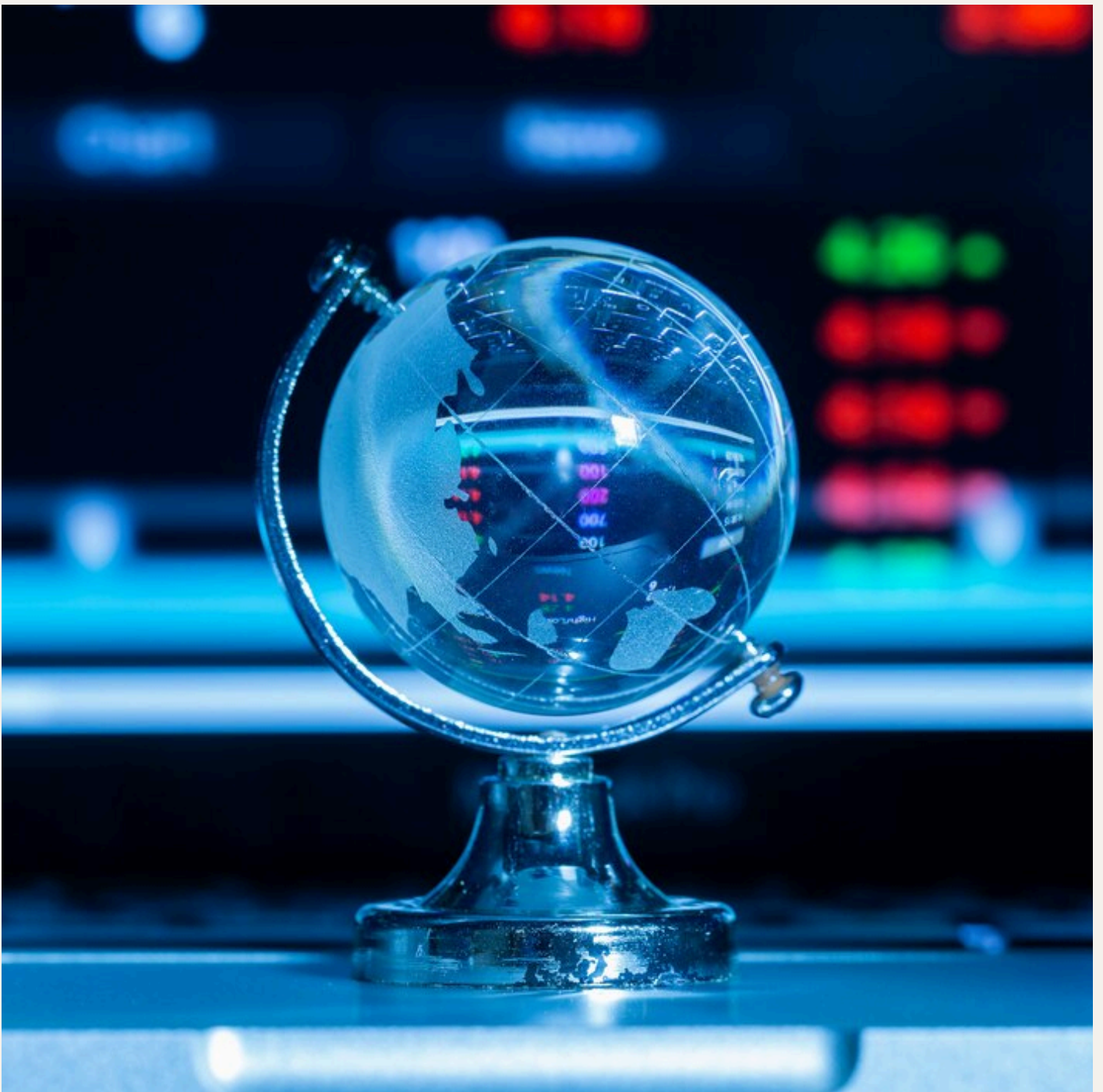


# FINANCIAL MAGAZINE





# GLOBAL TRADE ECONOMIC SHIFTS **A WORLD IN FLUX**



## COVER STORY

### TRUMP'S TARIFFS SHAKE THE GLOBAL ECONOMY

Three weeks after U.S. President Donald Trump unleashed sweeping tariffs on global trade, the world braces for economic turbulence. New forecasts from the International Monetary Fund (IMF) and purchasing manager indexes (PMIs) from major economies will soon reveal the initial fallout. As finance ministers and central bankers gather in Washington, the stakes couldn't be higher.

"Our growth projections will include notable markdowns, but not recession," said IMF Managing Director Kristalina Georgieva. However, Bloomberg Economics warns that the IMF's optimism may understate the true impact, citing historical underestimations during major crises. Inflation forecasts are also ticking upward, and prolonged uncertainty could spark financial-market stress.

From the Federal Reserve's cautious stance to the European Central Bank's wait-and-see approach, global policymakers face a delicate balancing act. Meanwhile, Group of 20 meetings offer a chance to cool trade tensions. "We need a more resilient world economy, not a drift to division," Georgieva urged.







## REGIONAL SPOTLIGHTS

### U.S. AND CANADA: NAVIGATING TRADE AND SENTIMENT

In the U.S., the Federal Reserve's Beige Book and upcoming consumer sentiment data will shed light on how tariffs are reshaping business and household confidence. With mortgage rates above 6.5%, homebuilders are dangling incentives to lure buyers, while durable goods orders will signal business investment trends.

North of the border, Canada's election campaign enters its final week. Prime Minister Mark Carney's Liberals hold a slight lead amid a volatile trade war with the U.S. Retail data will reveal whether Canadian consumers are tightening their belts as trade uncertainty lingers.

### ASIA: RESILIENCE AMID TARIFF TENSIONS

China's loan prime rates are expected to hold steady, buoyed by stronger-than-expected growth. Japan's Prime Minister Shigeru Ishiba emphasizes "fairness" in U.S. trade talks, hinting at increased energy imports to ease tensions. Meanwhile, Indonesia's central bank is likely to maintain rates to bolster the rupiah, one of Asia's weakest currencies in 2025.

Preliminary PMI data from Australia, Japan, and India will offer early clues on the trade war's impact, while inflation readings from Malaysia and Singapore will gauge regional price pressures.

### EUROPE, MIDDLE EAST, AFRICA: GAUGING THE FALLOUT

Europe's economic calendar is packed with PMI surveys, consumer confidence reports, and Germany's Ifo business confidence index, all critical for assessing the tariff shock. The European Central Bank's wage tracker points to slowing pay growth, offering some relief after recent rate cuts.

In Russia, the central bank faces a tough call on its 21% benchmark rate as inflation eases slightly. Switzerland's National Bank reports earnings, while South Africa and the Middle East monitor global trade ripples.

### LATIN AMERICA: MIXED FORTUNES

Argentina's \$20 billion IMF deal fuels optimism for a V-shaped recovery, with GDP-proxy data due soon. Colombia's economy shows surprising strength, while Brazil grapples with inflation breaching central bank targets. Mexico, however, teeters on the edge of a technical recession.





## GLOBAL FINANCE

### GOLD SHINES, BITCOIN FALTERS



As trade wars and economic uncertainty roil markets, investors are flocking to gold over Bitcoin, according to JP Morgan. Gold ETFs saw \$21.1 billion in net inflows in Q1 2025, while Bitcoin ETFs faced three months of outflows. Gold prices hit an all-time high of \$3,660 per ounce, while Bitcoin's volatility—plummeting 20% from its January peak—has dented its “digital gold” narrative.

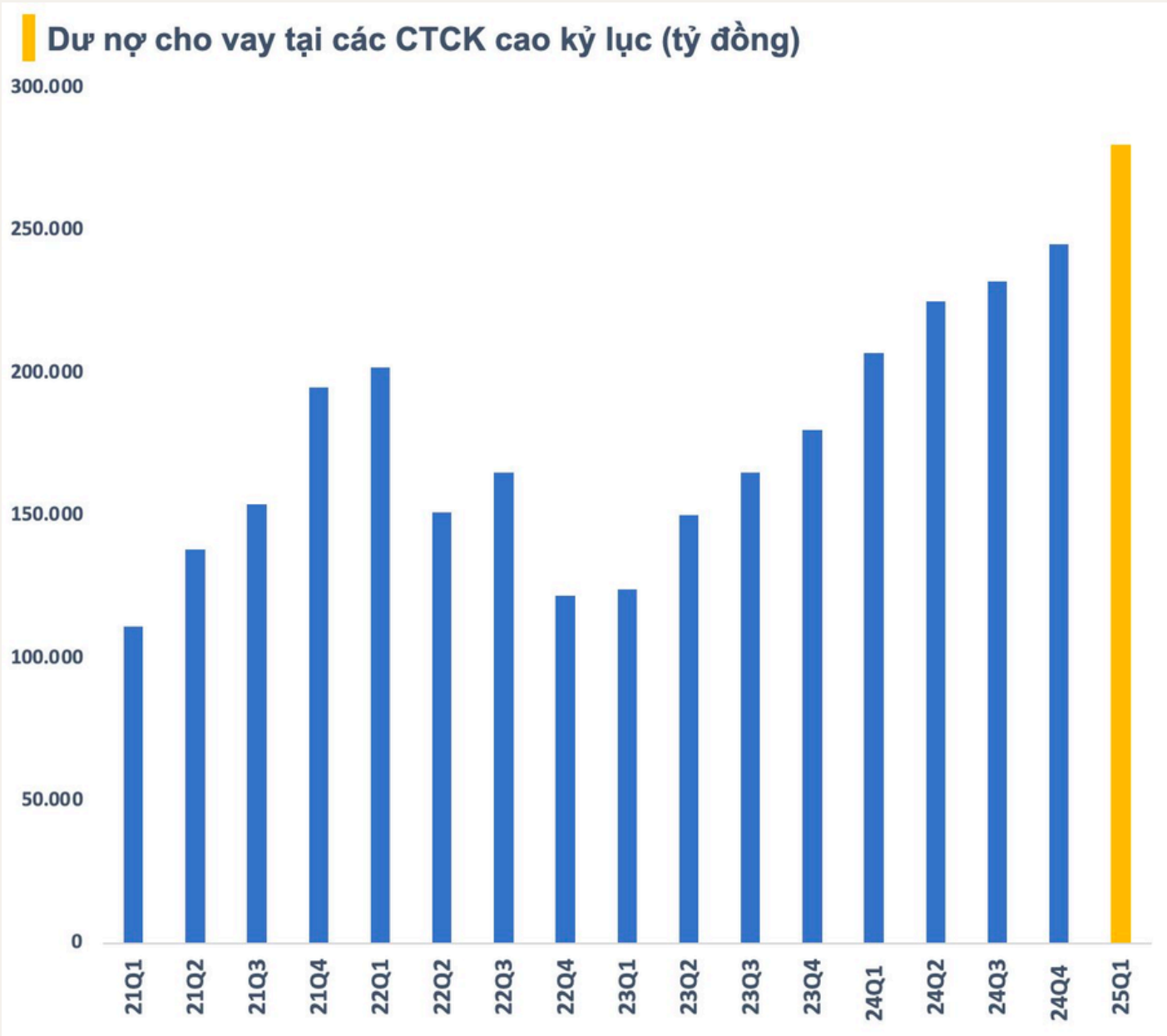
“Gold’s appeal lies in its time-tested stability,” analysts note, though Bitcoin’s long-term role remains fluid.

VIETNAM'S MARKET

BOOM AND BUST

Vietnam's stock market saw unprecedented lending growth in Q1 2025, with margin debt hitting a record 273,000 billion VND (~\$11 billion). Firms like TCBS and SSI led the charge, with some posting lending figures surpassing Vietnam's 2021-2022 market peak. But a sharp market correction in April, with the VN-Index plunging below 1,100, triggered widespread forced selling.

Experts warn that much of this lending supports corporate deals rather than retail trading, raising risks of deeper volatility if market conditions worsen.







## **THE DOLLAR'S CREDIBILITY AT STAKE**

French Finance Minister Eric Lombard warns that firing Federal Reserve Chair Jerome Powell could destabilize the U.S. economy and erode the dollar's global trust. "Trump's tariffs have already hurt the dollar's credibility," Lombard said, pointing to potential bond market chaos and higher debt costs. His blunt remarks underscore rising transatlantic tensions over trade and monetary policy.



## LOOKING AHEAD

As the world grapples with Trump's trade offensive, the coming weeks will test global resilience. From Washington's high-stakes meetings to Asia's delicate trade negotiations, the path forward demands dialogue and adaptability. Stay tuned for our next issue, where we'll dive deeper into the economic ripple effects and emerging opportunities.





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