Bank Dhofar Morning Market Update

Date: 15/06/26

Global Update

Stocks and Treasuries rallied while oil prices dropped to a three-month low after the US and Iran reached a deal to reopen the Strait of Hormuz, easing concerns over global energy supply disruptions and triggering a strong risk-on move across markets. Asian equities surged more than 3% with Japan's Nikkei moving toward record highs, while US futures also gained amid broad optimism, and the dollar weakened as safe-haven demand faded. Oil fell sharply, with Brent trading near $83 per barrel as markets began unwinding the geopolitical risk premium, supported by expectations that the reopening of the Strait — a key route for roughly 20% of global oil supply — will restore flows and ease inflation pressures. Bond yields declined, reflecting lower inflation expectations and reduced need for aggressive monetary tightening, while investors increased exposure to risk assets including equities and crypto. The deal, expected to formally be signed soon, also paves the way for broader negotiations and a potential stabilization of global growth, with emerging Asian markets benefiting the most given their reliance on oil imports, as markets increasingly price in a softer inflation outlook and a less hawkish stance from central banks.
EUR/USD is likely to see a short-term upward bias driven by improving global risk sentiment, softer oil prices, and easing inflation concerns following the US-Iran deal, which has weighed on the dollar through lower Treasury yields and reduced safe-haven demand; however, the upside remains limited as the Fed is still relatively more hawkish than the ECB, keeping the pair broadly range-bound rather than in a strong trend. Technically, the pair is in a mild corrective uptrend with support near 1.0700–1.0650 and resistance around 1.0800–1.0850, suggesting a buy-on-dips strategy within a 1.0700–1.0850 range, with a break above 1.0850 opening further upside, while a move below 1.0650 would signal renewed downside pressure.



Source: Reuters, Bloomberg

Currencies

	Open	High	Low
EURUSD	1.1572	1.1618	1.1569
GBPUSD	1.3407	1.3461	1.3405
USDJPY	160.26	160.2800	159.74
USDINR	94.69	94.74	94.56
USDCNY	6.7598	6.7598	6.7574
USDCHF	0.7966	0.7968	0.7931
AUDUSD	0.7045	0.7088	0.7040
NZDUSD	0.5832	0.5864	0.5822

The euro rose 0.3% to $1.1604.The Japanese yen rose 0.1% to 160.07 per dollar.The offshore yuan was little changed at 6.7571 per dollar.

Rates

	Last Price	Previous Day Close
O/N SOFR	3.600	3.600
1 month SOFR	3.633	3.633
3 month SOFR	3.670	3.670
6 months SOFR	3.751	3.751
12 month SOFR	3.914	3.914
3 years IRS	3.870	3.928
5 years IRS	3.875	3.930

The yield on 10-year Treasuries declined five basis points to 4.43%.Japan's 10-year yield declined 5.5 basis points to 2.580%.Australia's 10-year yield declined three basis points to 4.78%.

	Current Levels
CBO Repo Rate	4.25

Global Markets

	Level	1-Day Change (%)	YTD (%)

Internal

O/N OMIBOR	4
*Bank Deposit Rates for 1 years	4.45
Bank Deposit Rates for 5 years	4.00

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
Empire Manufacturing	16:30	13.5	19.6
Industrial Production MoM	17:15	0.3%	0.7%

S&P 500	7431	0.502	8.56
Euro Stoxx 600	633	1.879	6.93
ShanghaiComposite Index	4069	0.919	2.51
MSX-30	7670	0.472	30.74
NIFTY-50	23977	1.497	-8.24
Brent Crude ($/bbl)	83.31	-4.603	36.91
Gold ($/oz.)	4327	2.563	0.19
DXY	100	-0.238	1.21
Silver($/oz.)	70	3.564	-1.70

For any Treasury related requirement, please contact:
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