Saxo Market Call

Slide deck

Wednesday, April 16, 2025



Questions and comments to marketcall@saxobank.com

Disclaimer
The slides here that accompany the podcast will occasionally mention financial instruments that are not tradable for all retail clients, depending on the relevant appropriateness test. Financial instruments mentioned can range from low to high risk, and our thoughts on the market should not be viewed as investment recommendations, but inspiration and information to gain a better understanding of current market dynamics.

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Comeback finds a ceiling on fresh US-China trade friction

- **Breaking:** China says it is open to talks if Trump shows respect, naming a point person for negotiations. Says they want Trump to rein in cabinet members and show consistency.
- **Risk appetite heads south** after US moves to limit chip exports to China – NVDA says it will take a USD 5.5 billion hit.
- **Gold explodes higher** on latest risk aversion, hits new highs in USD terms. Safe haven currencies CHF, EUR and JPY surge againt the greenback.
- **WSJ exclusive**: Sources suggest US tariff policy is aimed at isolating China to move against risks (from US point of view) of both transshipment and locating Chinese production in country (as was the case in Mexico post-2018).
- **Italy's PM Meloni in Washington** looking to feel out Trump administration on terms of trade deal and whether US is open to a EU-US summit.
- **US-Japan trade talks** to kick off tomorrow



*Walter Bloomberg
@DeItaone

*CHINA OPEN TO TALKS IF TRUMP SHOWS RESPECT, NAMES POINT PERSON

*CHINA WANTS TRUMP TO REIN IN CABINET MEMBERS, SHOW CONSISTENCY

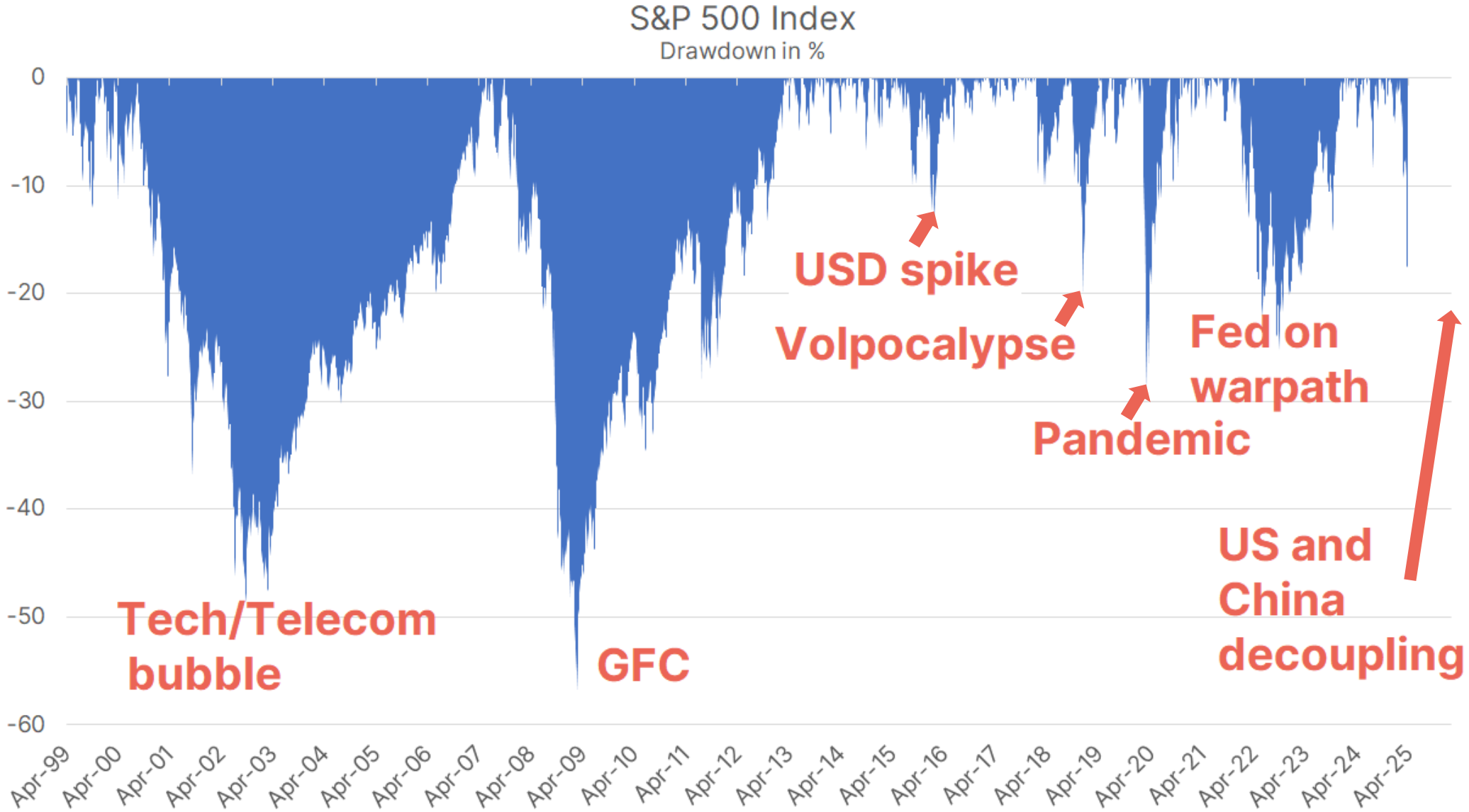
*CHINA WANTS US TALKS TO ADDRESS CONCERNS ON TAIWAN, SANCTIONS

10:32 AM · Apr 16, 2025 · **31.3K** Views

Source: Saxo

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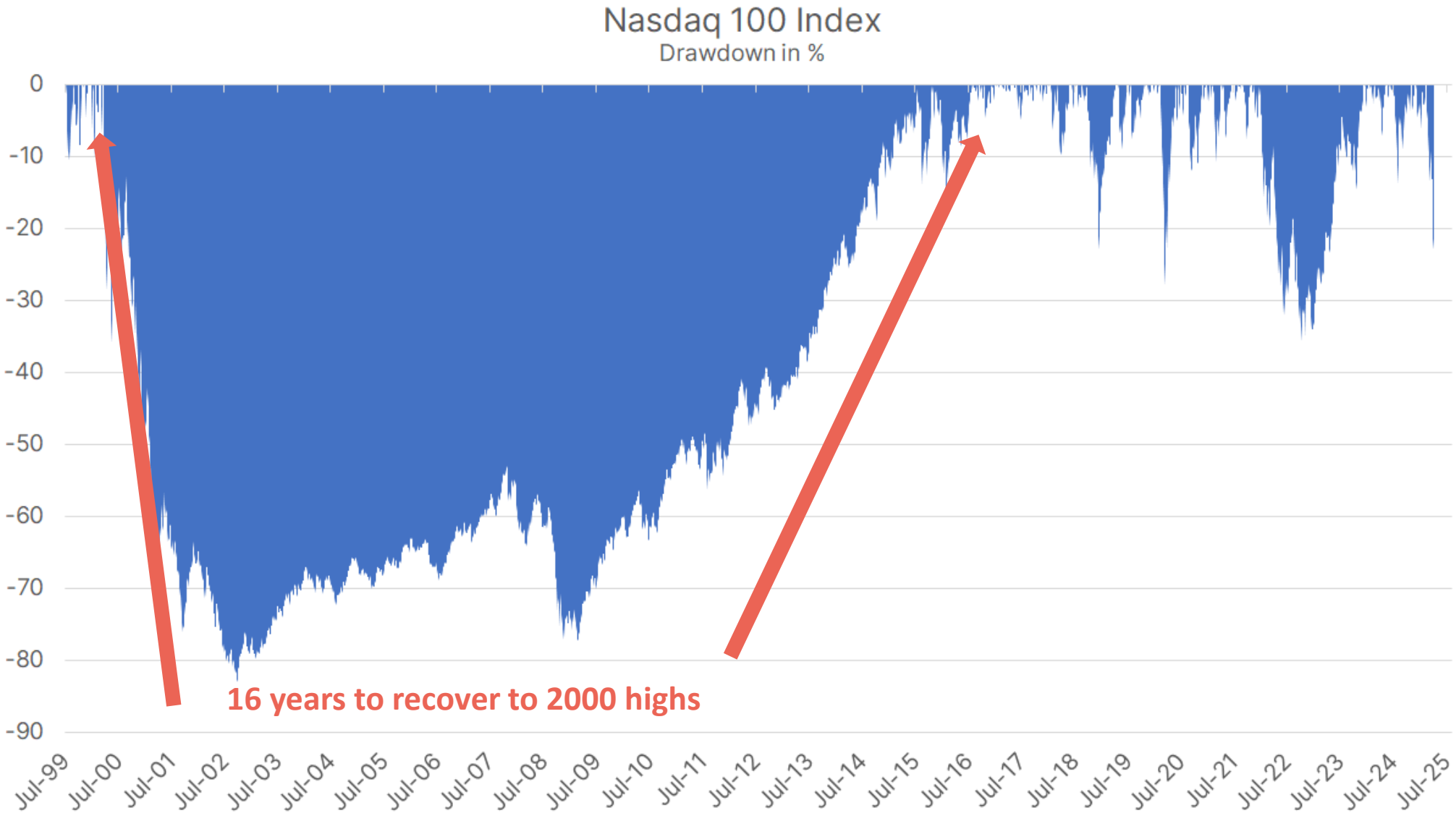
Where will this rate in the modern history of drawdowns?



Source: Saxo

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Nasdaq 100 shows the damage of the tech/telecom bubble



Source: Saxo

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Earnings incoming over next week…

- **Today**: ASML, Abbot Laboratories, Progressive Corporation
- **Thursday**: TSMC, UnitedHealth, **Netflix**, American Express, Blackstone, Charles Schwab, Marsh & McLennan, ABB

HIGHLIGHTS

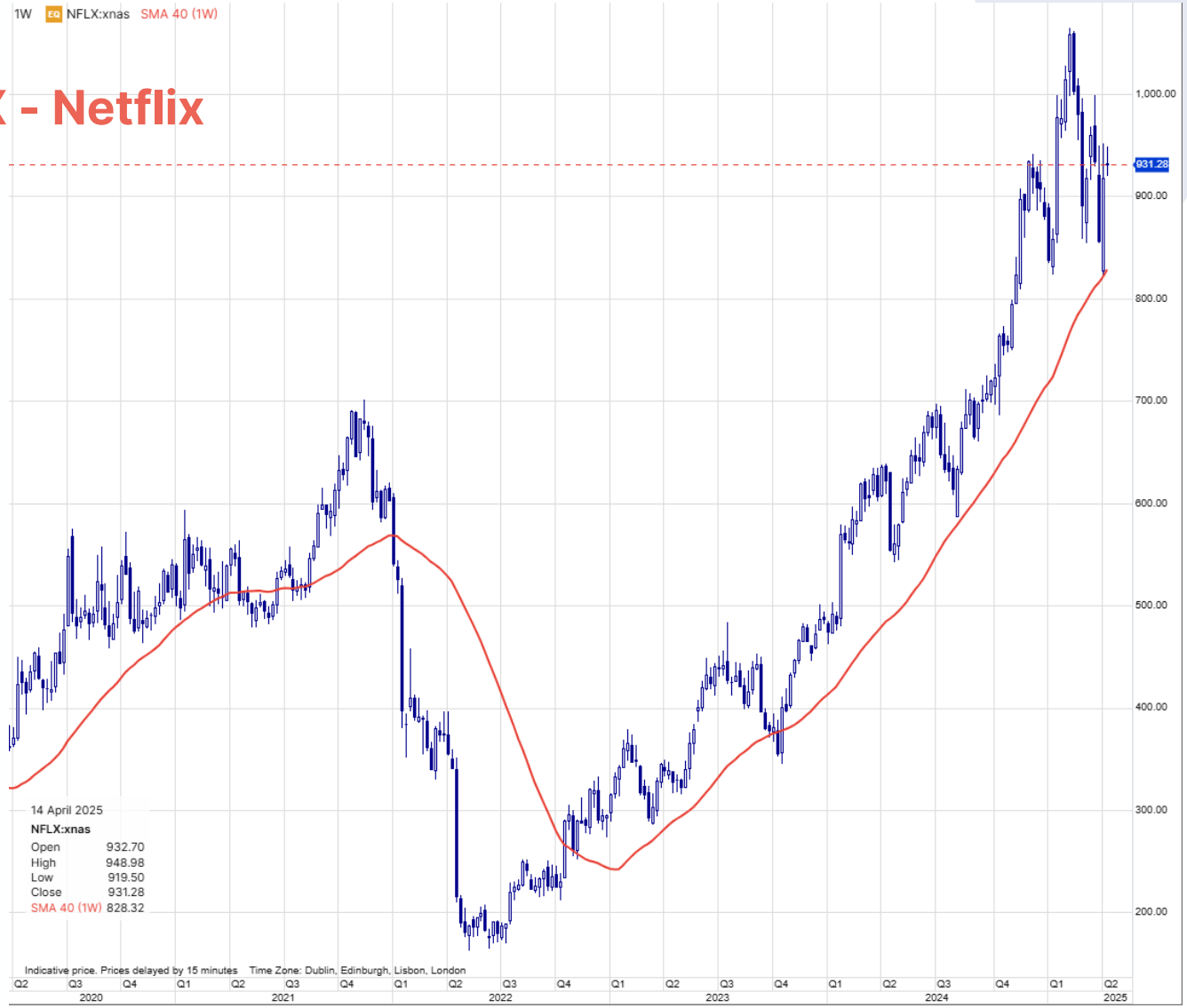
Interview. EU could tax Big Tech if Trump trade talks fail, says von der Leyen

European Commission president tells FT she wants 'balanced' deal but could hit US services in retaliation



- **ChatGPT prompt:** How has Netflix expanded margins over the years?

NFLX - Netflix



Source: Saxo

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FX: CNH remains very weak. CHF, EUR & JPY surge.

FX Board - Trend Status for G10 FX, CNH, Gold & Silver

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Average	EUR	USD	CNH	JPY	GBP	CHF	AUD	CAD	NZD	SEK	NOK	XAU	XAG
Trend ->	5.1	-6.0	-8.2	2.9	-1.1	8.3	-3.5	-0.7	1.1	2.4	-2.5	8.8	-1.8
2D Change	-0.4	0.2	-0.2	0.7	1.4	-0.8	0.9	-1.0	1.5	-1.8	-0.8	2.4	1.2
5D Change	0.5	-4.3	-3.0	0.8	1.4	1.4	3.9	-2.6	5.7	-3.7	-1.5	3.7	3.2
ATR Ranking* ->	39	155	107	41	109	33	68	79	131	117	171	7	49

*Current average ranking of ATR of all G10 + CNH pairs, last 1,000 trading days

FX Board - Trend Scoreboard - Top Individual Pairs

Pair	Quote	Trend	Age(D)	Score	ATR*
AUDJPY	90.20	-1	57	-4.4	1.67
AUDNZD	1.0732	-1	30	-7.5	0.0068
AUDUSD	0.6344	-1	13	1.6	0.0088
EURAUD	1.7927	1	34	6.6	0.0234
EURCAD	1.5827	1	36	6.2	0.0153
EURCHF	0.9272	-1	8	-5.0	0.0082
EURGBP	0.8566	1	28	5.9	0.0060
EURJPY	161.7	1	27	0.8	1.89
EURNOK	12.080	1	7	7.0	0.133
EURSEK	11.164	1	2	2.3	0.103

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Pair	Quote	Trend	Age(D)	Score	ATR*
EURUSD	1.1373	1	44	10.5	0.0118
GBPJPY	188.76	-1	7	-2.7	2.27
GBPUSD	1.3277	1	46	8.4	0.0111
NZDUSD	0.5912	1	2	5.2	0.0079
USDCAD	1.392	-1	17	-6.3	0.0114
USDCHF	0.8153	-1	42	-13.5	0.0099
USDCNH	7.328	1	13	2.7	0.037
USDJPY	142.24	-1	57	-8.2	1.83
XAGUSD	32.94	-1	8	1.0	0.92
XAUUSD	3307.2	1	70	13.0	51.0

Source: Saxo and Bloomberg

Macro – calendar highlights

Today's Calendar Highlights (all times GMT)

1230 – US Mar. Retail Sales
1315 – US Mar. Industrial Production
1345 – Canada Bank of Canada Rate Decision
1400 – US Apr. NAHB Housing Market Index
1700 – US Treasury to auction 20-year notes
1730 – US Fed Chair Powell to speak
Italy's PM Meloni in Washington

Upcoming Calendar Highlights (all times GMT)

Thu: New Zealand Q1 CPI, Australia Mar. Employment Data, **ECB Meeting**, US Mar. Housing Starts / Building Permits, US Weekly Initial Jobless Claims, US Apr. Philly Fed, **US-Japan trade talks?**
Fri: **Japan Mar. National CPI**

Longer Term Calendar Highlights

April 28 – Canada election

May 1 – Bank of Japan Meeting

May 7 – US FOMC Meeting

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Appendix: Must reads / listens

Kaos Theory podcast with Grant Williams and Michael Kao
Very good interview with Global Strategist Michael Every (from Apr 1 – but general thoughts have durable implications here)
https://open.spotify.com/show/7JYS9dwoP33dLPeQc4QYoo

WSJ exclusive: US to use trade negotiations to isolate China
https://www.wsj.com/politics/policy/u-s-plans-to-use-tariff-negotiations-to-isolate-china-177d1528?mod=hp_lead_pos2

US Treasury Secretary Bessent interview with Yahoo Finance
https://finance.yahoo.com/news/treasury-secretary-scott-bessent-to-yahoo-finance-not-all-tariff-deals-will-be-done-in-90-days-210440065

Pinned: Michael Every
Is a thought leader on our new geopolitical era and Trump 20. **Follow on X @TheMichaelEvery.**
His foundation piece on **Grand Macro Strategy**:
https://www.rabobank.com/knowledge/d011459811-macrostrategy-versus-grand-macro-strategy

Suggested ChatGPT prompt: Why would Australian banks needs offshore USD funding to serve the Australian mortgage market?

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Appendix: 5-year chart of Nasdaq 100 index



Source: Saxo

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