

# MARKET UPDATE

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## Asia stocks slide on US-China jitters.

Most Asian stocks sank on Tuesday as technology shares extended a recent rout ahead of closely watched earnings from bellwether Nvidia, while losses in South Korea were limited by an interest rate cut.

Sentiment towards tech was further rattled by a Bloomberg report that the White House was seeking to toughen Biden-era controls on chip technology exports to China. This came after Trump over the weekend ordered more scrutiny towards Chinese investment in key U.S. sectors, threatening to further worsen ties with Beijing.

Losses in regional markets tracked those in Wall Street, as investors largely dumped technology shares in a mix of pre-Nvidia caution and profit-taking from a strong rally. U.S. stock index futures were flat in Asian trade.

Risk appetite was also rattled by repeated threats of trade tariffs from U.S. President Donald Trump, who warned that 25% duties against Canada and Mexico were likely to be imposed next week.

Hong Kong's Hang Seng index was the worst performer in Asia, losing 2% as a stellar, tech-driven rally in the market now gave way to profit-taking.

## Tesla Europe sales slump 45% in Jan.

Tesla's European and British sales fell sharply in January, as the electric carmaker grappled with increased competition from Chinese rivals and a greater push into the sector from European manufacturers.

Tesla's new car registrations in the European union, the European Free Trade Association and the UK slid 45.2% year-on-year to 9,945 registrations. The company's market share also slid to 1% from 1.8% a year earlier, data from the European Automobile Manufacturers' Association showed on Tuesday.

The sales drop came amid a 2.1% overall y-o-y drop in new car registrations in January, with declines in France, Italy, and Germany. But battery EVs were seen gaining market traction in the region, with the market share of BEVs rising to 15% from 10.9% a year ago. Overall new BEV sales grew by 34% to 124,341 units, while petrol car registrations slid 18.9% to 290,301 units.

But Tesla (NASDAQ:TSLA) appeared to have failed to capitalize on increased popularity of EVs in the region.



## Oil up on concerns over Iran sanctions.

Oil prices rose for a second day on Tuesday as fresh U.S. sanctions imposed on Middle Eastern producer Iran increased concerns supply might tighten and as global refining margins remained strong.

Brent crude futures rose 38 cents, or 0.5%, to \$75.16 a barrel by 0401 GMT. U.S. West Texas Intermediate crude futures gained 47 cents, or 0.7%, to \$71.17 a barrel. Both contracts gained in Monday's session after a \$2 drop last Friday.

"In the short term, I continue to think crude oil is looking for a base. The fresh U.S. sanctions announced on Iran overnight will likely assist with this as will the Iraqi oil minister's commitment to reign in its oversupply," said IG market analyst Tony Sycamore.

The U.S. on Monday put new sanctions on more than 30 brokers, tanker operators, and shipping companies for their role in transporting Iranian oil. President Donald Trump has said he wants to bring Iran's crude exports to zero.

Iran is the third-largest producer in the Organization of the Petroleum Exporting Countries, pumping 3.2 million barrels per day in January, according to a Reuters survey of OPEC output.

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