pulls back from last week's \$86.00 zone and continues to trade below the rising 100-period SMA on the 1-hour chart. This moving average, currently positioned near \$88.00, now serves as a strong dynamic resistance and is likely to cap further upside attempts unless price convincingly breaks above it.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1633	1.1647	1.1606	O/N SOFR	3.700	3.700
GBPUSD	1.3375	1.3387	1.3329	1 month SOFR	3.671	3.671
USDJPY	157.06	157.1500	156.46	3 month SOFR	3.668	3.668
USDINR	91.57	91.64	91.51	6 months SOFR	3.618	3.618
USDCNY	6.8793	6.8918	6.8774	12 month SOFR	3.476	3.476
USDCHF	0.7792	0.7804	0.7783	3 years IRS	3.342	3.334
AUDUSD	0.7075	0.7089	0.7048	5 years IRS	3.402	3.390
NZDUSD	0.5941	0.5949	0.5926	The yield on 10-year Treasuries advanced two basis points to 4.11%		
The euro fell 0.2% to \$1.1615. The Japanese yen was little changed at 156.97 per dollar. The offshore yuan was little changed at 6.8915 per dollar				Japan's 10-year yield advanced four basis points to 2.150%. Australia's 10-year yield advanced five basis points to 4.79%		

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.25	S&P 500	6870	0.776	0.35
O/N OMIBOR			4	Euro Stoxx 600	613	1.368	3.47
*Bank Deposit Rates for 1 years			3.75	Shanghai Composite Index	4117	0.840	3.73
Bank Deposit Rates for 5 years			3.90	MSX-30	7284	0.387	24.16
*Amount > 500k OMR				NIFTY-50	24630	0.612	-5.74
Calendar				Brent Crude (\$/bbl)	83.83	2.997	38.99
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	5168	0.538	19.65
Challenger Job Cuts YoY	16:30		117.8%	DXY	99	0.231	0.69
Import Price Index MoM	17:30	0.3%	0.1%	Silver (\$/oz.)	84	1.173	17.95

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