

# Bank Dhofar Morning Market Update



Date: 18/11/24

## Global Update

Asian shares turned higher, following a rally in heavyweight Samsung Electronics Co. Ltd. and gains in Chinese stocks on fresh signs of policy support. A key gauge of the region's equities rose 0.2%, aided by Samsung Electronics' jump after South Korea's biggest firm announced a surprise stock buyback plan. Shares in Hong Kong and mainland China also advanced after the country's securities regulator urged listed companies to boost returns on their stocks. Bank of Japan Governor Kazuo Ueda said the timing of the central bank's next policy adjustment will depend on the economy and prices, underscoring his data dependent stance and keeping his options open over when to next hike rates. As for commodities, oil rebounded after a weekly decline on concerns over plentiful supply and weaker demand from top crude importer China.

Gold advanced after suffering its worst weekly drop since 2021.

EUR/USD's decline from 1.1213 resumed last week and fell to as low as 1.0495, before recovering just ahead of 100% projection of 1.1213 to 1.0760 from 1.0936 at 1.0483. Initial bias stays neutral this week for consolidations. But outlook will remain bearish as long as 1.0760 support turned resistance holds. On the downside, firm break of 1.0495 will target 1.0447 support and then 1.0404 key fibonacci level next. In the bigger picture, price actions from 1.1274 (2023 high) are seen as a consolidation pattern to up trend from 0.9534 (2022 low), with fall from 1.1213 as the third leg.



Source: Reuters, Bloomberg

Currencies				Rates		
	Open	High	Low		08-00 GST	Previous Day Close
EURUSD	1.0531	1.0550	1.0526	O/N SOFR	4.580	4.590
GBPUSD	1.2639	1.2643	1.2610	1 month SOFR	4.610	4.610
USDJPY	154.30	155.1400	153.84	3 month SOFR	4.491	4.485
USDINR	84.40	84.40	84.38	6 months SOFR	4.392	4.386
USDCNY	7.2337	7.2373	7.2306	12 month SOFR	4.242	4.245

USDCHF	0.8876	0.8887	0.8872	3 years IRS	4.017	4.022
AUDUSD	0.6461	0.6479	0.6458	5 years IRS	3.938	3.945

Friday's upbeat US retail sales data reduced expectations for the Federal Reserve to cut interest rates. A dollar index was steady, while the yen slipped. The euro was unchanged at \$1.0540. The Japanese yen fell 0.4% to 154.92 per dollar. The offshore yuan was little changed at 7.2417 per dollar. GBP/USD inched higher to hold above 1.26. AUD/USD drifted upward to remain higher than mid 0.65-0.66.

Bank of Japan Governor Kazuo Ueda said the timing of the central bank's next policy adjustment will depend on the economy and prices, underscoring his data dependent stance and keeping his options open over when to next hike rates. The yield on 10-year Treasuries was little changed at 4.44%. US 2-year yields dropped 1bp to 4.30%. Australia's 10-year yield declined two basis points to 4.61%

OMR Money Markets	
	Current Levels
CBO Repo Rate	6
O/N OMIBOR	4.825
*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
New York Fed Services Business Activity	17:30		-2.2
NAHB Housing Market Index	19:00	42	43

Global Markets			
	Level	1-Day Change (%)	YTD (%)
S&P 500	5871	-1.320	23.08
Euro Stoxx 600	503	-0.771	5.04
Shanghai Composite Index	3372	1.245	13.35
MSX-30	4626	-0.380	2.48
NIFTY-50	23407	-0.536	7.71
Brent Crude (\$/bbl)	71.34	0.436	-4.47
Gold (\$/oz.)	2592	1.109	25.63
		0.008	
DXY	107		5.29
Silver(\$/oz.)	31	1.426	29.03

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

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