

Bank Dhofar Morning Market Update



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Global Update

Asian shares fell along with US stock-index futures as trade tensions dialed up, prompting investors to hold back on taking risky bets. Gold rose on demand for haven assets. A gauge of Asian stocks fell 1.1%, the most in more than a month, while S&P 500 futures slipped 0.4%. China and the US accused each other of violating their trade deal last month, sending Hong Kong shares down 2.5%. President Donald Trump also said he would double tariffs on steel and aluminum imports. Tariff headlines are once again dominating markets after a legal back-and-forth last week on the status of Trump’s century-high levies, which investors say may push the US into a recession. Amid the uncertainty about US trade policy and negotiations with countries including China, market participants are also monitoring a sweeping tax bill that threatens to boost the US deficit. Gold advanced 0.5% after retreating last week.

Crude oil climbed 2.5% after OPEC+ agreed to lift output by less than some investors had expected.

EUR/USD’s price actions from 1.1572 are seen as a corrective pattern to rally from 1.0176, which might still be extending. On the upside, above 1.1417 will bring retest of 1.1572 first. On the downside, below 1.1209 will target 1.1064 again. But overall, rise from 1.0176 is expected to resume after the correction completes at a later stage.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1346	1.1382	1.1341	O/N SOFR	4.330	4.330
GBPUSD	1.3463	1.3506	1.3452	1 month SOFR	4.322	4.322
USDJPY	143.99	144.1700	143.33	3 month SOFR	4.324	4.324
USDINR	85.54	85.54	85.41	6 months SOFR	4.266	4.266
USDCNY	7.1861	7.2015	7.1833	12 month SOFR	4.066	4.066
USDCHF	0.8234	0.8242	0.8210	3 years IRS	3.578	3.578
AUDUSD	0.6436	0.6473	0.6430	5 years IRS	3.604	3.603
NZDUSD	0.5966	0.6009	0.5956	Treasury's dropped, with the yield on the 10-year rising one basis point. US		

A gauge of the dollar dipped 0.1% and the yen strengthened.The dollar slipped against the Group-of-10 peers Monday amid escalating trade tensions and as Federal Reserve Governor Christopher Waller indicated rate cuts later this year.The euro was little changed at \$1.1358.The Japanese yen rose 0.3% to 143.62 per dollar.The offshore yuan fell 0.2% to 7.2206 per dollar

Treasuries delivered their first monthly loss this year in May, buffeted by renewed tariff uncertainty and growing anxiety over mounting levels of government debt. The 30-year yield rose for a third consecutive month, its longest losing streak since 2023, as Trump wrestles with Congress over a bill that promises to cut taxes. The yield on 10-year Treasuries advanced one basis point to 4.41%.Japan’s 10-year yield advanced one basis point to 1.510%.Australia’s 10-year yield was little changed at 4.26%.

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			5				
O/N OMIBOR			4.25	S&P 500	5912	-0.008	0.51
*Bank Deposit Rates for 1 years			4.25	Euro Stoxx 600	549	0.144	8.09
				ShanghaiComposite Index	3347	-0.475	-0.13
Bank Deposit Rates for 5 years			4.50	MSX-30	4565	0.092	-0.25
*Amount>500k OMR				NIFTY-50	24585	-0.669	3.98
Calendar				Brent Crude (\$/bbl)	64.23	2.326	-11.93
Key Data Watch	Time (GST)	Expected	Prior	Gold (\$/oz.)	3312	0.682	26.18
S&P Global US Manufacturing PMI	17:45	52.3	52.3	DXY	99	-0.047	-8.48
ISM Manufacturing	18:00	49.5	48.7	Silver(\$/oz.)	33	0.340	14.51

For any Treasury related requirement, please contact:
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