

Bank Dhofar Morning Market Update



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Global Update

Stocks in Asia drifted at the start of the week as traders refrained from making riskier bets after lackluster economic data spurred a selloff in Wall Street. The dollar declined against its peers, notably the euro. Benchmarks in Hong Kong and mainland China traded in tight range while a gauge of Asian equities edged lower after hitting a four-month high Friday. US equity index futures advanced, as did contracts on Germany's benchmark stock index after the conservative party came in first in the country's federal election. The prospects for artificial intelligence has fueled a rally in Chinese technology stocks, offsetting the risks from US tariffs and shifting wagers on Federal Reserve policy easing. Data late last week showed US inflation expectations rising to the highest level in almost three decades, while US business activity expanded at the slowest pace since September 2023. Chinese tech shares have staged a bull run this year, driven by optimism over DeepSeek and Xi's meeting with major business leaders, including Alibaba Group Holding Ltd. co-founder Jack Ma. Treasury futures slipped on Monday. There was no cash Treasuries trading in Asia, as Japan's markets were closed for a holiday on Monday. A gauge of the dollar weakened during early Asian trading. The euro outperformed among Group of 10 currencies, up 0.5% against the dollar after Germany's conservative leader Friedrich Merz said he'll move quickly to form a new government following Sunday's federal election victory. In commodities, oil held a decline as the prospect of increased supply from Iraq weighed on prices. Gold traded just shy of last week's all-time high as unexpectedly weak economic data and rising expectations for inflation helped boost haven demand.

The euro led major peers higher against the dollar after Germany's conservative opposition leader won Sunday's federal election. EUR/USD rises back above 1.05 and nears resistance at 1.0533, its Jan. high. Dollar weakness is adding to the already sizable demand for the euro following the German election, according to Asia-based FX traders.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0480	1.0528	1.0462	O/N SOFR	4.330	4.330
GBPUSD	1.2638	1.2691	1.2631	1 month SOFR	4.319	4.319
USDJPY	149.39	149.5000	148.85	3 month SOFR	4.322	4.322
USDINR	86.58	86.68	86.58	6 months SOFR	4.291	4.291
USDCNY	7.2487	7.2515	7.2288	12 month SOFR	4.223	4.223
USDCHF	0.8977	0.8986	0.8954	3 years IRS	4.000	4.000

AUDUSD	0.6364	0.6392	0.6360	5 years IRS	3.990	3.990
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The Bloomberg Dollar Spot Index fell 0.4%. The euro rose 0.7% to \$1.0526. The euro led gains across major currencies against the dollar after Germany's conservative opposition leader won Sunday's federal election and vowed to move swiftly to form a government. FX pair has cleared option strikes layered 1.0470/00, worth collective EUR4.5b The Japanese yen was little changed at 149.31 per dollar. The offshore yuan rose 0.2% to 7.2382 per dollar. GBP/USD rose 0.4% at 1.2680. AUD/USD climbed 0.3% to 0.6374.

10-Year Treasury yield at 4.431%. Australia's 10-year yield declined six basis points to 4.45%. US equity futures rose as of 6:05 p.m. in New York. The S&P 500 Index declined in regular trading on Friday, led by S&P Consumer Discretionary and S&P Information Technology. S&P 500 futures rose 0.5% as of 11:46 a.m. Tokyo time. Nikkei 225 futures (OSE) fell 1.3%. Australia's S&P/ASX 200 was little changed. Hong Kong's Hang Seng rose 0.3%. The Shanghai Composite was little changed. Euro Stoxx 50 futures rose 0.5%.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	6013	-1.706	2.24
*Bank Deposit Rates for 1 years			4.20	Euro Stoxx 600	554	0.515	9.11
Bank Deposit Rates for 5 years			4.50	ShanghaiComposite Index	3375	-0.113	0.70
<small>*Amount>500k OMR</small>				MSX-30	4455	0.246	-2.66
				NIFTY-50	22587	-0.915	-4.47
				Brent Crude (\$/bbl)	74.28	-0.188	0.07
				Gold (\$/oz.)	2941	0.152	12.04
						-0.348	
				DXY	106		-2.07
				Silver(\$/oz.)	33	0.741	13.13

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
Dallas Fed Manufacturing Activity	19:30	0.0	3.4
Chicago Fed Nat Activity Index	17:30	-0.06	-0.12

For any Treasury related requirement, please contact:

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