


WSJ Global Market Update

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1. 🌐 Global Economic Response to Trade War Intensifies

Countries worldwide are taking major steps to brace for a potential severe downturn due to the escalating US-China trade war [cite: A1, 5707].

- **Monetary Policy:** Central banks in India, New Zealand, and the Philippines cut rates this week, with more expected [cite: A4, 5728].
- **Fiscal Support:** South Korea launched a multi-billion dollar auto-sector package [cite: A4, 5729]. Canada will use revenue from U.S. tariffs to aid auto workers [cite: A4, 5913].
- **Buy Local Campaigns:** Governments in Australia, Spain, and Canada are encouraging local consumption [cite: A4, 5730].
- **China's Measures:** China matched U.S. tariffs at 125% but pledged not to raise further [cite: A4, 5915]. Other moves include letting the yuan weaken [cite: A4, 5918], \$27B procurement by JD.com to boost domestic demand [cite: A4, 5917], and tariff elimination for 43 least-developed countries [cite: C4, 7544].
- **UK Situation:** February growth hit 0.5%, possibly due to pre-tariff inventory buildup [cite: A9, 6175, 6177, 6178], but March retail footfall dropped [cite: A9, 6187].

2. ⚠️ Wall Street Alarms & Market Volatility

Executives warned that tariffs are driving the U.S. economy into "unknown territory," harming both consumers and businesses [cite: A1, 5708, 5721].

- **Leaders Speak:** Jamie Dimon called it a "significant change" [cite: A6, 5982]; Larry Fink warned the economy is "at risk" [cite: A6, 5983].
- **Market Movements:** Despite wild swings, U.S. indices ended the week up 5% or more [cite: A1, 5709, 5710, A6, 5969]—still down YTD [cite: A6, 5969].
- **Volatility Indicators:** Elevated Treasury yields persisted [cite: A6, 5981, B1, 6663]; the 10Y yield surged at its fastest weekly pace since 2001 [cite: A6, 5990]; gold hit a new record [cite: A6, 5994].
- **Sentiment:** Consumer sentiment plummeted in April, inflation expectations reached a 44-year high [cite: A6, 5974, 6003, 6004].
- **Earnings Snapshot:** JPMorgan, Morgan Stanley, and BlackRock posted strong Q1s fueled by trading revenue amid turmoil [cite: A1, 5711, 5712, A6, 5979, B10, 7238, 7239, 7240, 7270, 7271, 7272]; executives remained cautious [cite: A6, 5998, 5999, B10, 7229].

3. 🇺🇸 U.S. Policy & Politics

- **Scott Bessent's Influence:** The Treasury Secretary pushed for a tariff pause to isolate China and secure deals amid market chaos [cite: A1, 5739, 5741, 5742, 5750, 5751, A7, 6028, 6057, 6065, 6066, 6067].

- **Insider Trading Probe:** Democrats are investigating potential insider trading before the tariff announcement [cite: A7, 6019, 6020, 6024, 6040]; Republicans dismiss it as political [cite: A7, 6020, 6041].
- **Immigration & Defense Moves:** Trump authorized the military to take jurisdiction over border lands in CA, NM, AZ [cite: A3, 5832, 5833, 5839, 5840].
- **Foreign Policy:** U.S. envoy Witkoff met with Putin for 4+ hours on Ukraine talks [cite: A8, 6092, 6093]; U.S. sets a "red line" on Iranian weaponization [cite: A9, 6154, 6158, 6167, 6170].
- **Soft Power at Risk:** U.S. global standing weakens as policies alienate allies and cut funding to global institutions [cite: C4, 7531, 7533, 7535, 7539, 7566, 7567, 7568, 7571, 7573, 7585, 7537, 7545, 7546, 7581, 7582, 7584].

4. 🌐 Emerging Economies & Global Response

- **China's Strategy:** Contemplates financial retaliation, including unloading \$1.2T in U.S. Treasuries or devaluing the yuan [cite: A4, 5916, 5919; B10, 7007, 7009, 7015, 7019, 7020].
- **Asia:** Central banks in India, Philippines, and New Zealand cut rates [cite: A4, 5728].
- **Middle East:** Turkey-Israel dialogue resumes over Syrian tensions [cite: A8, 6101, 6107]; indirect Iran nuclear talks begin in Oman [cite: A9, 6156].
- **Africa:** African nations suffer trade spillovers and reduced U.S. aid [cite: C4, 7546].
- **Latin America:** Mexico agreed to water transfers for U.S. farmers; Bolsonaro hospitalized [cite: A4, 5948, 5949; A8, 6132].

5. 📁 Corporate & Crypto Highlights

- **Binance & Trumpworld:** Binance explored reducing U.S. regulatory oversight and discussed deals with Trump-linked World Liberty Financial [cite: A1, 5713, 5743–5746; A2, 5777, 5805, 5806]. They also reportedly seek a pardon for CZ [cite: A2, 5778, 5779].
- **Law Firm Agreements:** Latham, Kirkland, Simpson Thacher and others pledged \$600M in pro bono work to avoid sanctions [cite: A2, 5766, 5767, 5818].
- **Autos & Oil:** Stellantis Q1 shipments dropped 9% [cite: A1, 5711, B9, 7183–7185]; BP pivots back to oil after investor pressure [cite: B10, 7256, 7258, 7259].
- **Funds:** Ackman's Pershing Square down 12.9% YTD due to volatility [cite: B10, 7266, 7267].

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🖋️ *The format, for example, "[cite: p17]" is used by Gemini to indicate the source of the information within the Wall Street Journal newspaper.*

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