

# Bank Dhofar Morning Market Update



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## Global Update

Asian equities pushed higher for a fifth straight day, continuing to outperform US markets in 2026. The MSCI Asia Pacific Index rose 0.7%, reaching a record high and is now up around 13% year-to-date, marking its strongest relative start vs. the S&P 500 this century. In comparison, the S&P 500 is up only 1.4%. South Korea remains the best-performing market globally, with its benchmark index jumping 2.7%, helped by gains in Samsung Electronics. The 10-year yield traded at 4.17%. Money markets have now pushed expectations of the next Fed rate cut to July (from June). The US economy added 130,000 jobs in January, roughly double market forecasts—reducing the urgency for early rate cuts. The S&P 500 ended Wednesday flat after a bumpy session with real estate services stocks getting hit in the latest “AI scare trade.” The US benchmark trades at a forward price-to-earnings ratio of about 22 times, compared with about 15 times for the MSCI Asia Pacific Index. Asia is winning favor with investors as the global tech race is shifting from AI pioneers to the enablers of large-scale adoption. Regional firms control critical choke points — from advanced chips and memory to foundry services and assembly — supplying much of the hardware underpinning the AI build-out. In commodities, oil rose as tensions in the Middle East outweighed concerns that there’s a supply glut growing. Nickel extended gains after Indonesia signaled a sharp cut to output this year. Elsewhere, the Republican-led US House passed legislation aimed at ending President Donald Trump’s tariffs on Canada, signaling a growing anxiety over the White House’s economic agenda before midterm elections focused heavily on affordability.

The USD/JPY pair is indeed under renewed selling pressure in Thursday’s Asian session, and the forces behind the decline align with recent market developments highlighted across FX news sources. The USD/JPY pair sticks to its bearish bias for the fourth straight day on Thursday and trades just below the 153.00 mark during the Asian session, close to a two-week low set the previous day. From a technical standpoint, spot prices are holding just above the 200-day Exponential Moving Average (EMA) at 152.50, which continues to trend higher and helps maintain the broader bullish structure. Just below this lies the 38.2% Fibonacci retracement of the 140.02–159.35 rally, positioned around 152.00–151.95.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1872	1.1885	1.1862	O/N SOFR	3.650	#N/A N/A

GBPUSD	1.3628	1.3642	1.3616	1 month SOFR	3.660	3.660
USDJPY	153.26	153.4500	152.27	3 month SOFR	3.639	3.639
USDINR	90.50	90.56	90.42	6 months SOFR	3.573	3.573
USDCNY	6.9067	6.9068	6.9004	12 month SOFR	3.423	3.423
USDCHF	0.7716	0.7718	0.7700	3 years IRS	3.345	3.355
AUDUSD	0.7127	0.7147	0.7116	5 years IRS	3.454	3.464
NZDUSD	0.6048	0.6062	0.6032			

USD/JPY declines below mid 152-153 while AUD/USD rises to hold above 0.71. EUR/USD consolidates below 1.19 as GBP/USD trades in a narrow range below mid 1.36-1.37. The Bloomberg Dollar Spot Index falls 0.1%.

US 2-year yields are down 1bp to 3.50% while 10-year yields are steady at 4.17%. Japan's 10-year yield declined 4.5 basis points to 2.190%.Australia's 10-year yield advanced four basis points to 4.80%

				Global Markets			
			Current Levels		Level	1-Day Change (%)	YTD (%)
CBO Repo Rate			4.25				
O/N OMIBOR			4	S&P 500	6941	-0.005	1.40
*Bank Deposit Rates for 1 years			3.75	Euro Stoxx 600	622	0.098	4.96
				ShanghaiComposite Index	4137	0.123	4.24
Bank Deposit Rates for 5 years			3.75	MSX-30	7028	1.969	19.80
*Amount>500k OMR				NIFTY-50	25872	-0.314	-0.98
Calendar				Brent Crude (\$/bbl)	69.78	0.562	15.37
				Gold (\$/oz.)	5057	-0.543	17.07
Key Data Watch	Time (GST)	Expected	Prior			0.047	
Initial Jobless Claims	17:30	223k	231k	DXY	97		-1.47
Continuing Claims	17:30	1850k	1844k	Silver(\$/oz.)	83	-1.367	16.00

**For any Treasury related requirement, please contact:**

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