

# Catch up: American markets plunge; Wall Street giants criticise tariffs



**American stockmarkets** plunged after officials in the Trump administration [defended the imposition of tariffs](#). The S&P 500, an index of big American firms, opened more than 3% down, bringing it 20% lower than its record high of February. Earlier, Europe's Stoxx 600 index fell by over 5%, while Japan's Topix dropped by 9%. President Donald Trump urged Americans to be "Strong, Courageous and Patient".

**Jamie Dimon** warned that Mr Trump's "menu of tariffs" will slow growth and increase inflation. The boss of JPMorgan, a bank, said the measures could lead to lasting damage that would be hard to reverse. Meanwhile **Bill Ackman**, a hedge-fund boss who has supported Mr Trump, said that [implementing tariffs](#) could cause an "economic nuclear winter" and called for a 90-day pause.

**Commodity prices** fell amid fears of a [global recession](#). Brent crude, the oil-price benchmark, fell to below \$64 per barrel, down from \$74 on Wednesday. The price of copper fell from above \$5 per pound to below \$4.40 over the same period. Meanwhile

Goldman Sachs, a bank, lifted its odds of a recession in America to 45%, up from 35% last week.

**South Korea** will hold a **presidential election** on June 3rd, according to Yonhap, a local news agency. On Friday the Constitutional Court removed [Yoon Suk Yeol](#), the country's president, from office. It declared that Mr Yoon's martial-law declaration in December was unconstitutional and illegal. Lee Jae-myung, the leader of the main opposition party, is the front-runner to replace him.

At least 50 people were killed and nearly 2,000 displaced in attacks in **Nigeria**. It is the worst violence since 2023 in the northern Plateau state, which has seen repeated conflicts over land use for farming and grazing. Bola Tinubu, Nigeria's president, vowed that the perpetrators would face "severe punishment". At least 43 people were killed in clashes in the state in January.

The death toll from the [earthquake](#) that struck **Myanmar** last week rose to at least 3,564. Heavy rains and high winds have impeded rescue efforts. These conditions, combined with high temperatures, could cause outbreaks of disease, aid agencies warn. The UN renewed its call for aid to the country; a top official said that the damage across Mandalay, a central city, was "staggering".

The **UN** warned that cuts to **foreign aid** could have "pandemic-like effects" on maternal health. In 2023 around 260,000 women died because of pregnancy-related problems, a decrease of 40% from 2000. But the UN said progress is now in danger of "backsliding" because America and other countries have [cut aid budgets](#).

**Figure of the day:** 380,000 tonnes, the approximate amount of tin that was refined last year globally, compared with 26m of copper.  
[Read the full story.](#)

*Donald Trump has begun his second term at a blistering pace.  
Keep up with his executive orders, legal challenges against them  
and what Americans think about it all on [our presidential tracker](#).*

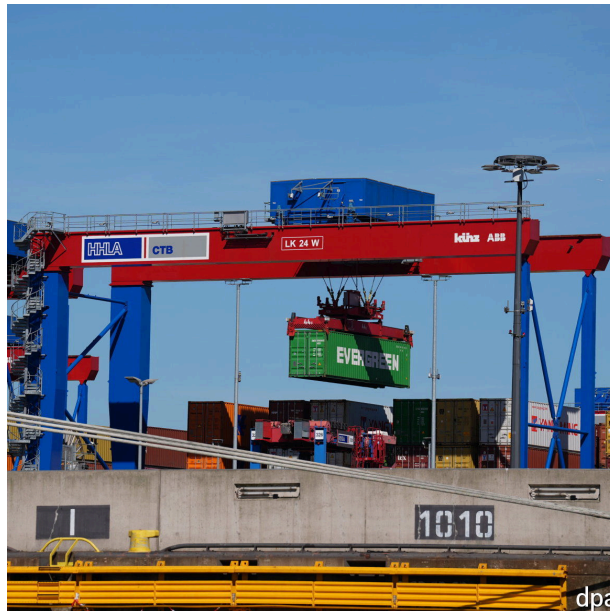
# Stocks take another beating



After a rough week for investors, Monday brought [further blows](#). After President Donald Trump's shocking tariff announcement on Wednesday, stockmarkets around the world suffered one of the fastest sell-offs on record. As the new week opened, the S&P 500 index briefly tumbled into bear market territory. Pessimism reverberated through European and Asian markets, too. Economists at JPMorgan Chase now expect that the American economy will fall into recession this year.

More market turmoil is likely if no relief arrives before the highest levies are raised on April 9th. And a look at the [unenviable job](#) now facing the Federal Reserve will calm few nerves. With growth slowing and the price of imported goods surging, America's central bankers are torn between their two mandates: to limit unemployment and keep inflation around 2%. Any investors hoping that the Fed will rush to the rescue by cutting interest rates aggressively may be disappointed.

# EU trade ministers ready their response



Donald Trump's escalation of his [trade war](#) could have been worse for Europe. The EU did not have to spell out how devastating and self-defeating the latest levies are; the markets did that for them. China also helped, by immediately hitting back in kind, reducing the pressure on the EU to respond immediately. On Monday EU trade ministers gathered to discuss retaliation for America's steel, aluminium and car tariffs. It is a practice run, in a way, and allows the EU to fire some warning shots.

Some suspended retaliation against metal tariffs from Mr Trump's first term has already been reactivated (eg, levies on motorcycles). European ministers will respond to additional metals tariffs that Mr Trump imposed on supposed national-security grounds. The EU plans to start with tariffs on a lower total value of American goods, and then escalate if required.

# Macron's push for peace in the Middle East

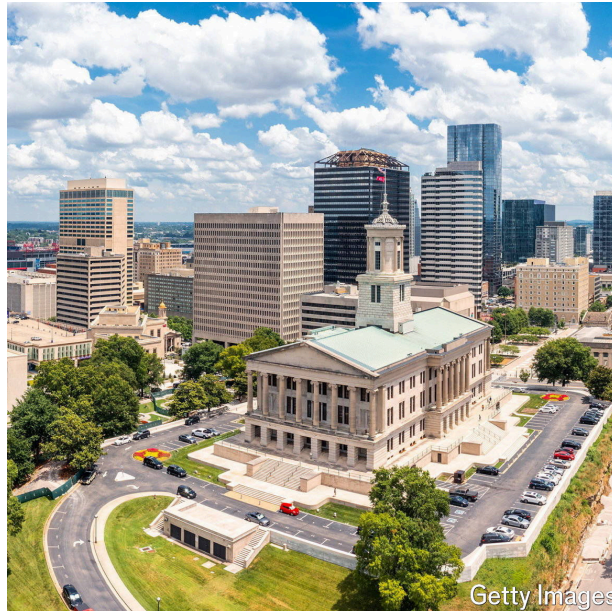


Emmanuel Macron begins a two-day visit to Egypt on Monday. The region's conflicts will be at the centre of discussions. On Tuesday the French president will travel to Al-Arish on the Sinai peninsula. It lies 50km from Rafah, an entry point to Gaza. The humanitarian disaster there has intensified since Israel ended a truce and launched [fresh air strikes](#) against Hamas.

Mr Macron has called the strikes “a dramatic step backwards”. Israel says it broke the truce because Hamas refuses to hand over more Israeli hostages; the militant group has rejected an American proposal to do so as part of a prolonged ceasefire. Egypt is one of the countries mediating between the two sides. Mr Macron wants to encourage discussions about the region's future. In June France and Saudi Arabia will co-host a conference on “the implementation of a two-state solution”—an idea that is anathema to Binyamin Netanyahu, Israel's prime minister.



# Fighting back at Trump in the courts



The battle over Donald Trump's bombshell political agenda is not being waged on Capitol Hill, where the Republicans command majorities in both the Senate and the House, but [rather in the courts](#). A conservative organisation is challenging Mr Trump's [tariff blitz](#). And the country's 23 Democratic state attorneys-general are challenging the constitutionality of many executive orders, from shutting the Department of Education to slashing public-health funding. California and New York, the biggest and richest Democratic states, are leading the opposition. On Monday top lawyers gather in Nashville to talk shop at the National Association of Attorneys General Symposium.

Attorneys-general have increasingly [shaped national policy](#) by filing lawsuits against federal actions in friendly courts. Judges then have the extraordinary power to issue nationwide injunctions, nixing presidential orders. On this front, Democrats are seeing glimmers of hope. In the dozen-plus cases states have brought against the administration so far, Democrats have won temporary relief in at least eight.

# The Baller League is taking off



In 2023 in Germany an entrepreneur, Felix Starck, partnered with two former international footballers, Lukas Podolski and Mats Hummels, to launch a six-a-side indoor competition called the Baller League. It was pitched halfway between the hallowed Bundesliga and an after-work kick-about. Broadcast on free-to-air TV and online, it amassed lots of attention and some sponsors. The competition has now started in Britain, with America to follow.

In the British league, the third round of matches take place on Monday. Several current and former pros, including Gary Lineker and Chloe Kelly, together with an array of wildly popular YouTubers, are in charge of the teams. They bring in very different audiences, which helps to explain Baller's popularity. Some of the players are academy graduates, others ex-pros. The Premier League need not worry, yet. But in an era of sky-high ticket prices, merchandise and TV subscriptions, the appeal of the Baller League is a warning that less-serious alternatives do exist.



## Daily quiz



*The Economist*

We will serve you a new question each day this week. On Friday your challenge is to give us all five answers and, as important, tell us the connecting theme. Email your responses (and include mention of your home city and country) by 1700 BST on Friday to [QuizEspresso@economist.com](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Monday:** Who won an Oscar for appearing in “The Hours” and Emmys for her roles as producer and actress in “Big Little Lies”?

**You can cut the branches of the tree of liberty, but you can't destroy the roots because they are too strong and too many.**

*Toussaint Louverture*