Trump-Xi Summit Ends Without a Deal — Markets Pull Back From Records as Inflation Fears Return

- The Trump-Xi summit in Beijing has concluded without any concrete trade agreements or breakthrough announcements. Markets had been pricing in meaningful progress — the absence of it is triggering profit-taking across indices that had just reached record highs.
- The more troubling development is happening in the oil market. Brent crude is approaching $109 a barrel, driven by ongoing disruption to shipping through the Strait of Hormuz. Higher oil prices feed directly into transport costs, production costs, and eventually what you pay at the pump and the supermarket.
- Treasury yields have moved sharply in response. The 10-year US yield is near 4.52% — a level that makes it more expensive for companies to borrow, reduces the appeal of risky assets, and pressures growth-stock valuations. The Nasdaq, which led this week's rally, is taking the sharpest hit today.
- One piece of genuine good news: Trump stated during the summit that China will buy large quantities of US oil. That alone is keeping WTI crude strong, with US domestic crude up over 10% this week.

KEY DRIVER

The Trump-Xi summit in Beijing has concluded without any concrete trade agreements or breakthrough announcements. Markets had been pricing in meaningful progress — the absence of it is triggering profit-taking across indices that had just reached record highs.

WHAT TO WATCH

The more troubling development is happening in the oil market. Brent crude is approaching $109 a barrel, driven by ongoing disruption to shipping through the Strait of Hormuz. Higher oil prices feed directly into transport costs, production costs, and eventually what you pay at the pump and the supermarket.

CONCLUSION: This is a profit-taking day after an extraordinary week. The record-breaking S&P 500 at 7,500 was always going to face a test — and the combination of a muted summit outcome and a resurgent inflation signal from oil is providing that test today. The bigger picture has not changed, but the market is recalibrating.

MARKET INSIGHT

US Equities at the Open — Pulling Back From All-Time Highs

- The S&P 500 is expected to open near 7,438 points, down approximately 0.85% from Thursday's record close of 7,501. This is a normal and healthy pullback after the index crossed the 7,500 threshold for the first time. It does not reverse the week's gains, which remain substantial.
- The Nasdaq 100 is under the most pressure, down approximately 1.45% and pointing to an open near 29,180. The Nasdaq had briefly printed a new all-time high above 29,785 this week on the Nvidia AI chip story. Technology stocks are most sensitive to the rise in Treasury yields, which makes future earnings worth less in today's money.
- The Dow Jones Industrial Average is pointing to an open near 49,827, pulling back below the symbolic 50,000 level it crossed earlier this week. The Dow's lower weighting in technology gives it some cushion relative to the Nasdaq, but financial stocks are under pressure from the rising yield environment.
- For context: all three indices are still meaningfully higher than where they started the week. Today is consolidation, not a reversal.

CONCLUSION: The US open will be lower across the board, led by technology. This is a direct response to the summit outcome and the yield move — not a change in the underlying market structure. Watch whether buyers emerge near current futures levels as the session develops.

Today's Economic Data — Three Releases That Could Shift the Mood

EMPIRE STATE MANUFACTURING INDEX (8:30 AM ET)

Forecast: 7.5

Previous: 11.0

INDUSTRIAL PRODUCTION M/M — APRIL (9:15 AM ET)

Forecast: +0.3%

Previous: -0.5%

CAPACITY UTILIZATION RATE — APRIL (9:15 AM ET)

Forecast: 75.8%

Previous: 75.7%

BAKER HUGHES OIL RIG COUNT (1:00 PM ET)

Previous: ongoing

Weekly snapshot

CONCLUSION: This morning's data calendar is manageable. The industrial production rebound is the number that matters most — confirmation that manufacturing is recovering would give markets one less thing to worry about. No single release today is expected to cause a dramatic move, but any downside surprise on manufacturing would amplify the cautious mood.

Commodities and Crypto at the US Open — Oil Holds Strong, Silver Drops Sharply

1

Brent Crude near $107

Brent is holding above $107 a barrel, heading for its best weekly performance in months — up approximately 7% since Monday. The driver is simple: the Strait of Hormuz, through which roughly a fifth of the world's oil passes, remains disrupted by ongoing Middle East tensions. There has been no diplomatic resolution from the Trump-Xi summit that would ease pressure on Iran and reduce supply disruption risk. For the average investor, this matters because sustained oil above $100 makes it harder for the Fed to cut rates.

2

WTI Crude above $102

US domestic crude is up 1.23% today and on course for a roughly 10% weekly gain. A meaningful additional factor today is Trump's statement that China will buy large quantities of US oil as part of broader summit discussions. Actual commitments are unclear, but the headline has provided demand-side support for WTI specifically.

3

Gold at $4,580

Gold is down around 0.8% as rising Treasury yields and a stronger US dollar compete with and currently outweigh geopolitical safe-haven demand. This is counterintuitive given the elevated geopolitical risk, but it reflects a common pattern: when yields rise sharply, gold falls because investors can now earn a meaningful real return from government bonds, reducing gold's relative appeal.

4

Silver at $78.44

Silver is the biggest mover today, falling over 6%. Goldman Sachs has pointed to rising yields as the key driver — silver's dual role as both a precious metal and an industrial material makes it doubly vulnerable when the yield environment tightens and growth expectations soften simultaneously.

5

Bitcoin near $80,900

Bitcoin is essentially flat, actually outperforming equities on a risk-off day. This relative resilience may reflect continued institutional buying through spot Bitcoin ETFs. The $80,000 level is now the key support to watch — a clean hold here would be constructive for sentiment heading into next week.

CONCLUSION: Energy prices are the headline today. Oil staying above $100 is the most meaningful signal for inflation and the Fed's rate path. Gold and silver are being sold on the yield spike, not on any fundamental change to geopolitical risk. Bitcoin is holding its ground, which is notable given the pressure on equities.

Market Snapshot — Where Things Stand as New York Opens on Friday

ASSET CLASS	SENTIMENT	KEY DRIVER	DIRECTION
US Equities Broad	CAUTIOUSLY BEARISH	S&P 500 near 7,438, pulling back 0.85% from record 7,501; Dow below 50,000	▼
US Technology	BEARISH	Nasdaq -1.45% pre-market; yield surge hurts growth-stock valuations; tech led this week's rally	▼
Oil and Energy	BULLISH	Brent above $107, WTI above $102; Hormuz disruption ongoing; both on track for strong weekly gains	▲
Gold and Precious Metals	BEARISH	Dollar strength and rising real yields overriding geopolitical safe-haven demand; gold -0.8%, silver -6%	▼
Bitcoin and Crypto	NEUTRAL	Bitcoin flat near $80,900; holding better than equities; $80K is the level to watch	↔
US Dollar	BULLISH	Safe-haven flows and higher yields driving dollar strength; EUR/USD and AUD/USD softer	▲

CONCLUSION: The week ends on a note of consolidation rather than celebration. The S&P 500 set a record, the Nasdaq touched new all-time highs, and both indices are still meaningfully higher than where they started Monday. Today's pullback is real but proportionate — the market is digesting a week of extraordinary gains, a summit that did not deliver its full promise, and an oil market signalling that inflation has not gone away. The key number to end the week on is Brent crude: as long as it stays above $100, the Federal Reserve's hands remain partially tied, and the path to rate cuts stays narrower than the equity market has been pricing.