

# Bank Dhofar Morning Market Update



Date: 25/02/25

## Global Update

Asian stocks fell after President Donald Trump's move to curb Chinese investments and proceed with tariffs on Canada and Mexico prompted investors to trim risky bets. Chinese technology shares whipsawed. Equity indexes in Hong Kong and mainland China dropped and a regional gauge of shares fell for a second consecutive day. Stocks bounced back from the lows at the open with the most-watched index of Chinese technology shares in Hong Kong fluctuating. The yield on 10-year Treasuries slid three basis points to 4.4% in Asian trading while gold touched a record Monday on demand for safe havens. American depository receipts of Alibaba Group Holding Ltd. fell 10% and sentiment in the broader market soured after Trump told a government committee to curb Chinese spending on tech, energy and other strategic American sectors. Trump officials are also sketching out tougher versions of US semiconductor curbs. The declines are a test for Chinese technology shares after they rallied to a three-year high on optimism over DeepSeek and President Xi Jinping's meeting with corporate leaders. In other parts of Asia, the Bank of Korea cut its seven-day repurchase rate by a quarter-percentage point to 2.75% on Tuesday in a widely expected move. In other markets, oil edged higher as investors assessed a fresh wave of US sanctions on Iranian oil. West Texas Intermediate crude rose 0.6% to \$71.13 a barrel. Gold held near its latest record as exchange-traded funds backed by the precious metal draw renewed interest from investors. Spot gold fell 0.2% to \$2,945.34 an ounce. The USD/CHF pair extends its losses for the third successive session, trading around 0.8960 during the Asian hours on Monday. The daily chart analysis points to an ongoing bearish bias, with the pair trading below the nine- and 14-day Exponential Moving Averages (EMAs). Additionally, the 14-day Relative Strength Index (RSI) remains below the 50 level, reinforcing the bearish trend. Further depreciation would indicate an oversold situation and an upward correction in the near term.



CHF Currency (Swiss Franc Spot) Daily 26FEB2024-25FEB2025

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Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0468	1.0477	1.0460	O/N SOFR	4.340	4.330
GBPUSD	1.2625	1.2638	1.2616	1 month SOFR	4.324	4.324
USDJPY	149.72	150.3000	149.46	3 month SOFR	4.318	4.318
USDINR	86.85	86.89	86.84	6 months SOFR	4.275	4.275
USDCNY	7.2605	7.2609	7.2520	12 month SOFR	4.192	4.192
USDCHF	0.8971	0.8978	0.8968	3 years IRS	3.938	3.964

<b>AUDUSD</b>	0.6350	0.6356	0.6337	<b>5 years IRS</b>	3.928	3.955
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The Bloomberg Dollar Spot Index was little changed. The euro inched higher versus the dollar after Bloomberg reported that Germany's chancellor-in-waiting opened talks with the Social Democrats on defense spending. The euro was at \$1.0473. The Japanese yen was little changed at 149.82 per dollar. The offshore yuan was little changed at 7.2572 per dollar. GBP/USD drifts higher to remain above 1.26. AUD/USD holds near mid 0.63-0.64. The Bloomberg Dollar Spot Index is down 0.1%

US 2-year yields are down 3bps to 4.15% while 10-year yields fall 3bps to 4.37%. In Monday's US trading session 2-and 10-year yields both ended down 3bps. Treasury's \$69b auction of two-year notes drew a lower-than-expected yield and produced record demand metrics. The notes were awarded at 4.169% vs the 4.180% when-issued yield at the bidding deadline of 1 p.m. New York time. Australia's 10-year yield declined three basis points to 4.40%. S&P 500 futures rose 0.2% as of 12:31 p.m. Tokyo time. Japan's Topix fell 0.3%. Australia's S&P/ASX 200 fell 0.7%.

	<b>Current Levels</b>
<b>CBO Repo Rate</b>	5
<b>O/N OMIBOR</b>	4.25
<b>*Bank Deposit Rates for 1 years</b>	4.20
<b>Bank Deposit Rates for 5 years</b>	4.50

\*Amount>500k OMR

<b>Calendar</b>			
<b>Key Data Watch</b>	<b>Time (GST)</b>	<b>Expected</b>	<b>Prior</b>
<b>Dallas Fed Services Activity</b>	19:30	-	9.6
<b>Richmond Fed Manufacturing Index</b>	19:00	-10	-10

<b>Global Markets</b>			
	<b>Level</b>	<b>1-Day Change (%)</b>	<b>YTD (%)</b>
<b>S&amp;P 500</b>	5983	-0.497	1.73
<b>Euro Stoxx 600</b>	553	-0.083	9.02
<b>ShanghaiComposite Index</b>	3368	-0.142	0.49
<b>MSX-30</b>	4428	-0.598	-3.24
<b>NIFTY-50</b>	22598	0.199	-4.43
<b>Brent Crude (\$/bbl)</b>	75.18	0.535	1.27
<b>Gold (\$/oz.)</b>	2937	-0.489	11.92
		0.007	
<b>DXY</b>	107		-1.74
<b>Silver(\$/oz.)</b>	32	-0.056	11.86

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

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