

Bank Dhofar Morning Market Update



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Global Update

Asian equities surged toward record levels, driven by renewed optimism around the AI theme and strong megacap tech earnings, with benchmarks in South Korea and Taiwan hitting all-time highs. MSCI's Asia equity index jumped 2.2%, nearing its February peak, while Taiwan Semiconductor rose 6.6% and SK Hynix surged 11%, lifting the regional tech index 4.7% to a record. US equity futures extended gains after the S&P 500 and Nasdaq closed at fresh highs on the back of strong earnings from major technology firms, including Apple. Risk sentiment was also supported by comments from President Donald Trump on guiding non-conflict vessels through the Strait of Hormuz, though Iranian officials cautioned against US intervention. Brent crude was volatile but steadied around \$108 a barrel, while the yen strengthened up to 0.7% amid reports of Japanese market intervention. Elsewhere, gold eased toward \$4,600 an ounce, silver traded near \$75.75, and bitcoin rose 1% to around \$79,800, as investors largely looked past geopolitical risks and focused on signs of corporate resilience and sustained US economic strength. Sentiment improved further after President Donald Trump described discussions with Tehran as "very positive" following Iran's receipt of Washington's response to its latest proposal to end the war, raising hopes for de-escalation. Plans to guide neutral ships through the Strait of Hormuz could help normalize energy flows from the Middle East after a near-complete blockade lasting almost two months. According to Iran's semi-official Tasnim News Agency, Tehran has proposed a full end to hostilities within 30 days, alongside guarantees against renewed strikes, while reiterating earlier demands including the withdrawal of US forces from near Iran, the lifting of the maritime blockade, removal of sanctions and payment of reparations.

EUR/USD eased modestly after opening with a bullish gap, but remains in positive territory, trading around 1.1720–1.1735 during Asian hours, as upbeat technical signals are countered by renewed euro-side headwinds. Sentiment on the common currency softened after President Donald Trump signaled that US tariffs on EU cars and trucks would be raised to 25% from 15% this week, citing alleged breaches of a trade agreement. From a technical perspective, the pair continues to hold a mildly bullish bias, staying above its 20-period EMA near 1.1702 and trading between key Fibonacci retracement levels of the latest swing. However, EUR/USD is struggling just below the 50% retracement at 1.1745, suggesting upside momentum is losing pace rather than reversing, while the RSI near 55 points to constructive but not overextended upside conditions.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1740	1.1763	1.1720	O/N SOFR	3.660	3.660
GBPUSD	1.3585	1.3605	1.3572	1 month SOFR	3.646	3.646
USDJPY	156.88	157.2500	155.72	3 month SOFR	3.658	3.658
USDINR	94.95	94.98	94.84	6 months SOFR	3.674	3.674
USDCNY	6.8421	6.8427	6.8261	12 month SOFR	3.731	3.731
USDCHF	0.7811	0.7818	0.7800	3 years IRS	3.686	3.686
AUDUSD	0.7202	0.7227	0.7190	5 years IRS	3.730	3.717
NZDUSD	0.5903	0.5926	0.5895			

The euro was little changed at \$1.1728. The Japanese yen rose 0.2% to 156.73 per dollar. The offshore yuan rose 0.1% to 6.8211 per dollar. USD/JPY falls as much as 0.8% to trade briefly below 156. AUD/USD rises to hold above 0.72.

Treasury futures are little changed with cash markets in Japan closed for a holiday. In Friday's US trading session US 2-year yields are up 1bp to 3.88% while 10-year yields held steady at 4.37%

Global Markets							
			Current Levels	Level	1-Day Change (%)	YTD (%)	
CBO Repo Rate			4.25				
O/N OMIBOR			4	S&P 500	7230	0.293	5.62
*Bank Deposit Rates for 1 years			4.45	Euro Stoxx 600	612	0.044	3.27
				Shanghai Composite Index	4112	0.113	3.61
Bank Deposit Rates for 5 years			4.00	MSX-30	8361	-0.103	42.51
*Amount > 500k OMR				NIFTY-50	24190	0.800	-7.42
				Brent Crude (\$/bbl)	108.10	-0.037	79.56
Calendar				Gold (\$/oz.)	4607	-0.166	6.65
						-0.019	
Key Data Watch	Time (GST)	Expected	Prior	DXY	98		-0.19
Factory Orders	18:00	0.6%	0.0%	Silver (\$/oz.)	75	0.090	5.25
Factory Orders Ex Trans	18:00	1.3%	1.2%				

For any Treasury related requirement, please contact:

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