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MARKET SNAPSHOT

US

US President Donald Trump and Chinese Vice Premier Liu He will meet today at the White House; signaling hope on a new trade deal. Provided a conclusion is not drawn today on how to enforce the agreement, the two nations can extend negotiations until June, when the G20 summit holding in Japan will happen.

US 10Y Yield holding on to recent gains above 2.50% mark while the key stocks are in the green with DOW, S&P and NASDAQ adding 0.15%, 0.21% and 0.60% respectively.

ASIA

Rob Xing, of Morgan Stanley has suggested that China is seeing a policy-driven rebound; which he opines is better than previous expansionary cycles as they are more focused on fiscal policies. This ease is evident in infrastructure spending and another strong indicator which is the manufacturing PMI reaching 50.5 in March from 49.2 in February.

In Malaysia, as a result of persistent trade tensions and the impact of a general slowdown in the global economy; exports posted a significant decline not witnessed in two years. The decline was recorded at 5.3% YoY from 2018 with refined petroleum and palm oil products partly culpable.

In Sydney, the S&P/ASX 200 shed 0.9% while the TOPIX and Hang Seng Index added 0.2 and 0.1% respectively, the CSI 300 also showed well gaining 0.4% at the open.

UK

The effect of the on-going Brexit saga has put the overall services industry, which makes up more than 80% of the British economy; into a contraction spell, seeing order books sink to levels last seen a 10 years ago in the heat of the global financial crisis.

Sterling got a boost after Britain's House of Commons passed a bill to block a no-deal Brexit inching up from 1.3128 to 1.3158 against the USD while the yield on UKTs also grew from 1.0028 to 1.0967%.

EU

The European Central Bank are considering a re-design of their contentious sub-zero interest rate policy which is aimed to spur banks to lend money rather than sit on it and have an overall expansionary effect in the eurozone. However, banks have continued to feel the effects of this policy and continue to push for a review which is currently in consideration.

A decision on the touted merger between Commerzbank and Deutsche Bank will be made this weekend, reports suggest DB is seeking for more time while Commerzbank wants a swift closure. However, UniCredit is also reported to be preparing a rival bid to take control of Commerzbank.

In Europe, the Stoxx 600 grew by 1% reaching its peak level since August, while the Xetra Dax 30 also grew by 1.7%.

The EUR followed the trend growing from 1.1204 to 1.1233 against the greenback.

LATAM

According to Larry Kudlow, of the White House National Economic Council, the US is putting contingency plans in place to support Venezuela but pumping cash into their economy, provided Maduro is removed from power. He went on to suggest that the US is planning a sweeping economic rescue package for Venezuela.

The threat posed by the US/Mexico border closure has sent avocado prices soaring as importers are stockpiling in anticipation of the border shutdown.

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