

Bank Dhofar Morning Market Update



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Global Update

Global equities extended gains to record highs as easing geopolitical risk and a powerful rebound in technology shares lifted risk appetite. Asian markets outperformed, with MSCI Asia rising to an all-time high and South Korea's KOSPI surging more than 6%, driven by renewed enthusiasm around the AI theme and a sharp rally in heavyweight tech stocks. Optimism that tensions in the Middle East may cool weighed on energy prices, with Brent crude sliding to around \$108/bbl, supporting expectations of softer inflation and stronger global growth. The dollar weakened across G10 currencies as safe-haven demand eased, while global bond markets found support, pushing long-dated US yields lower despite investors still pricing a risk of further Fed tightening. Risk sentiment was further buoyed by solid US tech earnings, keeping equity momentum intact even as gold held firm near record levels and digital assets were marginally softer.

USD/JPY eased from the 158.00 handle during the Asian session on Wednesday, pausing its three-day rebound from late-February lows as traders pared back expectations of a more hawkish Federal Reserve amid renewed optimism around a potential US-Iran peace deal. Softer crude prices have reduced inflation concerns, weighing on the US dollar's safe-haven appeal, while persistent intervention risks continue to underpin the Japanese yen. From a technical perspective, the pair is trading around 159.62 and remains marginally supported above the day's opening level at 159.36, preserving a modest intraday bullish bias. Momentum indicators on the 15-minute chart suggest improving upside traction without overstretched conditions, keeping dip-buying interest intact as long as 159.36 holds. On the daily timeframe, USD/JPY continues to trade comfortably above its 50-day and 200-day EMAs at 158.44 and 155.10 respectively, indicating that the broader uptrend remains in place despite near-term consolidation.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1693	1.1742	1.1692	O/N SOFR	3.630	3.630
GBPUSD	1.3541	1.3594	1.3538	1 month SOFR	3.645	3.645
USDJPY	157.88	157.9400	155.14	3 month SOFR	3.653	3.653
USDINR	95.04	95.11	94.96	6 months SOFR	3.667	3.667
USDCNY	6.8227	6.8238	6.8182	12 month SOFR	3.726	3.726
USDCHF	0.7830	0.7835	0.7790	3 years IRS	3.755	3.754
AUDUSD	0.7183	0.7250	0.7179	5 years IRS	3.755	3.784
NZDUSD	0.5887	0.5951	0.5876	Treasury futures edge higher with cash markets in Japan closed for a public holiday. In Tuesday's US trading session 2-year yields ended down 1bps to 3.94% while 10-year yields fell 1bp to 4.42%		

USD/JPY consolidates below 158 while AUD/USD rises to highest since 2022. EUR/USD climbs back above 1.17 while GBP/USD advances past mid 1.35-1.36

				Global Markets			
			Current Levels	Level	1-Day Change (%)	YTD (%)	
CBO Repo Rate			4.25	S&P 500	7259	0.812	6.04
O/N OMIBOR			4	Euro Stoxx 600	610	0.695	2.96
*Bank Deposit Rates for 1 years			4.45	Shanghai Composite Index	4164	1.271	4.93
Bank Deposit Rates for 5 years			4.00	MSX-30	8392	-0.071	43.04
*Amount>500k OMR				NIFTY-50	24107	0.308	-7.74
Calendar				Brent Crude (\$/bbl)	107.83	-1.857	79.06
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	4650	2.042	7.65
MBA Mortgage Applications	15:00		-1.6%	DXY	98	-0.413	-0.29
ADP Employment Change	16:15	120k	62k	Silver(\$/oz.)	76	3.939	5.66

For any Treasury related requirement, please contact:
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