

# Bank Dhofar Morning Market Update



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## Global Update

Asian equities traded in a tight range Thursday after two weeks of heightened volatility inflicted losses on hedge funds and caused strategists across Wall Street to cut their forecasts for US stocks. A gauge of regional shares swung between small gains and losses as shares in mainland China and Hong Kong fluctuated. Futures contracts for the tech-heavy Nasdaq 100 and the S&P 500 declined in Asian trading after cooler-than-forecast US inflation helped lift stocks Wednesday. Equity strategists have recently tempered their expectations about the US market. Goldman Sachs Group Inc. became the latest to sound the alarm, following those at Citigroup Inc. and HSBC Holdings Plc. Earlier this week, Citi downgraded US equities to neutral from overweight while upgrading China to overweight. On tariffs, Trump said the US would respond to the European Union's countermeasures against his new 25% tariffs on steel and aluminum, raising the risk of further escalation in his global trade war. Earlier, Canada announced new 25% tariffs on about \$20.8 billion of US-made products, including steel and aluminum, after the Trump administration went ahead with global levies on imports of the two materials.

Intraday bias in USD/CHF remains neutral as consolidation from 0.8757 is in progress. Upside of recovery should be limited by 0.8911 support turned resistance to bring another fall. On the downside, below 0.8757 will resume the fall from 0.9200 and target 61.8% retracement of 0.8374 to 0.9200 at 0.8690. Sustained break there will pave the way back to 0.8374 support. In the bigger picture, rejection by 0.9223 key resistance keep medium term outlook bearish. That is, larger fall from 1.0342 is not completed yet. Firm break of 0.8332 will confirm down trend resumption.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		Last Price	Previous Day Close
EURUSD	1.0888	1.0897	1.0881	O/N SOFR	4.320	4.340
GBPUSD	1.2963	1.2973	1.2953	1 month SOFR	4.325	4.325
USDJPY	148.25	148.3800	147.81	3 month SOFR	4.297	4.297
USDINR	87.13	87.14	87.01	6 months SOFR	4.178	4.178
USDCNY	7.2382	7.2419	7.2299	12 month SOFR	3.976	3.976
USDCHF	0.8819	0.8828	0.8810	3 years IRS	3.751	3.770
AUDUSD	0.6321	0.6334	0.6307	5 years IRS	3.762	3.780

USD index was little changed .The euro was unchanged at \$1.0888.The Japanese yen rose 0.3% to 147.85 per dollar.The offshore yuan was little changed at 7.2375 per dollar.GBP/USD hovers around mid 1.29-1.30 while AUD/USD edges lower but remains above 0.63.Traders reported thinning volumes from clients as they sought further clarity on tariffs. US PPI data was also on the radar for investors after data on Wednesday showed consumer prices rose at the slowest pace in four months in February.

US 2-year yields are down 1bp to 3.98% while 10-year yields fall 2bps to 4.30%.Japan 10-year yield slips 0.5bps, while 10-year JGB futures are down 9 ticks after BOJ's Ueda said he expects real wages and consumer spending to improve.Bank of Japan officials see several reasons against intervening in the bond market even after benchmark yields hit the highest level since 2008, according to people familiar with the matter.New Zealand 10-year yield falls 2bps.Australian 10-year yield falls 2bps.

				Global Markets			
		Current Levels			Level	1-Day Change (%)	YTD (%)
<b>CBO Repo Rate</b>		5					
<b>O/N OMIBOR</b>		4.25		<b>S&amp;P 500</b>	5599	0.489	-4.80
<b>*Bank Deposit Rates for 1 years</b>		4.25		<b>Euro Stoxx 600</b>	541	0.812	6.63
<b>Bank Deposit Rates for 5 years</b>		4.50		<b>ShanghaiComposite Index</b>	3352	-0.601	0.00
<small>*Amount&gt;500k OMR</small>				<b>MSX-30</b>	4364	-0.938	-4.64
				<b>NIFTY-50</b>	22531	0.268	-4.71
Calendar				<b>Brent Crude (\$/bbl)</b>	70.89	-0.085	-4.05
Key Data Watch	Time (GST)	Expected	Prior	<b>Gold (\$/oz.)</b>	2943	0.287	12.14
<b>Initial Jobless Claims</b>	16:30	225k	221k			-0.043	
<b>PPI Final Demand MoM</b>	16:30	0.3%	0.4%	<b>DXY</b>	104		-4.54
				<b>Silver(\$/oz.)</b>	33	-0.476	14.48

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