


WSJ Global Market Update

 Mon, 14 April 2025

 Source: The Wall Street Journal (Apr 14 Edition)

1. 🇺🇸 US Trade Policy Uncertainty Dominates

Mixed signals from the Trump administration over the weekend created fresh uncertainty about tariffs on electronics like smartphones and laptops [cite: A1, 7830].

- U.S. Customs initially posted exemptions for tech goods late Friday, covering both China tariffs and the 10% baseline tariff [cite: A1, 7860].
 - But Commerce Secretary Lutnick and WH Advisor Navarro contradicted this Sunday, signaling tech products will face separate levies under a semiconductor probe. They stated “no exemptions, no exclusions” [cite: A1, 7861, 7862].
 - Trump confirmed the policy shift, saying items were simply moved to a different “tariff bucket” [cite: A1, 7863, 8848].
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2. 📉 Market Whiplash & Investor Sentiment

Markets experienced extreme volatility, with massive swings driven by policy reversals [cite: B1, 9078, 9079].

- 'Buy-the-dip' strategies backfired as bounce attempts led to further losses [cite: B1, 9082, 9083, 9084].
 - Hedge funds were caught off-guard and struggled to read market direction [cite: B1, 9097, 9101].
 - Treasury and dollar selloffs midweek—despite equity recovery—suggested weakening trust in U.S. assets as safe havens [cite: B1, 9067, 9074, 9075, 9077, 9091, 9094; A16, 8895].
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3. 📊 Economic Forecasts & Inflation Risks

- Economists slashed 2025 U.S. GDP growth forecasts from 2% to 0.8%, driven primarily by tariffs [cite: A2, 7889, 7893].
 - Recession probability estimates surged from 22% in January to 45% [cite: A2, 7894].
 - Inflation expectations hit highs not seen since the 1980s [cite: A6, 6003, 6004].
 - Fed officials expect weaker growth with persistent price pressures [cite: A6, 6001].
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4. 🏢 Business Impact: Small Firms, Apple, Supply Chain

- Small businesses (importing ~\$868B annually) lack the scale and capital to absorb new tariff shocks; many are pausing operations or closing entirely [cite: B3, 9188, 9190, 9195].
 - Apple, heavily reliant on China, briefly benefited from exemptions—but long-term outlook remains clouded [cite: B1, 9112, 9114, 9116, 9117, 9125].
 - Analysts call full U.S. manufacturing of iPhones “impossible” due to labor, component, and infrastructure constraints [cite: A12, 8497, 8486, 8488, 8475, 8476].
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5. 🌐 Global Reactions & Strategic Shifts

- U.S. allies are wary of aligning against China while facing their own tariff exposure from Washington [cite: A1, 7831; A4, 7865, 7868, 7869, 7870, 7877, 8053].
- Europe is reducing reliance on U.S. tech, turning to firms like Eutelsat/OneWeb amid security concerns about Starlink [cite: A9, 8228, 8230, 8231, 8234, 8239].
- Brazil's decades of protectionism offer a cautionary tale—job preservation came with higher prices, lost innovation, and continued deindustrialization [cite: A4, 8048, 8049, 8051, 8052, 8057, 8064].

6. 🌐 Diplomacy: Iran, Russia, and Latin America

- Indirect U.S.–Iran nuclear talks began in Oman; Iran seeks sanctions relief, while the U.S. keeps its “red line” on weaponization [cite: A1, 7837; A9, 8279, 8282, 8283, 8288, 8290, 8887].
- A Russian missile strike in Sumy killed at least 34 civilians amid U.S. efforts to push ceasefire talks [cite: A1, 7845; A8, 8198, 8199, 8202, 8215].
- Ecuador re-elected President Noboa amid violent drug cartel challenges [cite: A1, 7841; A9, 8258, 8260].
- Tensions rose between the U.S. and Mexico over Rio Grande water-sharing obligations [cite: A3, 7999, 8000, 8002, 8013, 8014].
- Guatemala, not El Salvador, was cited as a more consistent security partner despite U.S. ties with Bukele [cite: A15, 8802, 8804, 8808, 8811].

7. 🏛️ U.S. Legal & Judicial Front

- Supreme Court facing flood of Trump administration emergency filings on deportations, agency dismissals, and regulatory overhauls [cite: A1, 7848, 7849, 7850, 7851; A6, 8159].
- So far, SCOTUS is siding with the administration on key motions [cite: A6, 8168, 8169, 8170, 8185].

8. 📰 Free Speech & Education Equity Battles

- **Palin v. NYT retrial** underway amid wider legal debate over press freedom and media bias [cite: A6, 8131, 8132, 8135].
- **Gates Foundation** removed race-based eligibility from its scholarship program after legal complaints, now open to all low-income students [cite: A15, 9022, 9024, 9025, 9030, 9033].

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🔧 *The format, for example, “[cite: p17]” is used to indicate the source page in the Wall Street Journal edition.*

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