

Bank Dhofar Morning Market Update



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Global Update

Asian equities opened lower on Thursday broadly due to weakness in china. Japanese stocks climbed as the yen fell. Shares in China and Taiwan traded lower while those in South Korea and Australia edged up. Hong Kong shares slid amid thin volumes as the market stayed open despite signs of severe weather. The MSCI's Asia stock benchmark is on pace for its worst week since April, while a Bloomberg gauge of Asian currencies has dropped over 1% so far this week. Assets in the region have slumped since the US election as investors assess the impact of President-elect Donald Trump's proposed tariff policies on the region's growth, while a surging dollar pressures the region's currencies. US consumer price data was in line with expectations on a headline basis, although the annualized three-month core rate picked up. Overall, the numbers were supportive of a potential Fed cut in mid-December, with swaps traders increasing the likelihood to around 80% from about 56% earlier Wednesday.

Intraday bias in USD/JPY remains on the upside at this point. Current rise from 139.57 will target 61.8% projection of 141.63 to 153.87 from 151.27 at 158.8. On the downside, below 153.40 minor support will turn intraday bias neutral again first. But further rally is expected as long as 151.27 support holds, in case of retreat. In the bigger picture, price actions from 161.94 are seen as a corrective pattern to rise from 102.58. The range of medium term consolidation should be set between 38.2% retracement of 102.58 to 161.94 at 139.26 and 161.94.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		08-00 GST	Previous Day Close
EURUSD	1.0564	1.0569	1.0546	O/N SOFR	4.820	4.600
GBPUSD	1.2708	1.2716	1.2680	1 month SOFR	4.609	4.608
USDJPY	155.46	156.0800	155.35	3 month SOFR	4.523	4.517
USDINR	84.41	84.42	84.40	6 months SOFR	4.443	4.413
USDCNY	7.2315	7.2450	7.2315	12 month SOFR	4.317	4.240

USDCHF	0.8856	0.8875	0.8842	3 years IRS	4.009	4.009
AUDUSD	0.6485	0.6498	0.6464	5 years IRS	3.942	3.944

An index of dollar was perched at its two-year high, The yen fell further against the dollar to the weakest level since July. JPY fell 0.3% to 155.96 per dollar. The offshore yuan fell 0.2% to 7.2577 per dollar. The euro fell 0.2% to \$1.0548

The 10-year US Treasury yield rose for a third day in Asian trading. US 2-year yields are up 3bps to 4.32% while the 10-year Treasuries advanced two basis points to 4.47%. Australia's 10-year yield advanced three basis points to 4.70%

OMR Money Markets

	Current Levels
CBO Repo Rate	6
O/N OMIBOR	4.876
*Bank Deposit Rates for 1 years	4.25
Bank Deposit Rates for 5 years	4.10

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
PPI Final Demand MoM	17:30	0.2%	0.0%
PPI Final Demand YoY	17:30	2.3%	1.8%

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	5985	0.023	25.48
Euro Stoxx 600	502	-0.127	4.72
Shanghai Composite Index	3428	-0.317	15.24
MSX-30	4655	-0.370	3.12
NIFTY-50	23569	0.043	8.46
Brent Crude (\$/bbl)	72.00	-0.373	-3.59
Gold (\$/oz.)	2562	-0.414	24.20
		0.172	
DXY	107		5.26
Silver(\$/oz.)	30	-0.360	26.90

For any Treasury related requirement, please contact:

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