

Bank Dhofar Morning Market Update



Date: 26/05/25

Global Update

US and European equity-index futures climbed as President Donald Trump extended a deadline on aggressive European tariffs, boosting optimism after whipsawing on Friday. Contracts for the S&P 500 and the Nasdaq 100 advanced 1% and those for the Euro Stoxx 50 jumped 1.6%. Trump earlier said he had agreed to delay the date for a 50% tariff on goods from the European Union to July 9 from June 1. Asian shares edged up 0.2%, paring some of their gains at the start. A gauge of the dollar weakened 0.2% to its lowest level since December 2023. Trump’s moves reflected the increasing uncertainty in markets, with his broadside against Europe on Friday a harsh reminder of the president’s volatile policy making. The tariff war has returned to the fore as the major driver of markets once again after concerns about Trump’s proposed tax cuts, and their impact on the US deficit, churned markets much of last week. Oil was slightly higher. US Treasury futures declined and gold slipped 0.3% on weak demand for haven assets. Treasuries won’t be trading during Asian hours Monday due to the Memorial Day holiday in the US. Trump’s moves reflected the increasing uncertainty in markets, with his broadside against Europe on Friday a harsh reminder of the president’s volatile policy making. The tariff war has returned to the fore as the major driver of markets once again after concerns about Trump’s proposed tax cuts, and their impact on the US deficit, churned markets much of last week.

Intraday bias in EUR/USD remains on the upside as rise from 1.1064 is in progress for retesting 1.1572. Decisive break there will resume larger up trend to 61.8% projection of 1.0176 to 1.1572 from 1.1064 at 1.1927. On the downside, below 1.1255 minor support will turn intraday bias neutral again first.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1363	1.1419	1.1359	O/N SOFR	4.260	4.260
GBPUSD	1.3524	1.3593	1.3509	1 month SOFR	4.329	4.329
USDJPY	142.49	143.0800	142.23	3 month SOFR	4.330	4.330
USDINR	85.05	85.14	84.78	6 months SOFR	4.271	4.271
USDCNY	7.1737	7.1750	7.1680	12 month SOFR	4.068	4.068
USDCHF	0.8227	0.8320	0.8193	3 years IRS	3.663	3.663

AUDUSD	0.6462	0.6537	0.6462	5 years IRS	3.691	3.691
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NZDUSD	0.5979	0.6032	0.5979
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Currencies including the Australian and New Zealand dollars as well as the euro surged after President Donald Trump said he would extend the deadline for the EU to face 50% tariffs until July 9.The dollar gauge has lost more than 7% so far in 2025 and is set to wipe out all of its gains from last year, when the index rose the most since 2015. The euro rose 0.4% to \$1.1405.The Japanese yen was little changed at 142.65 per dollar.The offshore yuan was little changed at 7.1713 per dollar

Treasury futures are staying lower, which may be a more enduring move than the knee-jerk gains for US equity-index contracts on Monday in response to Trump’s latest tariff whiplash. Minneapolis Fed President Neel Kashkari reminded investors of the potential for an extended pause in the central bank’s easing cycle. He signaled Monday that September could be the earliest date for the next move in interest rates, though he was unsure if the picture would be clear enough by then.Treasuries futures drift lower with cash markets closed for a US public holiday. In Friday’s New York trading session 2-year yields were little changed at 3.99% while the 10 year fell 2bps to 4.51%

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	5803	-0.671	-1.34
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	545	-0.934	7.39
				ShanghaiComposite Index	3343	-0.159	-0.26
Bank Deposit Rates for 5 years			4.50	MSX-30	4515	0.381	-1.35
*Amount>500k OMR				NIFTY-50	24966	0.454	5.59
				Brent Crude (\$/bbl)	64.98	0.340	-11.26
				Gold (\$/oz.)	3349	-0.250	27.61
						-0.290	
				DXY	99		-8.91
				Silver(\$/oz.)	34	0.185	16.04

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
Durable Goods Orders	16:30	-7.8%	9.2%
Cap Goods Orders Nondef Ex Air	16:30	-0.1%	0.1%

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

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