

Bank Dhofar Morning Market Update



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Global Update

Asian stocks advanced after President Donald Trump paused import duties on a range of consumer electronics, lifting sentiment after a volatile week for markets. While the greenback struggled, yen optimism is spreading among hedge funds and asset managers as US tariffs drive haven demand at a time when traders are reassessing the Bank of Japan's interest rate hike path. The yen appreciated 0.5% to just above the 142 level against the dollar, around its strongest since September. Gains for Asian stocks came after the S&P 500 jumped 1.8% on Friday following a report that a Federal Reserve official said the central bank is ready to help stabilize markets, if needed. Still, Treasury yields climbed Friday, with benchmark 10-year bonds capping their biggest weekly jump since 2001 as investors pulled back from US assets that are normally seen as a haven from financial turmoil. Asian shares slumped for a third week last week after Trump rapidly escalated his trade war with China while announcing he would delay his so-called reciprocal tariffs that adversely impacted the region.

EUR/USD's rally continued last week and accelerated to as high as 1.1427. Initial bias stays on the upside this week for 161.8% projection of 1.0358 to 1.0953 from 1.0731 at 1.1694. On the downside, below 1.1245 minor support will turn intraday bias neutral and bring consolidations. But downside should be contained above 1.0912 support to bring another rally. In the bigger picture, rise from 0.9534 long term bottom could be correcting the multi-decade downtrend or the start of a long term up trend. In either case, further rise should be seen to 100% projection of 0.9534 to 1.1274 from 1.0176 at 1.1916.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.1297	1.1409	1.1280	O/N SOFR	4.370	4.370
GBPUSD	1.3058	1.3128	1.3041	1 month SOFR	4.322	4.322
USDJPY	144.15	144.3100	142.25	3 month SOFR	4.256	4.256
USDINR	86.25	86.25	85.95	6 months SOFR	4.098	4.098
USDCNY	7.3028	7.3113	7.2994	12 month SOFR	3.851	3.851
USDCHF	0.8154	0.8233	0.8129	3 years IRS	3.653	3.687
AUDUSD	0.6301	0.6320	0.6275	5 years IRS	3.723	3.753

The dollar fell for a fifth day as traders looked past a reprieve on the imposition of certain electronic tariffs and after President Donald

The yield on 10-year Treasuries declined three basis points to 4.46%. Australia's 10-year yield was little changed at 4.40%. Bank of Japan

Trump downplayed his exemption for the technology sector. EUR/USD up 0.2% to 1.1379.USD/JPY down 0.4% to 142.92.USD/CHF up 0.2% at 0.8163; gained as much as 1% earlier in the session.GBP/USD up 0.2% to 1.3112.AUD/USD up 0.1% at 0.6296

Governor Kazuo Ueda reiterates his stance that he won't have any preconception over the conduct of monetary policy after uncertainties have risen due to US tariff measures.

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

*Amount>500k OMR

Calendar			
Key Data Watch	Time (GST)	Expected	Prior
NY Fed 1-Yr Inflation Expectations	19:00		3.13%

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5363	1.809	-8.81
Euro Stoxx 600	487	-0.098	-4.10
ShanghaiComposite Index	3266	0.862	-2.56
MSX-30	4276	0.131	-6.57
NIFTY-50	22829	1.917	-3.45
Brent Crude (\$/bbl)	64.51	-0.371	-12.29
Gold (\$/oz.)	3229	-0.279	23.02
		-0.458	
DXY	100		-8.15
Silver(\$/oz.)	32	-1.161	10.48

For any Treasury related requirement, please contact:

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