

Bank Dhofar Morning Market Update



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Global Update

Chinese shares fell, weighing on broader Asian equities, after weaker-than-expected retail sales data showed the world's second-biggest economy is still struggling to recover. China's retail sales rose 3% from a year ago, undershooting forecasts of 5% growth by economists surveyed by Bloomberg. That was after the nation's stocks slid on Friday amid disappointment when Beijing pledged to boost consumption but failed to offer details on fiscal stimulus. Bloomberg's dollar index crept lower after posting two straight weekly gains. Treasuries ticked higher as traders positioned ahead of the rate decision on Wednesday. The negative tone in Asian markets comes as investors ready themselves for the final full week of trading this year with a series of central bank meetings including the Federal Reserve, Bank of Japan and Bank of England. In commodities, oil edged lower, paring Friday's gains as simmering geopolitical conflicts and the prospect of sanctions on Russia and Iran countered projections for a supply glut next year. West Texas Intermediate crude fell 0.5% to \$70.96 a barrel Gold was little changed at \$2,653.54 an ounce.

Palm oil fell and was on track for a weekly decline, as the recent jump in prices of the tropical oil prompts buyers to seek for alternative oils. Benchmark futures fell as much as 1.3% to 4,856 ringgit (\$1,090) a ton in Kuala Lumpur. Prices of the most consumed cooking oil were poised to post a weekly fall of about 4.7%, after gaining more than 10% over the previous two weeks. The recent rally in prices had destroyed demand and prompted buyers to shift to other vegetable oils. A strong Brazilian soybean crop could add to supplies of soy oil, which is also used for biodiesel. Brazilian industry group Abiove this week increased its forecast for the nation's soybean output in 2025 to 168.7 million tons, up 1 million tons from last month's estimate.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		08-00 GST	Previous Day Close
EURUSD	1.0495	1.0523	1.0484	O/N SOFR	4.620	4.620
GBPUSD	1.2616	1.2640	1.2612	1 month SOFR	#N/A Real Time	4.397
USDJPY	153.62	153.9700	153.33	3 month SOFR	#N/A Real Time	4.359
USDINR	84.83	84.83	84.79	6 months SOFR	#N/A Real Time	4.260
USDCNY	7.2725	7.2809	7.2725	12 month SOFR	#N/A Real Time	4.121
USDCHF	0.8923	0.8937	0.8910	3 years IRS	3.977	3.991

AUDUSD	0.6361	0.6383	0.6352	5 years IRS	3.901	3.916
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The Bloomberg Dollar Spot Index was little changed while, the euro rose 0.1% to \$1.0512. The Japanese yen fell 0.1% to 153.81 per dollar and, the offshore yuan was little changed at 7.2867 per dollar. Japan's central bank is likely to hike interest rates by a quarter point at its policy meeting later this week, according to Moody's Analytics. While AUD/USD hovers above mid 0.63-0.64. USD/CHF falls back towards 0.89. US 2-year yields are down 1bp to 4.24%, while 10-year yields fall 1bp to 4.39%.

The yield on 10-year Treasuries declined one basis point to 4.38%, Japan's 10-year yield advanced 1.5 basis points to 1.055% and, Australia's 10-year yield advanced two basis points to 4.31%. MSCI's Asian equity gauge erased an earlier gain as China's CSI 300 Index slipped for a second day. Stocks also dropped in Hong Kong and Australia, while they were little changed in Japan. US futures edged up after the S&P 500 closed almost unchanged Friday. A gauge of Asian currencies slid to a two-week low. Bitcoin climbed to a fresh record high.

OMR Money Markets

	Current Levels
CBO Repo Rate	5.25
O/N OMIBOR	4.5
*Bank Deposit Rates for 1 years	4.25
Bank Deposit Rates for 5 years	4.00

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
S&P Global US Manufacturing PMI	18:45	48.8	48.8
S&P Global UK Manufacturing PMI	13:30	48.6	48.6

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	6051	-0.003	26.86
Euro Stoxx 600	516	-0.530	7.82
ShanghaiComposite Index	3395	0.095	14.12
MSX-30	4515	-0.688	0.65
NIFTY-50	24767	-0.006	13.97
Brent Crude (\$/bbl)	74.27	-0.282	-0.15
Gold (\$/oz.)	2653	0.197	28.62
		-0.122	
DXY	107		5.47
Silver(\$/oz.)	31	0.005	28.41

For any Treasury related requirement, please contact:

Telephone: +968 2265 2721/2722/2731/2716

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