Bank Dhofar Morning Market Update



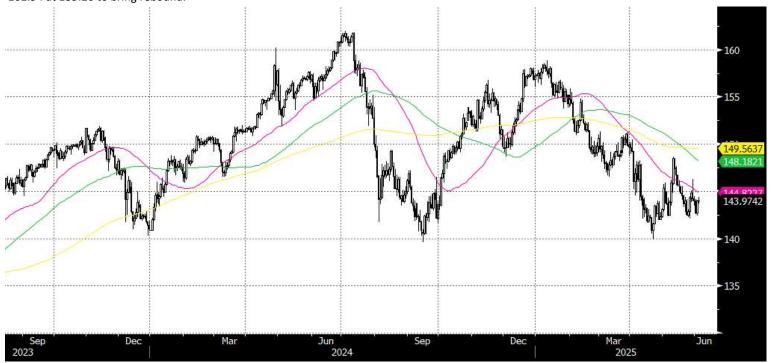
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Global Update

Asian stocks rose for the first time in four days after data showed the US labor market is holding up, easing concerns President Donald Trump's tariff war is pushing the world economy into a downturn. A regional gauge climbed 0.7%, with South Korea's Kospi Index jumping 2.5% after the country elected a new president, capping six months of political chaos. The Korean won gained 0.3%. Equity-index futures for Europe advanced 0.3% while those for the US were little changed. Asian chip shares tracked their US peers higher on recovering AI trade.

Just days ahead of the US payrolls report, an unexpected increase in job openings reinforced the Federal Reserve's assertion that the labor market is in a good place, buoying market sentiment. That optimism helped offset investor angst on Trump's combative trade policies, which economists have warned will push the US economy into a recession. The Office of the US Trade Representative has sent letters to trading partners to remind them of an upcoming deadline in negotiations, according to the White House. Commerce Secretary Howard Lutnick said he's "very optimistic" about prospects for a deal between the US and India.

Intraday bias remains neutral for USDJPY.On the upside, above 146.27 will target 148.64 resistance first. Firm break there will resume the rebound from 139.87. Nevertheless, break of 142.10 will bring deeper fall back to 139.87 low.In the bigger picture, price actions from 161.94 are seen as a corrective pattern to rise from 102.58, with fall from 158.86 as the third leg. Strong support should be seen from 38.2% retracement of 102.58 to 161.94 at 139.26 to bring rebound.



Source: Reuters, Bloomberg

Currencies				Rates			
	Open	High	Low		Last Price	Previous Day Close	
EURUSD	1.1371	1.1393	1.1357	O/N SOFR	4.350	4.330	
GBPUSD	1.3517	1.3545	1.3501	1 month SOFR	4.320	4.320	
USDJPY	143.97	144.3800	143.67	3 month SOFR	4.320	4.320	
USDINR	85.75	86.00	85.74	6 months SOFR	4.252	4.252	
USDCNY	7.1883	7.1938	7.1821	12 month SOFR	4.042	4.042	
USDCHF	0.8239	0.8250	0.8225	3 years IRS	3.652	3.646	

AUDUSD	0.6462	0.6480	0.6451
NZDUSD	0.5998	0.6014	0.5992

The dollar pared earlier losses ahead of US ISM services, PMI and ADP employment data, which will be used by traders to gauge the strength of the domestic economy. USD/JPY hovers around 144 while EUR/USD consolidates below 1.14. GBP/USD is steady to remain above 1.35. AUD/USD drifts down toward mid 0.64-0.65.

5 years IRS

3.676

3.675

Bank of Japan Governor Kazuo Ueda is expected to continue hiking rates due to inflation running above the 2% target, with recent CPI data showing upside surprises that can no longer be explained by the yen's weakness alone.US 2-year yields steady at 3.95% while 10-year yields fall 1bp to 4.45%. In Tuesday's US trading session 2-year yields ended up 2bps while 10-year gained 1bpJapan's 10-year yield advanced 1.5 basis points to 1.495%.Australia's 10-year yield was little changed at 4.25%.

					Global Markets			
CBO Repo Rate			Current Levels 5		Level	1-Day Change (%)	YTD (%)	
O/N OMIBOR			4.25	S&P 500	5970	0.580	1.51	
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	548	0.095	8.04	
				ShanghaiComposite Index	3376	0.418	0.72	
Bank Deposit Rates for 5 years 4.50			4.50	MSX-30	4557	0.083	-0.43	
*Amount>500k OMR				NIFTY-50	24589	0.189	3.99	
Calendar				Brent Crude (\$/bbl)	65.39	-0.366	-10.35	
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3356	0.091	27.89	
MBA Mortgage Applications	15:00		-1.2%	DXY	99	0.086	-8.46	
ADP Employment Change	16:15	114k	62k	Silver(\$/oz.)	34	-0.116	19.29	

For any Treasury related requirement, please contact: Telephone: +968 2265 2721/2722/2731/2716

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