

# Macro Microscope

## Market Pricing of Tariff Impacts

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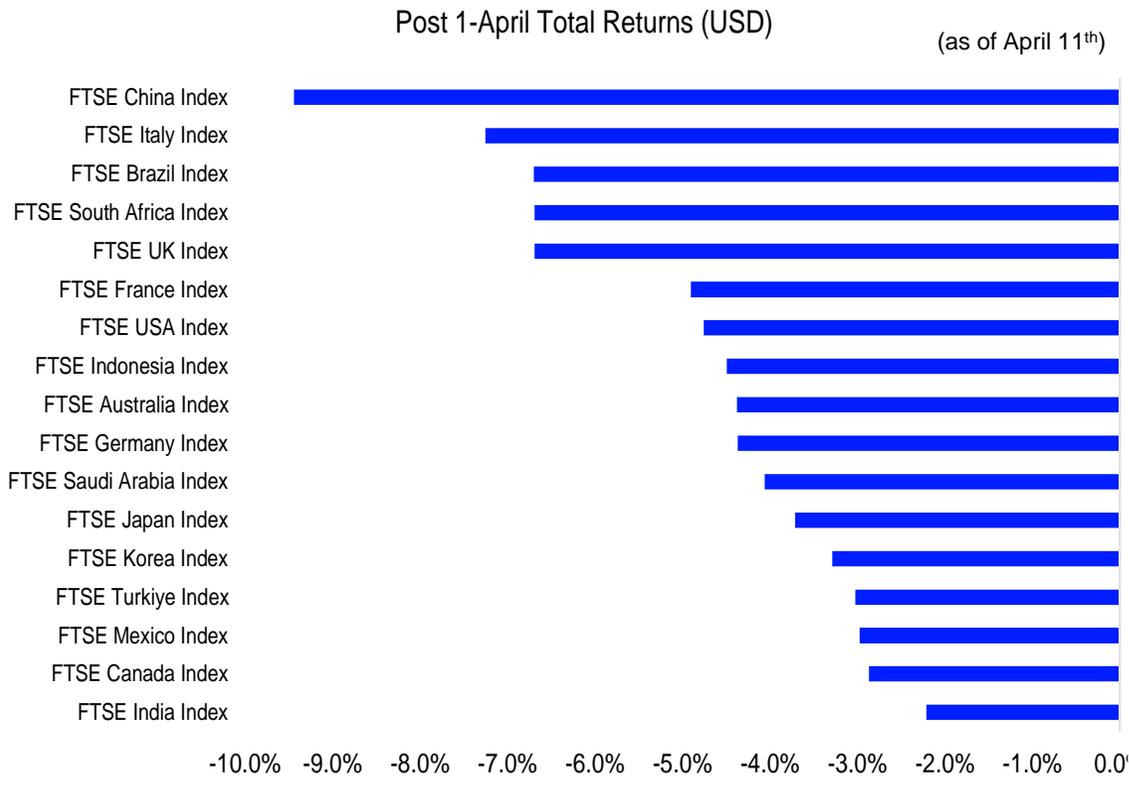
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# Tariff Tremors: Assessing the Global Equity Impact of Recent Tariff Announcements

- Following the tariff announcements on April 2nd, markets in China suffered the steepest losses (as of April 11<sup>th</sup>).
- European and Japanese equities posted smaller losses, aided by a weaker dollar against the euro and yen (as of April 11<sup>th</sup>).
- Within the FTSE All-World index, energy shares were hit hardest (as of April 11<sup>th</sup>).

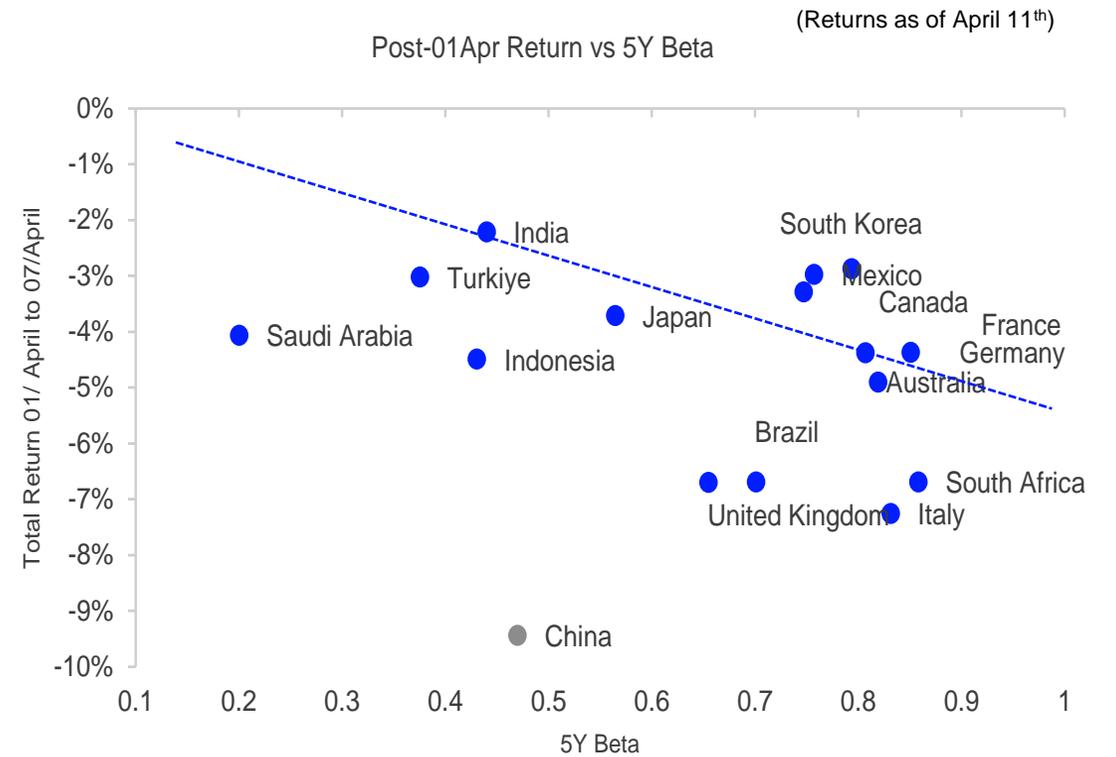
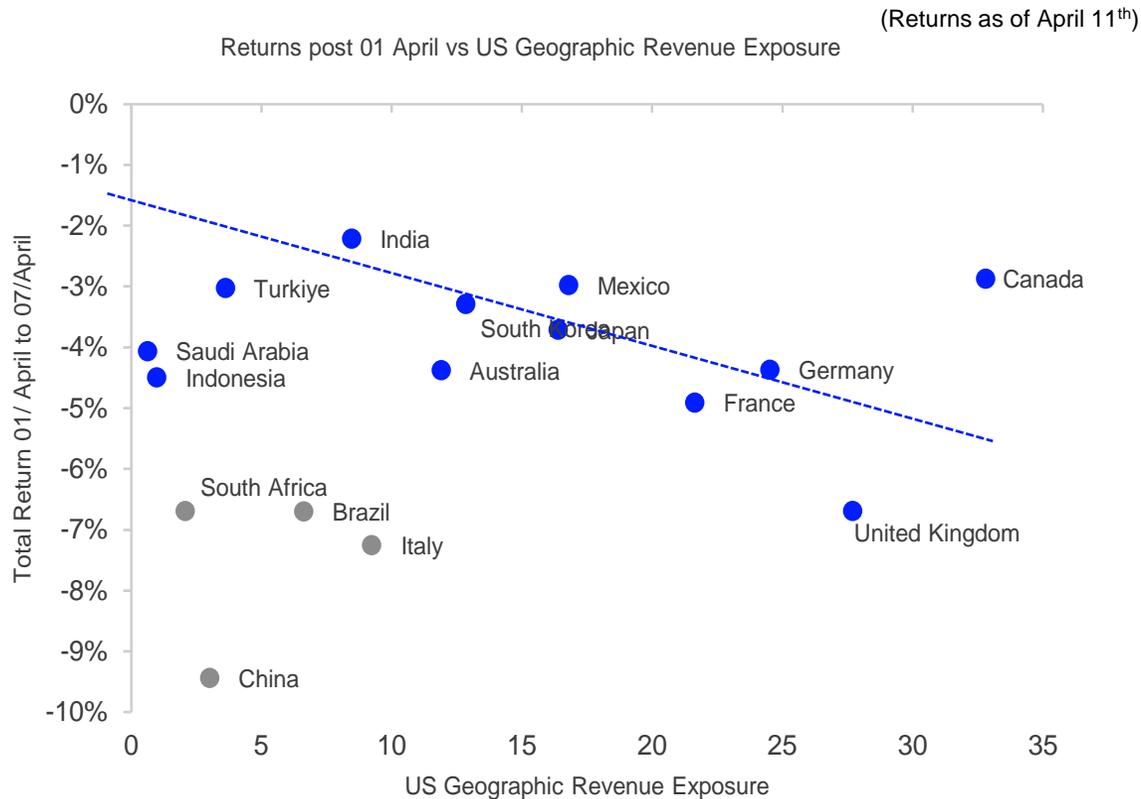


Industry Returns month to date (as of 11 April 2025)

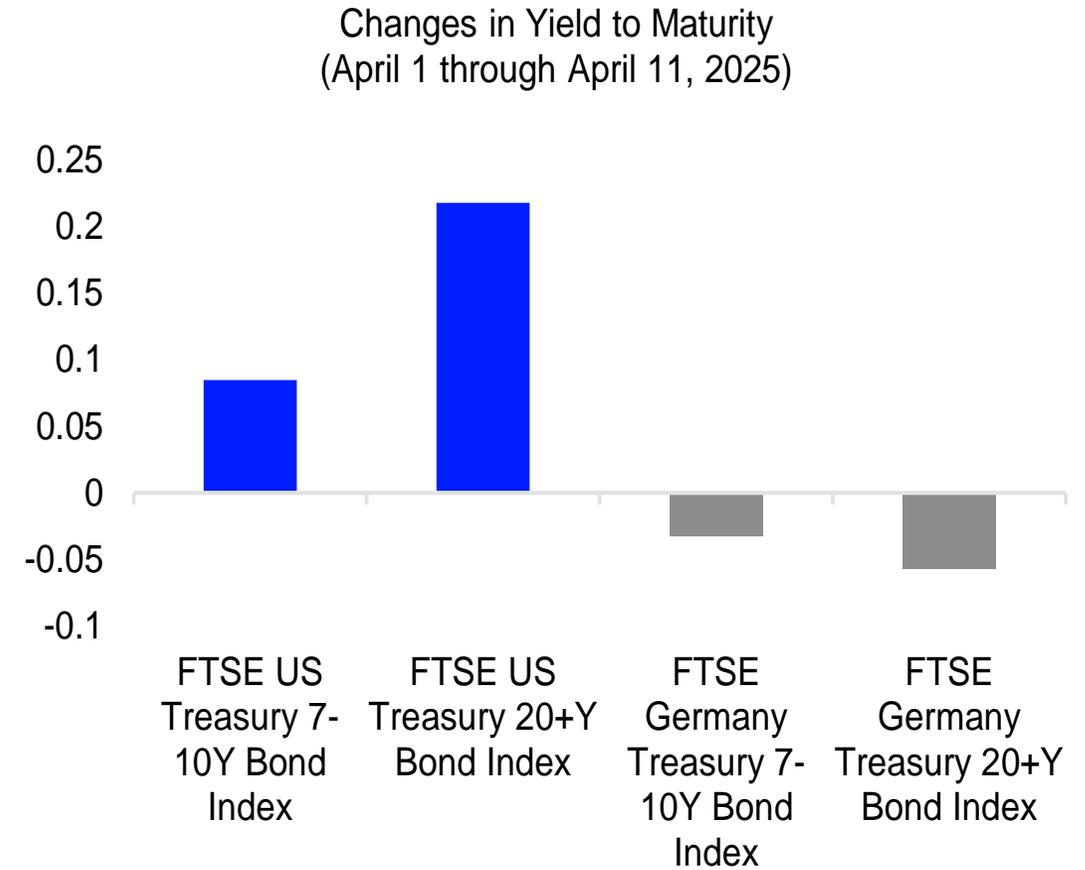
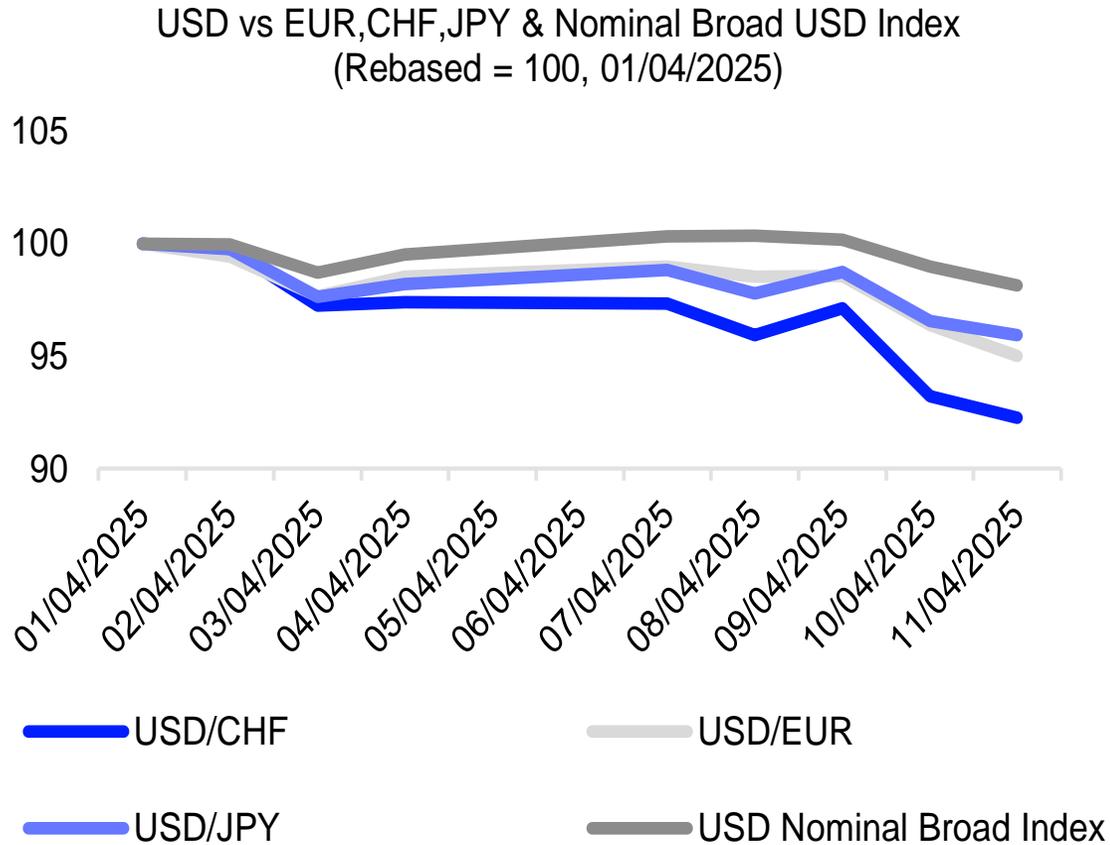
	All-World	Developed Asia Pacific ex Japan	Developed Europe ex UK	Emerging	Japan	UK	USA	Canada	Germany	Spain
Index Return	-4.29	-3.98	-3.60	-5.25	-3.38	-6.00	-4.37	-1.86	-2.81	-1.53
Basic Materials	-3.77	-4.92	-2.34	-4.82	-5.38	-6.27	-4.98	5.08	-3.37	
Consumer Discretionary	-3.20	-3.80	-2.01	-9.19	-2.08	-2.19	-2.73	2.33	-4.17	3.91
Consumer Staples	-0.14	1.53	2.31	1.08	3.48	1.14	-1.87	4.10	0.97	
Energy	-12.91	-10.23	-10.87	-6.96	-11.94	-19.01	-14.85	-7.26	4.77	-18.14
Financials	-5.80	-5.99	-4.64	-4.26	-12.32	-7.39	-6.25	-2.31	-0.83	-4.00
Health Care	-6.28	-2.99	-5.55	-4.40	-5.26	-9.07	-6.54		-4.29	-1.76
Industrials	-4.47	-0.64	-4.79	-4.89	-1.90	-3.58	-5.25	3.78	-5.83	-1.78
Real Estate	-4.48	-3.72	3.81	-2.80	4.91	-1.76	-6.98		12.56	-3.24
Technology	-3.00	-4.07	-3.94	-6.33	-2.97	-2.31	-2.52	-4.99	-4.04	-2.51
Telecommunications	-3.36	-1.81	-1.40	-4.00	2.56	-5.64	-4.92	-2.72	-3.13	-1.28
Utilities	-1.33	-1.41	2.40	-1.28	0.26	1.03	-2.76	1.04	6.45	3.38

# Tariff Tremors: Assessing the Global Equity Impact of Recent Tariff Announcements

- The cross-section of equity market performance post-tariff suggests that both US revenue exposure and longer-term market beta played a key role in driving returns.
- Markets such as India and Japan proved more resilient, reflecting their limited reliance on US revenues.
- Conversely, indices in Germany, France, Canada and the UK posted steeper declines, weighed down by higher beta profiles and greater exposure to the American market.



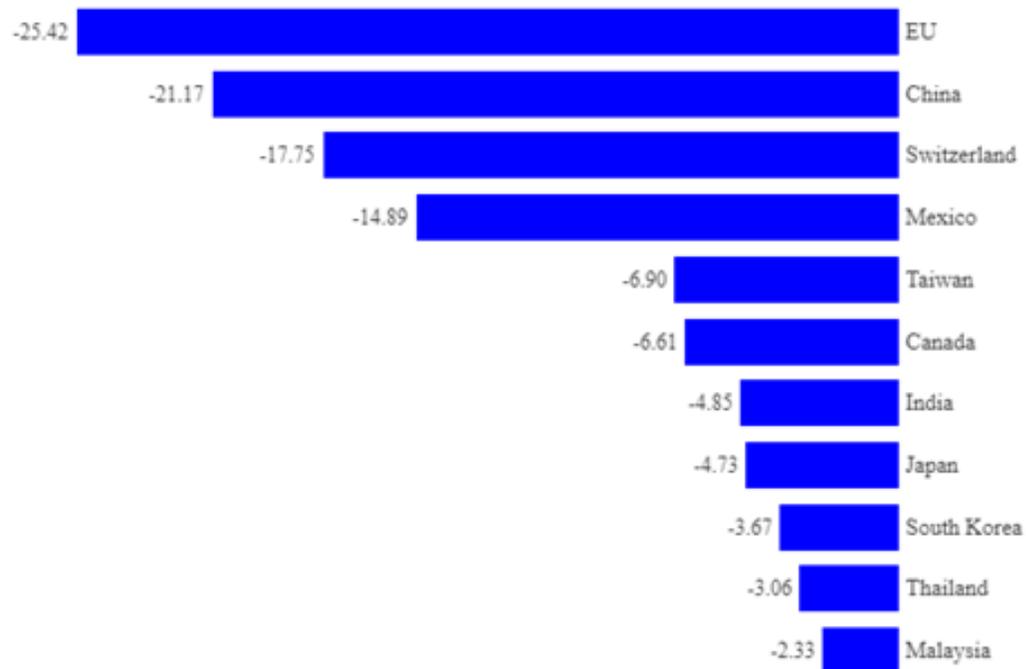
# Tariff Tremors: Assessing the Currency and Fixed Income Impact of Recent Tariff Announcements



# Trade Details: US Trade Deficit & Import Partners

### US Visible Trade Balance

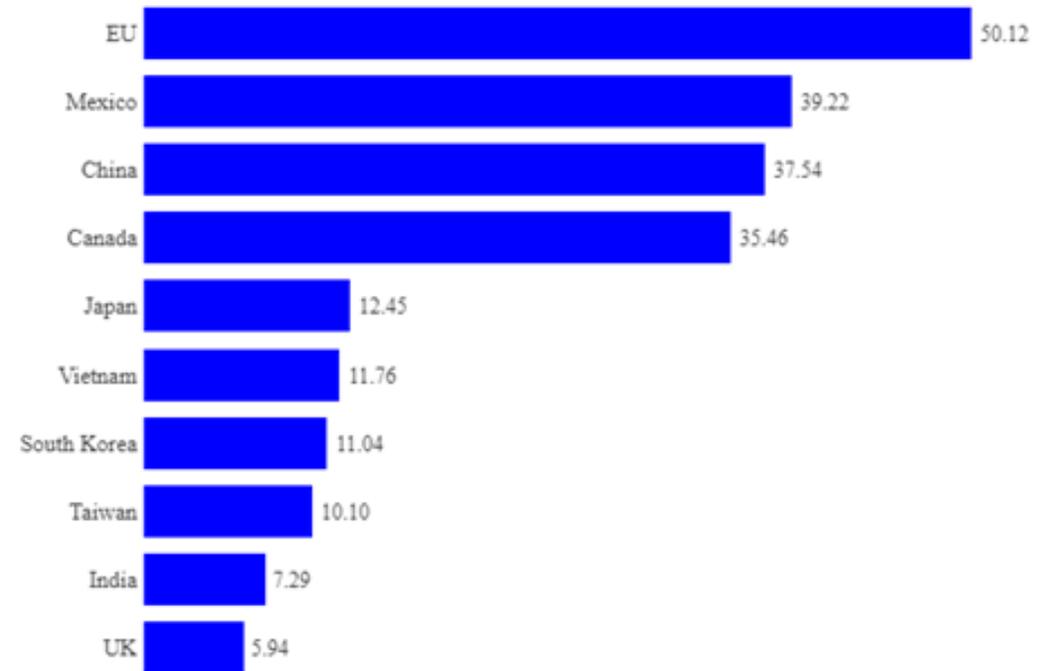
US \$ billions, Feb 2025



Source: LSEG Datastream

### US Top 10 Import Partners

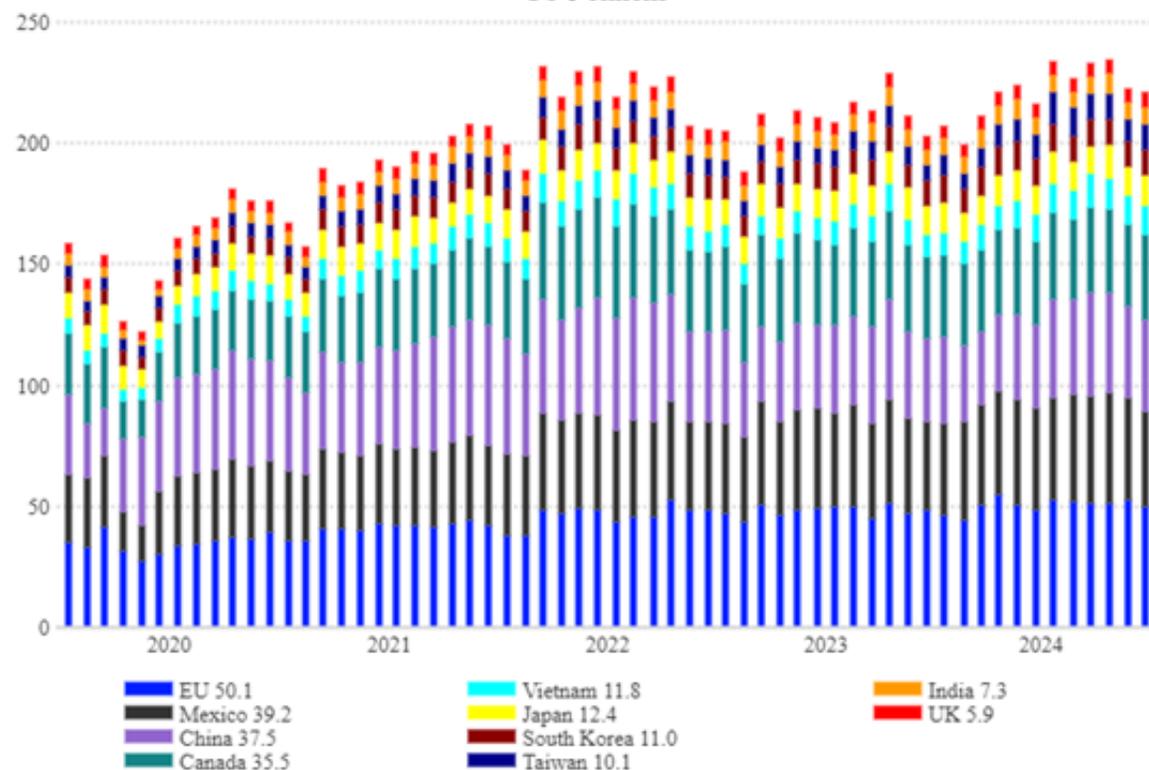
US \$ billions, Dec 2024



Source: LSEG Datastream

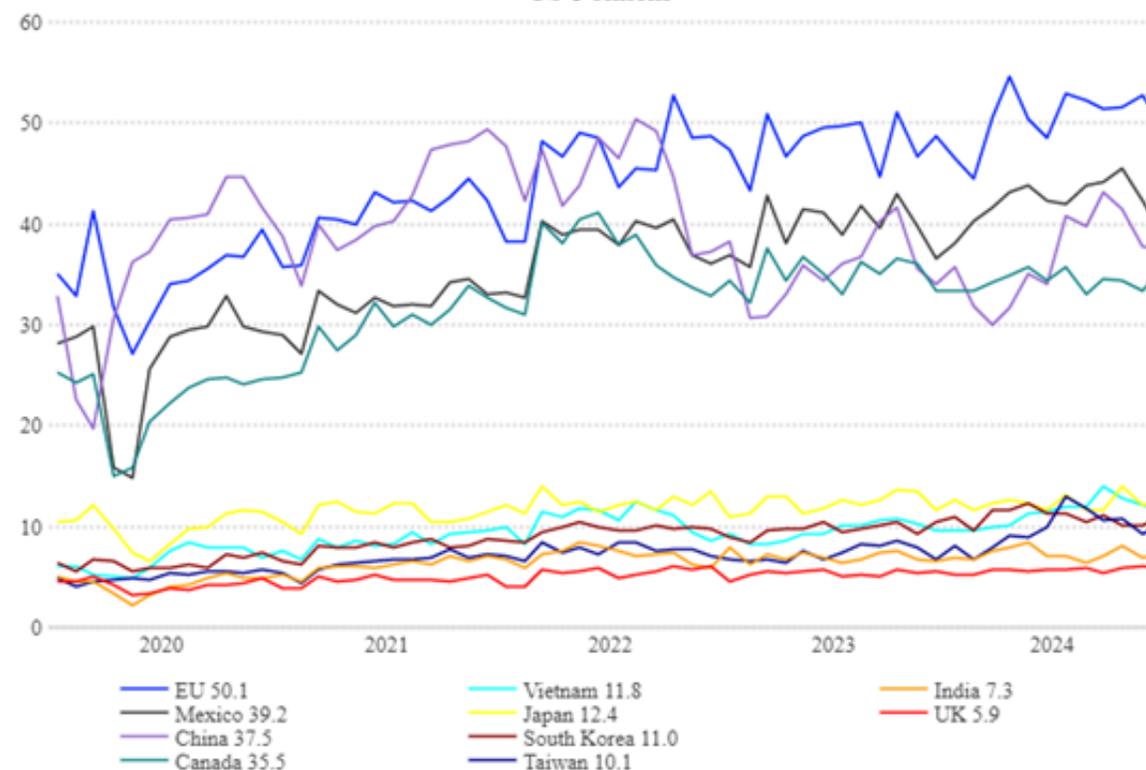
# Trade Details: Top 10 Exporters to the US - Historical Development

**US Top 10 Import Partners**  
US \$ billions



Source: LSEG Datastream

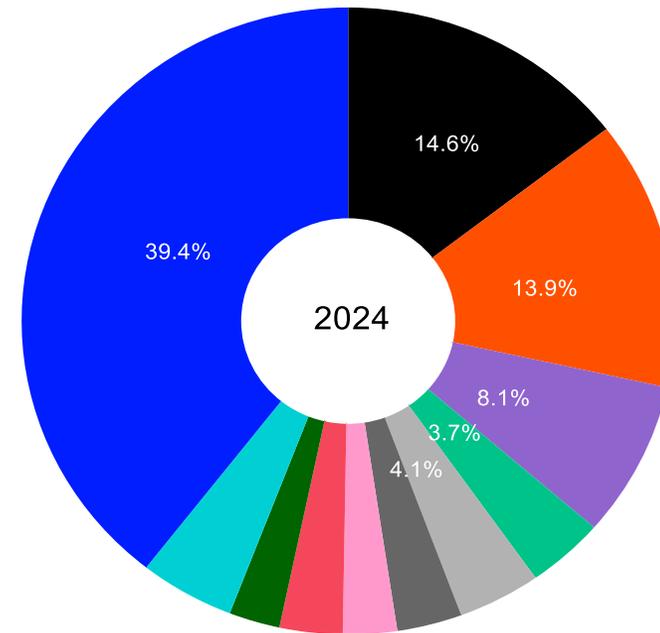
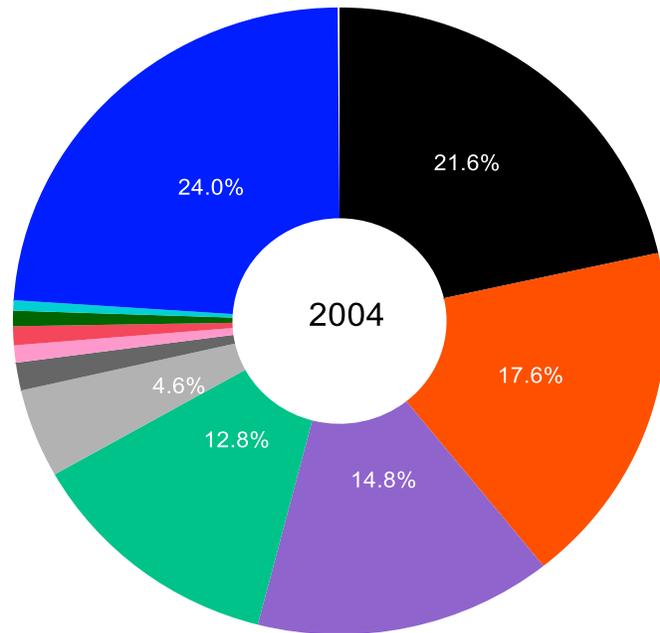
**US Top 10 Import Partners**  
US \$ billions



Source: LSEG Datastream

## Chinese Exports by Destination

China has reduced reliance on the US as an export market



US  
EU  
Hong Kong

Japan  
South Korea  
Malaysia

India  
Indonesia  
Thailand

Vietnam  
Rest of the world

Source: LSEG Datastream

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