

MARKET UPDATE

04/03/2025

Asia stocks drop.

Asian stock fell on Tuesday mirroring an overnight slump on Wall Street, after U.S. President Donald Trump confirmed that 25% tariffs on Mexico and Canada were set to take effect later in the day, and signed an order to increase levies on Chinese goods.

Major U.S. stock indexes ended sharply lower on Monday after Trump's announcement.

Nikkei drops nearly 2% as Trump tariff decision rattles global markets

President Trump on Monday confirmed that 25% tariffs on imports from Mexico and Canada would take effect on March 4 at 5:01 GMT.

He also signed an order increasing tariffs on Chinese goods from 10% to 20%.

The increased tariffs on Chinese goods have further strained relations between the U.S. and China.

China vowed countermeasures against U.S. tariffs to safeguard its interests, while Canada prepared its own retaliation, their governments stated Tuesday.

These tariffs are expected to heighten trade uncertainty, disrupt supply chains, and weaken export demand, hurting economic growth and investor confidence in Asian markets.

Oil slides on OPEC+ output increase.

Oil prices extended losses on Tuesday following reports that OPEC+ will proceed with a planned output increase in April, while markets braced for the impact of U.S. tariffs on Canada, Mexico and China, as well as Beijing's retaliatory tariffs on the U.S.

Brent futures fell 57 cents, or 0.8%, to \$71.05 a barrel at 0650 GMT, as U.S. West Texas Intermediate (WTI) crude eased 39 cents, or 0.6%, to \$67.98.

"The current downward trend in oil prices is primarily driven by OPEC+'s decision to increase output and the introduction of U.S. tariffs," said Darren Lim, commodities strategist at Phillip Nova.

A further complicating factor was geopolitical developments related to the Russia-Ukraine conflict, he added.

President Donald Trump paused all U.S. military aid to Ukraine following his Oval Office clash with President Volodymyr Zelenskiy last week.



Bitcoin price today slumps to \$83k.

Bitcoin slid on Tuesday, extending losses from the prior session as a short-lived rally, on hype over U.S. President Donald Trump's plans for a cryptocurrency reserve, largely ran out of steam.

Risk appetite was also rattled by Trump imposing steep tariffs on China, Canada, and Mexico from Tuesday, escalating a global trade war.

Bitcoin tumbled back in sight of a four-month low, while major altcoins also clocked heavy losses, largely reversing all gains made on Trump's reserve comments.

The world's largest cryptocurrency slid 10.1% to \$83,950.0 by 00:04 ET (05:04 GMT).

Bitcoin slumps as Trump reserve boost proves fleeting

Bitcoin and broader crypto markets had risen sharply on early-Monday after Trump outlined five cryptos, including Bitcoin and Ether, which will be included in a national crypto reserve.

But Trump did not clarify just how this reserve will be formed, and how his administration will fund purchases of crypto. While the 47th president has signed executive orders to explore a regulatory framework for crypto, little is known about what this framework will entail.

Uncertainty over Trump's crypto policies largely soured enthusiasm around his promises of a reserve.

Trump's decisions to launch cryptos themed around him and his family have also garnered mixed reactions, given that the cryptos have largely crashed in value. His \$TRUMP meme token is trading at a fraction of its post-launch peak a month ago.

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