

اقتصادنا والعالم

Our Economy and the World

Issue: 409

Date: 25th May 2025

This week's issue of "Our Economy and the World" includes:

Key Global and Regional Developments over the Past Week

- Reuters: Weak US economic outlook persists despite brief trade truce with China
- CNBC: UK inflation surges to 3.5% in April as household bills spike
- Reuters: ECB warns buoyant markets 'out of sync' with uncertain world
- Financial Times: US government bonds drop as worries over Donald Trump's tax bill flare up

Special Analysis

- IMF: Charting a Path through the Haze

Developments in Financial and Commodity Markets in the Past Week

- Reuters: Oil prices dip after bearish US government report on crude supplies
- Bloomberg: European stocks steady on trade optimism; UK mid-caps drop

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report.

اقتصادنا والعالم

Our Economy and the World

Key Global and Regional Developments over the Past Week

Reuters: Weak US economic outlook persists despite brief trade truce with China

The outlook for the U.S. economy remains weak despite a temporary cooling of the U.S.-China trade war, a Reuters poll of economists showed, with a debate over the country's fiscal health hanging in the balance. A 90-day truce to temporarily slash steep U.S.-China import duties has marginally reduced U.S. recession risks, but the fiscal outlook is worsening ahead of an imminent vote in Congress on President Donald Trump's sweeping tax-cut bill following a sovereign credit rating downgrade from Moody's on Friday.

[\(Read Full Article\)](#)

CNBC: UK inflation surges to 3.5% in April as household bills spike

The U.K.'s annual inflation rate hit 3.5% in April, coming in above analyst expectations, according to data released by the Office for National Statistics (ONS) on Wednesday. Economists polled by Reuters had anticipated the consumer price index would reach 3.3% in the twelve months to April.

[\(Read Full Article\)](#)

Reuters: ECB warns buoyant markets 'out of sync' with uncertain world

Buoyant credit and stock markets appear "out of sync" with a world gripped by geopolitical and trade uncertainty, the European Central Bank said on Wednesday. The warning came as part of the ECB's twice-yearly Financial Stability Review, a litany of old and new risks ranging from funds depleting their cash buffers to overvalued property markets and high government debt.

[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report.

اقتصادنا والعالم

Our Economy and the World

Financial Times: US government bonds drop as worries over Donald Trump's tax bill flare up

US government bonds and stocks fell after a weak Treasury auction highlighted investor unease over the country's rising debt burden, as Donald Trump attempts to push sweeping tax cuts through Congress. The 30-year Treasury yield was up 0.11 percentage points to 5.096 percent in evening trading in New York, the highest level since late 2023, as the price of the bonds fell. Wednesday's move added to a multi-day rise in longer-dated Treasuries. The S&P 500 share index fell 1.6 per cent.

[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report.

اقتصادنا والعالم

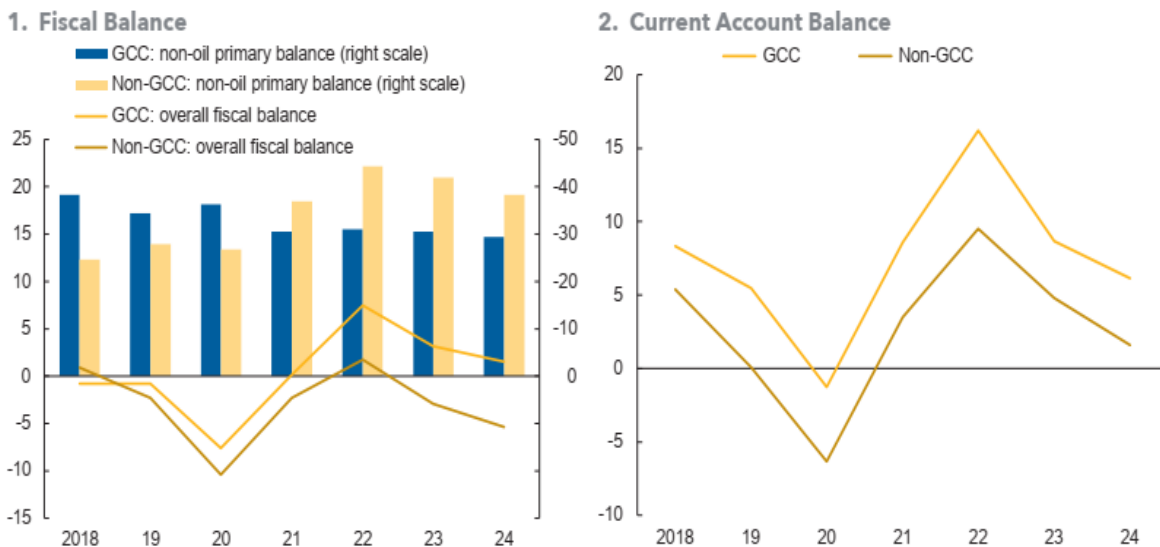
Our Economy and the World

Special Analysis

IMF: Charting a Path through the Haze

Growth is projected to rise in the Middle East and North Africa in 2025 and 2026, but at a slower pace than anticipated in the October 2024 REO. Across the region, rising trade tensions and policy uncertainty are adding to the impact of conflicts and extended oil production cuts to weaken growth prospects. In the Caucasus and Central Asia, growth has been robust but is set to moderate to a more sustainable pace. Policymakers must adapt to the new environment, prioritizing macroeconomic stability and accelerating structural reforms to seize global opportunities.

Figure 1.2. MENA Oil Exporters: Fiscal and Current Account Balances
(Percent of GDP; percent of non-oil GDP for non-oil primary balance; weighted averages)



Sources: IMF, World Economic Outlook database; and IMF staff calculations.
Note: GCC = Gulf Cooperation Council; MENA = Middle East and North Africa.

[\(Read Full Report\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report.

اقتصادنا والعالم

Our Economy and the World

Developments in Financial and Commodity Markets in the Past Week

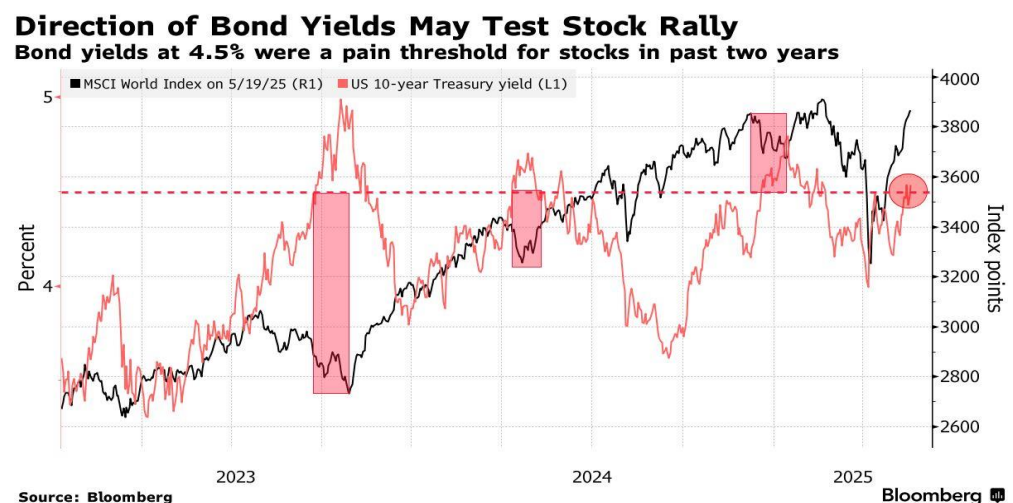
[Reuters: Oil prices dip after bearish US government report on crude supplies](#)

Oil prices dipped on Wednesday after the U.S. government released bearish data on crude and fuel supplies ahead of the U.S. summer driving season, a period of higher demand. Prices had earlier increased about 1% following reports Israel could be preparing to strike Iranian nuclear facilities that raised fears of a supply disruption in the Middle East.

[\(Read Full Article\)](#)

[Bloomberg: European stocks steady on trade optimism; UK mid-caps drop](#)

European stocks were steady as investors awaited a revised European Union trade proposal with the US. The Stoxx Europe 600 Index was little changed by the close, erasing an earlier decline. The consumer products and retail sectors were the biggest laggards, while telecoms and technology shares outperformed.



[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report.