

Trump and Xi Meet in Beijing in the Most Important Summit of the Decade

- US President Trump and Chinese President Xi Jinping wrapped up a historic summit in Beijing today, their first major face-to-face meeting in nearly a decade.
- The two leaders discussed trade, technology, and the ongoing energy crisis caused by the conflict in the Middle East and the closure of a key oil shipping route.
- Both sides signalled a desire to work together toward a solution, with China offering to help press Iran toward a diplomatic agreement that could reopen global oil supply routes.
- The outcome of this summit could have major consequences for energy prices, inflation, and markets worldwide in the weeks ahead.

KEY DRIVER

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WHAT TO WATCH

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MARKET INSIGHT

Global Stock Markets Open Green as Investors Wait for Key US Data

- US stock markets are pointing to a modestly positive open this morning, with S&P 500 futures up 0.63% to 7,501 points and the Nasdaq 100 up 0.71% to 29,580 points.
- European markets are also performing well, with the UK FTSE 100 up 0.46% to 10,373 points and Germany's DAX 40 gaining 0.37% to 24,456 points.
- Gains are restrained as investors wait for important US economic data today, including industrial production figures and a closely-watched manufacturing survey.
- The biggest market question this week remains whether US inflation is slowing down enough for the Federal Reserve to consider cutting interest rates later this year.

The Economy in Four Numbers: Oil, Inflation, Rates, and the Dollar

BRENT CRUDE OIL

\$106.93/barrel

Oil prices remain elevated due to the effective closure of the Strait of Hormuz, the world's most important oil shipping channel.

US INFLATION (CPI)

3.8% annual

US consumer prices rose 3.8% over the past year, driven largely by energy costs, keeping the Fed in a holding pattern on rate cuts.

FED FUNDS RATE

3.50-3.75%

The Federal Reserve held rates steady at its April meeting, adopting a wait-and-see approach as it monitors inflation and global risks.

EUR/USD EXCHANGE RATE

1.1681

The euro is holding steady against the dollar as traders wait for direction from both the US data releases and the European Central Bank bulletin today.

Commodities and Crypto: Oil Climbs, Gold Dips, Bitcoin Pushes Higher

1

Oil Rising

WTI crude at \$102.40 (+0.49%) and Brent at \$106.93 (+0.38%) as the Strait of Hormuz remains closed and Saudi oil production hits its lowest level since 1990.

2

Gold Pausing

Gold slipped to \$4,615.20 (-0.84%) as some investors took profits after recent gains; the precious metal remains near all-time highs on the back of months of geopolitical uncertainty.

3

Silver Under Pressure

Silver fell more sharply to \$81.18 (-3.27%), underperforming gold and reflecting reduced expectations for industrial demand growth in the near term.

4

Bitcoin Advancing

Bitcoin climbed to \$81,091 (+1.87%) and Ethereum rose to \$2,275.69 (+0.51%), with crypto showing independent strength as institutional interest continues to support prices.

Where Markets Stand Right Now

ASSET CLASS	SENTIMENT	KEY DRIVER	DIRECTION
Oil and Energy	● BULLISH	Strait of Hormuz closed, Saudi production at 30-year lows, IEA warns of biggest-ever energy crisis	▲
US Equities	● NEUTRAL	Fed uncertainty and CPI data ahead keeping gains modest despite strong tech earnings backdrop	↔
European Equities	● BULLISH	ECB rate cut expectations and solid corporate earnings supporting DAX and FTSE	▲
Gold and Precious Metals	● BEARISH	Short-term profit-taking after historic highs; structural bull trend intact on geopolitical backdrop	▼
Crypto	● BULLISH	Bitcoin and Ethereum showing independent momentum with continued institutional demand	▲
Forex (USD)	● VOLATILE	Dollar caught between safe-haven demand and Fed uncertainty ahead of key inflation data	↕