

# Bank Dhofar Morning Market Update



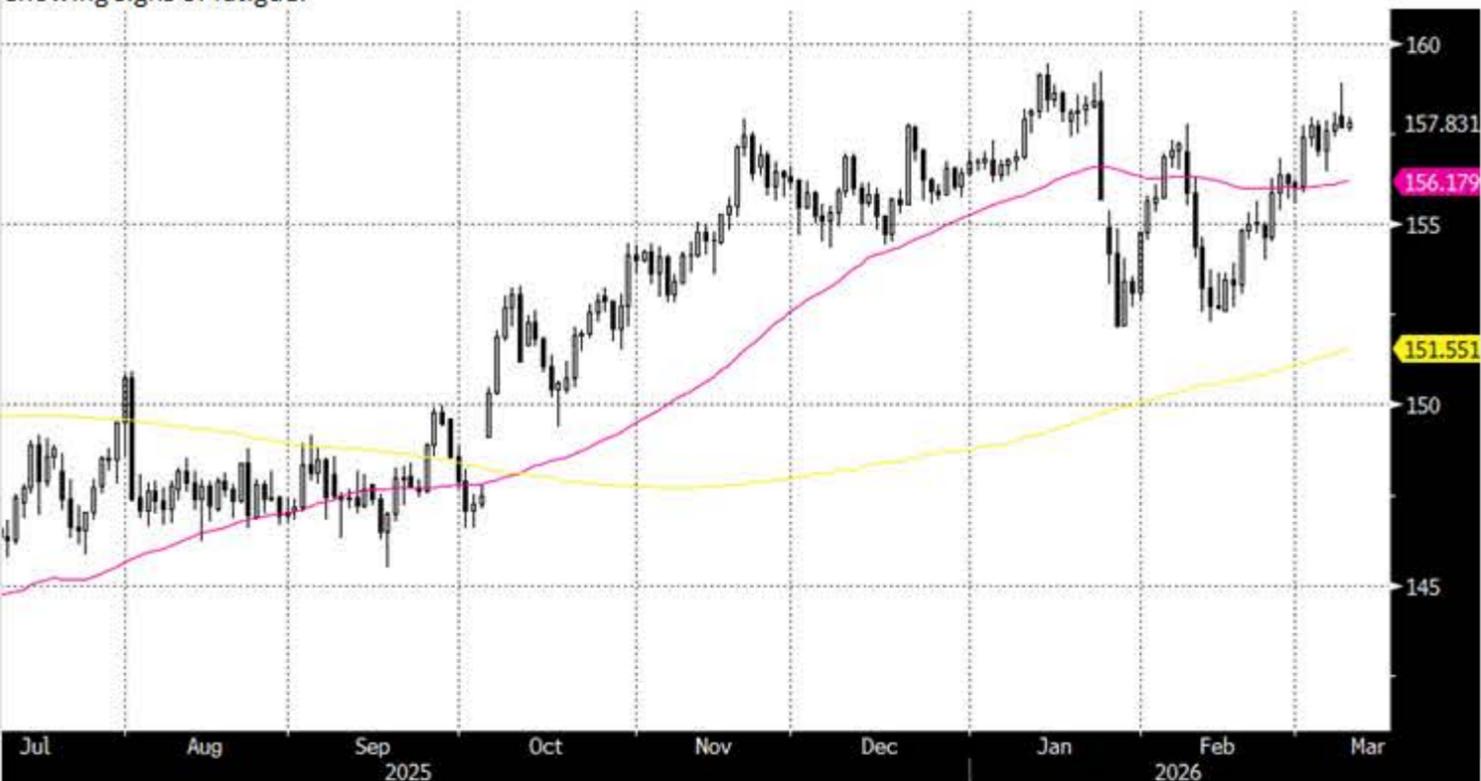
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## Global Update

Asian equities rebounded sharply from Monday's steep declines, while crude oil retreated, after President Donald Trump suggested that the conflict with Iran may be approaching a conclusion — lifting investor sentiment. The MSCI Asia Pacific Index climbed 2%, partially recovering from its 3.7% drop the previous day, with roughly two advancers for every decliner. Technology shares were particularly strong, rising 3.5%, though markets later eased from their intraday highs. The rally followed comments from Trump, who said the war with Iran would be resolved "very soon." While he noted it may not end this week, he emphasized that the military operation was "ahead of schedule" and that U.S. objectives were "pretty well complete."

Brent crude dropped 4.1% to \$94.92 per barrel, after earlier falling as much as 11% before paring losses. The U.S. dollar weakened against all G-10 currencies, whereas 10-year Treasury yields rose 2 bps to 4.12%, resuming their upward trend. Gold gained as some investors maintained defensive positions. The sharp swings indicate just how sensitive markets have become to headlines from the Middle East conflict. Cross-asset volatility showed little sign of easing — with a market risk indicator hovering near levels seen when Trump unveiled global tariffs last year — as investors grappled with a fast-moving geopolitical conflict that offers no clear trading playbook.

USD/JPY is trading on the defensive below the 158.00 level in Tuesday's Asian session, easing back after Monday's strong rally to multi-month highs. The Japanese Yen finds support from the upward revision to Japan's Q4 GDP figures, which has strengthened expectations around the domestic economic outlook and heightened sensitivity to potential FX intervention. At the same time, improving prospects for a resolution to the Iran conflict are weighing on the US Dollar by tempering its global safe-haven and reserve-currency appeal. The USD/JPY pair maintains a mildly bullish tone in the near term after firmly breaking above the week-long consolidation ceiling around 158.00. Technical signals reinforce this bias: the MACD histogram has edged into positive territory, and although the MACD line sits only slightly above the signal line near the zero level, it still points to gradually improving—yet moderate—upward momentum. Meanwhile, the RSI holding near 64 remains comfortably below overbought thresholds, suggesting that buyers retain control without showing signs of fatigue.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1636	1.1646	1.1607	O/N SOFR	3.650	3.650
GBPUSD	1.3437	1.3448	1.3414	1 month SOFR	3.667	3.667
USDJPY	157.67	157.9500	157.53	3 month SOFR	3.669	3.669
USDINR	91.92	92.19	91.88	6 months SOFR	3.641	3.641
USDCNY	6.8920	6.8927	6.8790	12 month SOFR	3.551	3.551
USDCHE	0.7775	0.7783	0.7766	3 years IRS	3.362	3.330
AUDUSD	0.7076	0.7082	0.7053	5 years IRS	3.422	3.393
NZDUSD	0.5934	0.5940	0.5908	The yield on 10-year Treasuries advanced two basis points to 4.12%. Japan's 10-year yield declined two basis points to 2.160%. Australia's 10-year yield declined nine basis points to 4.85%.		

				Global Markets			
			Current Levels	Level	1-Day Change (%)	YTD (%)	
CBO Repo Rate			4.25	S&P 500	6796	0.830	-0.72
O/N OMIBOR			4	Euro Stoxx 600	595	-0.630	0.46
*Bank Deposit Rates for 1 years			3.75	Shanghai Composite Index	4113	0.391	3.62
Bank Deposit Rates for 5 years			3.90	MSX-30	7763	3.110	32.31
				NIFTY-50	24098	0.292	-7.77
Calendar				Brent Crude (\$/bbl)	94.13	-4.881	56.05
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	5162	0.454	19.50
NFIB Small Business Optimism	14:00	99.6	99.3	DX	99	-0.268	0.60
ADP Weekly Employment Change	16:15		12.750K	Silver(\$/oz.)	88	1.575	23.26

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