

# Market panic deepens as China retaliates against Trump tariffs

AFP- Panic selling gripped global markets on Monday, as US President Donald Trump refused to budge on his swingeing tariffs despite China retaliating and global recession warnings growing louder.

Countries across the world have been scrambling to blunt the edge of the new US tariffs, but Beijing signalled it was taking the levies head on, escalating the trade war between the world's two biggest economies.

Trump doubled down on his demand to slash deficits with the US' trading partners, saying he would not cut any deals unless that was resolved.

"Sometimes you have to take medicine to fix something," Trump said on Sunday.

He told reporters aboard Air Force One that world leaders are "dying to make a deal."

Trump announced last week a baseline 10-percent import tariff on goods coming into the United States and higher rates for many countries including allies the European Union, Japan and Taiwan.

Most countries have stopped short of retaliating but China announced on Friday – after Asian markets closed – retaliatory tariffs of 34 percent on all US goods from April 10.

"(This) is blunt-force economic warfare," said Stephen Innes at SPI Asset Management.

"The market's telling you in plain language: global demand is

vanishing, and a global recession is on the cards and coming on fast," Innes said.

Trillions of dollars have been wiped off stocks worldwide, and on Monday Asian equities took an even heavier hammering as investors moved to safer assets.

In Japan the Nikkei was off an eye-watering 6.5 percent, falling almost eight percent in early trade.

In Hong Kong the Hang Seng plunged almost 10 percent and the Shanghai Composite more than four percent.

Taiwan's main index – like in Hong Kong and Shanghai closed on Friday – plummeted almost 10 percent and Singapore 8.5 percent.

Futures contracts for the New York Stock Exchange's main boards were sharply down Sunday, suggesting more pain for battered Wall Street stocks when markets open Monday.

US oil dropped below \$60 a barrel for the first time since April 2021 on worries of a global recession.

– 'Deals and alliances' –

Benjamin Netanyahu, prime minister of Israel – which has been hit with 17 percent tariffs, despite being one of Washington's closest allies – was due Monday to become the first leader to meet Trump since last week's announcement.

Britain's Prime Minister Keir Starmer warned in a newspaper op-ed that "the world as we knew it has gone," saying the status quo would increasingly hinge on "deals and alliances."

Trump's staggered deadlines have left space for some countries to negotiate, even as he insisted he would stand firm and his administration warned against any retaliation.

"More than 50 countries have reached out to the president to

begin a negotiation,” Kevin Hassett, head of the White House National Economic Council, told ABC’s This Week on Sunday, citing the US Trade Representative.

Vietnam, a manufacturing powerhouse that counted the US as its biggest export market in the first quarter, has already reached out and requested a delay of at least 45 days to thumping 46 percent tariffs imposed by Trump.

– ‘Bad actors’ –

Treasury Secretary Scott Bessent also told NBC’s Meet the Press that 50 countries had reached out.

But as for whether Trump will negotiate with them, “I think that’s a decision for President Trump,” Bessent said.

“At this moment he’s created maximum leverage for himself... I think we’re going to have to see what the countries offer, and whether it’s believable,” Bessent said.

Other countries have been “bad actors for a long time, and it’s not the kind of thing you can negotiate away in days or weeks,” he claimed.

Peter Navarro, Trump’s tariff guru, has pushed back against the mounting nervousness and insisted to investors that “you can’t lose money unless you sell,” promising “the biggest boom in the stock market we’ve ever seen.”

Russia has not been targeted by the latest raft of tariffs, and Hassett cited talks with Moscow over its invasion of Ukraine as the reason for their omission from the hit list.

On Wednesday a White House official suggested the reason for Russia’s omission was because trade was negligible thanks to sanctions.

Trump has long insisted that countries around the world that sell products to the United States are in fact ripping

Americans off, and he sees tariffs as a means to right that wrong.

“Some day people will realize that Tariffs, for the United States of America, are a very beautiful thing!” Trump wrote on Truth social Sunday.

But many economists have warned that tariffs are passed on to US consumers and that they could see price rises at home.

“I don’t think that you’re going to see a big effect on the consumer in the US,” Hasset said.

AFP

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## **Biden says body of Israeli-American hostage among 6 recovered in Gaza**

AFP- US President Joe Biden said Saturday that the body of Israeli-American hostage Hersh Goldberg-Polin was among six recovered in Gaza by Israeli forces.

“Earlier today, in a tunnel under the city of Rafah, Israeli forces recovered six bodies of hostages held by Hamas,” Biden said in a statement.

“We have now confirmed that one of the hostages... was an American citizen, Hersh Goldberg-Polin,” the president added.

The 23-year-old was among 251 hostages seized during the October 7 attack on southern Israel by Palestinian militants.

Around 100 hostages remain in captivity, dozens of whom the Israeli military says are dead.

The parents of Goldberg-Polin, who was abducted from the Supernova music festival, addressed delegates at the Democratic National Convention in Chicago last month.

On Thursday, the couple joined other relatives of hostages rallying near the Gaza border.

“Hersh! It’s Mom... I love you, stay strong, survive,” Rachel Goldberg-Polin shouted into a microphone.

Her son had hidden in a bomb shelter with other people on October 7 but it was surrounded by gunmen, who attacked it with grenades.

A Hamas video from the day showed him being loaded onto a pick-up truck with part of his left arm, which was blown off in the attack, missing.

He appeared in a proof-of-life video released by Hamas on April 24 in which he said the captives were living “in hell”. His left arm had been amputated below the elbow.

Hamas’s October 7 attack resulted in the deaths of 1,199 people, mostly civilians, according to an AFP tally based on Israeli official figures.

Israel’s retaliatory military campaign has killed at least 40,691 people in Gaza, according to the territory’s health ministry. The UN rights office says most of the dead are women and children.

AFP

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# Polls Open In Second Round Of French Parliament Vote

AFP- Polling stations opened across mainland France on Sunday for a second round parliamentary vote that is expected to be won by far right leader Marine Le Pen's National Rally (RN).

While the anti-immigration, eurosceptic party may not win an outright majority, a hung parliament would leave a divided France in political limbo and weaken its international standing.

*Voting began at 8:00am (0600 GMT) and was to continue to 6:00pm, or 8:00pm in major cities, when voting estimates will be released.*

AFP