

Market Snapshot



July 2, 2008

LOCAL MARKET RECAP

Local Rial Omani money markets have adequate liquidity at present.

OVERSEAS MARKET RECAP

U.S. stocks rose, helping the market rebound from its worst month in six years, after better-than-forecast sales at General Motors Corp. overshadowed concern that rising energy costs will damp corporate profits.

The greenback recovered against the majors in the Tuesday session following sharply better than expected US manufacturing data, pushing the currency toward the 106-level against the yen and 1.5734 against the euro. The June manufacturing ISM report defied consensus estimates for a deterioration to 48.6 from 49.6 in May, instead climbing above the key 50-level to 50.2 – which distinguishes between expansion and contraction.

Oil rose more than \$1 a barrel today morning, within sight of Monday's record high above \$143 on forecasts that global supply will lag demand and expectations the European Central Bank will raise interest rates later this week.

Important Data Releases today include Eurozone Producer Prices at 13:00, US ADP National Employment at 16:15, US Durable Goods at 16:30 and US Factory Orders at 18:00 Oman Time.

TECHNICAL VIEW : GBP/USD



In our last update, we had advised to continue with our short position at 1.9750 with a stop at 1.9820. The high since then is 2.0006. Hence loss of 70 pips. The overall trend looks range bound at the moment with no particular direction. We think we are at the top end of the range and would like to go short for a lower GBP.

KEY TECHNICAL LEVELS

	Supp 1	Supp 2	Res 1	Res
EUR/USD	1.5750	1.5700	1.5840	1.5880
USD/JPY	105.50	105.10	106.35	106.65
GBP/USD	1.9900	1.9860	1.9975	2.0035
USD/CHF	1.0140	1.0105	1.0215	1.0255

STRATEGY

Sell GBP at 1.9950 SL 2.0020 TP 1.9850

MARKET INDICATORS

CURRENCIES	EUR	GBP	JPY	CHF	INR	USD	DKK
FCY Agst. USD							
SPOT	1.5802	1.9934	105.95	1.0184	43.29	-	4.7171
24 Hr Hi	1.5817	1.9954	106.18	1.0209	43.3850	-	4.7231
24 Hr Lo	1.5787	1.9932	105.84	1.0183	43.2600	-	4.7156
FCY Agst. OMR	0.6084	0.7675	0.00363	0.37804	0.00889	0.3850	0.08162
OMR Agst. FCY	1.64	1.30	275.19	2.65	112.43	2.60	12.25

EQUITY INDICES

Dow	Nasdaq	FTSE	Nikkei	BSE	Shanghai
11382.26	2304.97	5479.93	13311.90	0	2693.424
0.28%	0.52%	-2.59%	-1.12%	0.00%	1.58%

COMMODITIES: Base Metals

bid	Copper	Aluminium	Lead	Zinc	Tin
Cash	8800.00	3100.00	1740.00	1900.00	23460.00
3 Months	8620.00	3150.00	1765.00	1925.00	23500.00

DEPOSIT RATES

Period	OMR	USD	EUR	GBP
1 M	0.75%	2.70%	4.00%	5.00%
2 M	0.75%	2.75%	4.00%	5.10%
3 M	1.50%	2.80%	4.25%	5.25%
6 M	2.25%	3.00%	4.50%	5.30%
1 Y	2.90%	3.25%	4.75%	5.60%

COMMODITIES : Energy, Precious Metals

Gold	Silver	Brent	Oman cru
938.95	18.05	140.31	136.46
0.01%	-0.06%	0.00%	-1.28%

LIBOR FIXING on July 1, 2008

	3 Month	6 Month	12 Month
USD	2.78750	3.12250	3.32375
EUR	4.95438	5.14438	5.41625
GBP	5.94000	6.15500	6.43875
JPY	0.93000	1.04375	1.16875
CHF	2.79000	2.97167	3.26500

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