

Bank Dhofar Morning Market Update



Date: 18/02/25

Global Update

Shares in Hong Kong and China extended gains on expectations a meeting between President Xi Jinping and business leaders will give a boost to private companies. A regional benchmark of shares rose while Australian stocks increased losses after the central bank cut rates. The dollar strengthened against most of its Group-of-10 peers while US Treasury 10-year yields were up 3 basis points to 4.5% as the bond market reopened Tuesday after the Presidents' Day holiday. Earlier, Federal Reserve Governor Christopher Waller said recent economic data supported keeping interest rates on hold until more progress was seen in inflation. The optimism around China got a further lift Monday after a meeting between Xi and corporate leaders, including Alibaba Group Holding Ltd. co-founder Jack Ma. Several analysts saw the conclave as a possible end to the years-long crackdown on the private sector. Separately, DeepSeek's breakthrough in artificial intelligence has driven a rally of more than \$1 trillion in Chinese shares. Meanwhile, Australia's dollar and sovereign bond yields advanced after the country's central bank said it remains cautious on future easing after lowering official cash rate. In commodities, oil held its advance after OPEC+ delegates said the group was considering delaying restoring output. West Texas Intermediate crude rose 0.8% to \$71.28 a barrel. Spot gold rose 0.4% to \$2,908.57 an ounce.

Copper prices are flat in early Asian trade. The chaotic market moves driven by U.S. tariffs may be easing, ANZ Research analysts say in a note, citing tightening copper spreads. Copper prices retain a resilient trend after the Lunar New Year, but is yet to see a strong demand boost, they add. The three-month LME copper contract is flat at \$9,398.50 a ton.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0484	1.0486	1.0459	O/N SOFR	4.330	4.330
GBPUSD	1.2625	1.2627	1.2598	1 month SOFR	4.314	4.314
USDJPY	151.50	152.1500	151.24	3 month SOFR	4.323	4.323
USDINR	86.93	86.97	86.90	6 months SOFR	4.311	4.311
USDCNY	7.2684	7.2752	7.2684	12 month SOFR	4.275	4.275
USDCHF	0.9007	0.9024	0.9005	3 years IRS	4.083	4.070

AUDUSD	0.6356	0.6368	0.6335	5 years IRS	4.070	4.043
---------------	--------	--------	--------	--------------------	-------	-------

The euro fell 0.2% to \$1.0464. The Japanese yen fell 0.3% to 151.90 per dollar. The offshore yuan fell 0.1% to 7.2749 per dollar. Australia's dollar swings between gains and losses versus the US currency after the RBA cut interest rates as expected but said it remains cautious on prospects of further easing. Bloomberg's gauge of the US dollar edges higher after Fed Governor Christopher Waller said recent economic data support keeping rates on hold. NZD/USD falls toward 0.57 ahead of RBNZ's rate decision on Wednesday. GBP/USD drifts lower to hover near 1.26 ahead of UK employment data.

The yield on 10-year Treasuries advanced three basis points to 4.51%. Japan's 10-year yield was unchanged at 1.390. Australia's 10-year yield was little changed at 4.46%. S&P 500 futures rose 0.2% as of 12:13 p.m. Tokyo time. Hong Kong's Hang Seng rose 1.6%. The Shanghai Composite rose 0.2%. Euro Stoxx 50 futures rose 0.1%. Cash markets were closed Monday for a US public holiday. Australia's central bank cut interest rates for the first time since 2020 as inflation approaches the top of its 2-3% target, while signaling a cautious approach to any further easing.

Current Levels	
CBO Repo Rate	5
O/N OMIBOR	4.25
*Bank Deposit Rates for 1 years	4.20
Bank Deposit Rates for 5 years	4.50

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
NAHB Housing Market Index	19:00	45	46
UK Jobless Claims Change	11:00	-	0.3K

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	6115	-0.007	3.96
Euro Stoxx 600	555	0.545	9.42
ShanghaiComposite Index	3366	0.289	0.41
MSX-30	4465	-0.302	-2.43
NIFTY-50	22920	-0.174	-3.07
Brent Crude (\$/bbl)	75.32	0.133	1.45
Gold (\$/oz.)	2909	0.437	10.85
		0.361	
DXY	107		-1.41
Silver(\$/oz.)	32	0.026	11.91

For any Treasury related requirement, please contact:

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

Disclaimer: Any information contained in this document should not be construed as an offer, invitation, solicitation, or advice of any kind to buy or sell any financial products or services offered by Bank Dhofar S.A.O.G ("Bank Dhofar S.A.O.G"), unless specifically stated so. Foreign exchange and derivative transactions involve numerous risks including among others, market, counterparty default and illiquidity risk. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You may consider asking advice from your advisers in making this assessment. No part of this report/document may be copied or redistributed by any recipient for any purpose without Bank Dhofar S.A.O.G's prior written consent. All information contained in this document has been obtained from official sources believed to be accurate and reliable and Bank Dhofar S.A.O.G makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Opinions, estimates and projections constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinion of Bank Dhofar S.A.O.G and are subject to change without notice.