

Bank Dhofar Morning Market Update



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Global Update

Stocks declined and the dollar gained in a risk-averse start to the week, as President Donald Trump revived trade tensions saying the US will start issuing tariff letters to countries as soon as Monday. MSCI's gauge for Asian stocks fell 0.6%. Treasuries edged up, with the yield on the 10-year dipping about 2 basis points to 4.33%. A gauge of the dollar strengthened 0.1% and the Chinese yuan weakened after Trump said those aligning with the BRICS group of nations will face an additional 10% levy. Trump said he would put an additional 10% tariff on any country aligning themselves with "the Anti-American policies of BRICS," injecting further uncertainty as the US continues to negotiate levies with trading partners. BRICS is a grouping of nations that includes Brazil, China, South Africa and India. Over the weekend, the group's leaders agreed to continue talks on a cross-border payment system for trade and investment — a project they've been discussing for a decade, though progress has been slow. Meanwhile, oil extended declines after OPEC+ agreed to a bigger-than-expected production increase next month, raising concerns about oversupply just as US tariffs fan fears about the demand outlook. Brent slid 0.7% to \$67.80 a barrel after falling 0.7% on Friday. EUR/USD edged higher to 1.1829 last week but turned sideways since then. Initial bias stays neutral this week for more consolidations first. But downside should be contained by 1.1630 resistance turned support to bring rebound. Firm break of 1.1829 will resume the rise from 1.0176 and target 61.8% projection of 1.0176 to 1.1572 from 1.1064 at 1.1927.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1799	1.1810	1.1788	O/N SOFR	4.440	4.400
GBPUSD	1.3635	1.3667	1.3624	1 month SOFR	4.328	4.328
USDJPY	143.66	143.8800	143.45	3 month SOFR	4.298	4.298
USDINR	85.67	85.71	85.61	6 months SOFR	4.143	4.143
USDCNY	7.1619	7.1646	7.1619	12 month SOFR	3.871	3.871
USDCHF	0.7921	0.7924	0.7910	3 years IRS	3.439	3.458
AUDUSD	0.6584	0.6588	0.6565	5 years IRS	3.470	3.489
NZDUSD	0.6090	0.6093	0.6066	Treasuries hold gains amid the risk-off sentiment following President Trump's signal of an additional 10% tariffs on BRICS-aligned economies. Australian bonds rise ahead of an expected interest-rate cut from the Reserve Bank on Tuesday. US 2-year yields are down 2bps to 3.86% while		

The euro was little changed at \$1.1770. The Japanese yen fell 0.2% to 144.83 per dollar. The offshore yuan fell 0.1% to 7.1730 per dollar. NZD/USD declines to approach 0.60. NZD long liquidation kicks

in on the break of 0.6030 as US President Donald Trump threatens extra 10% tariff on countries aligning with BRICS, according to an Asia-based FX trader.GBP/USD drifts lower but holds above 1.36.

the yield on 10-year Treasuries declined two basis points to 4.33%.Japan’s 10-year yield advanced two basis points to 1.450%.Australia’s 10-year yield was little changed at 4.19%.New Zealand 10-year yield falls 2bps.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	6227	0.475	5.88
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	541	0.178	6.62
				ShanghaiComposite Index	3457	0.074	3.15
Bank Deposit Rates for 5 years			4.50	MSX-30	4525	0.250	-1.13
*Amount>500k OMR				NIFTY-50	25536	0.325	8.00
Calendar				Brent Crude (\$/bbl)	68.60	-0.724	-5.53
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3349	-0.240	27.62
CPI MoM(ES)	9:00		0.1%	DXY	97	0.067	-10.73
Industrial Production MoM(FI)	9:00		1.6%	Silver(\$/oz.)	36	-0.268	26.13

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