



The introduction of **import tariff** by President Donald Trump had brought the cloud of uncertainty over the market. The impact of the decision is heavily debated by economist and market experts. As per President Trump version this decision will super charge US economy contrary to belief of financial giants like JP morgan. According to JP morgan this decision will contract the US economy fuelling more unemployment and inflation. After prolonged years of globalization and liberalization, the major super power in the world is thinking in the path protectionist way is really a matter of concern. The act of US government reminds us about the cat favourite play with cotton yarn that turned towards a nightmare and desperately trying to come out of it. All countries around the world are disappointed with decision of US government and the retaliation of the major trading partners of US like Canada, Mexico, China , Japan and Germany is very crucial.

The economic indicator published last week does not offer any solace to the optimistic believers of future. All the economies continue to show the sluggishness and the participants are really suspecting whether recession is knocking the doors of world economy. Any way it is too early to take total pessimistic view about the economy. China Manufacturing index continues to show weakness and moderate value at 50.5 fails to show any expansion happening in the economy. Except the period of 2016 to 2018 and 2020-21 , the indicator continues to disappoint the market participants after 2011. After pathetic performance for October 2024 , the retail sales in Germany is picking up above average performance.

World Exchanges Weekly Sentiments					
	Open	High	Low	Last	% Change
1 S&P 500	5527.91	5695.31	5069.90	5074.08	-8.21
2 NASDAQ Composite	17045.44	17716.52	15575.68	15587.79	-8.55
3 Nikkei 225	36440.18	36440.18	33259.76	33780.58	-7.30
4 SSE Composite Index	3343.34	3361.74	3317.74	3342.01	-0.04
5 Hang Seng Index	23207.07	23456.58	22638.21	22849.81	-1.54
6 FTSE 100	8658.90	8671.90	8023.50	8055.00	-6.97
7 Euro STOXX 50	5312.17	5328.91	4825.70	4878.31	-8.17
8 Nifty 50	23341.10	23565.15	22857.45	22904.45	-1.87
9 DAX 40	22253.05	22573.71	20437.37	20641.72	-7.24
10 KOSPI	2513.44	2532.15	2437.43	2465.42	-1.91
* Weekly computed data					

The inflation in Germany slightly reduced but the increase in imports prices of Germany over the years might adversely impact the measures to control inflation. Japan industrial Production PMI slightly better value against the forecast might be slight relief but is not an adequate response to alleviate the fears. On the other hand, Japanese retail sales of 1.4 % less compared with forecasted value show how vulnerable is the domestic condition in terms of consumption. Any way staying in the positive zone might hold the belief that situation will ameliorate over period of time. Japan Tankan large All industry Capex showed sharp decline business trends in Japan. However, the small business in Japan is slightly picking up but no adequate overshadow the clouded pessimism in the economy.

Interestingly the unemployment rate in Russia remained at steady rate amid the crisis that drastically reduced the business confidence and growth in the economy. Having said this the reduction in real wage rate and weakness in retail sales in not ignorable fact that show the war with Ukraine had really impacted the economy in Russia. In US , Chicago and Dallas showed contradictory data on business performance after the pathetic performance in December 2024 , the business activity showed an increasing trend thereafter , but for Dallas the business activity is on decreasing trend for the last two months. Mixed sentiment in manufacturing index and business activity in US really indicating confused state of economy and service sector showed a genuine weakness fuelling more ambiguity about the state of economy. Overall, the state of economy in the world is facing genuine sluggishness due the tag of war between the nation and the spat between self interest and common good continue the disturb the economic equilibrium.

Currencies Weekly Sentiments					
	Open	High	Low	Last	% Change
1 EUR/USD	1.0824	1.1133	1.0780	1.0961	1.27
2 USD/JPY	149.6170	150.0760	144.6020	146.9300	-1.80
3 GBP/USD	1.2940	1.3204	1.2880	1.2880	-0.46
4 USD/AUD	1.5917	1.6626	1.5657	1.6542	3.93
5 USD/CAD	1.4081	1.4239	1.4053	1.4225	1.02
6 USD/MXN	20.3801	20.5538	19.8391	20.4222	0.21
7 USD/CNY	7.2628	7.2813	7.2567	7.2675	0.06
8 USD/SGD	1.3427	1.3476	1.3308	1.3451	0.18
9 USD/INR	85.5388	85.9104	84.9250	85.5316	-0.01
10 USD/HKD	7.78	7.78	7.77	7.77	-0.05
* Weekly computed data					

The sentiments in currencies market had been mixed due to the early anticipation of US government moves. The neutral mood in Asian currencies is visible due the early anticipation economic realities. However more challenges are anticipated in the near future due to the clash of economic interests. The Bearish sentiments in the commodities market are visible due to the introduction of trade tariff by USA. Crude oil and industrial metal took heavy toll compared with precious metals.

Commodities Weekly Sentiments					
	Open	High	Low	Last	% Change
1 Gold Spot (USD/t.oz)	3086.54	3168.04	3015.64	3037.36	-1.59
2 Brent Crude Oil (USD/Bbl)	73.42	75.46	64.01	65.58	-10.68
3 Crude Oil WTI (USD/Bbl)	69.82	72.28	60.45	61.99	-11.21
4 Copper (USD/Lbs)	5.1160	5.1256	4.3526	4.3696	-14.59
5 Natural Gas (USD/MMBtu)	4.2270	4.2280	3.8110	3.8370	-9.23
6 Wheat (USD/Bu)	527.50	544.00	520.50	529.00	0.28
7 Soyabean	1027.30	1034.80	970.25	977.00	-4.90
8 Steel Rebar (CNY/T)	3197.00	3204.00	3153.00	3175.00	-0.69
9 Silver(USD/t.oz)	34.2160	34.4710	29.1840	29.5680	-13.58
10 Aluminium (USD/T)	2543.30	2548.90	2372.50	2378.10	-6.50
* Weekly computed data					