

US stocks hit record on US-China trade progress

China said Friday that Washington would lift "restrictive measures"

United States is focusing on agreements with 18 key trading partners

Traders brushed off data showing that inflation edged up in France and Spain in June

AFP | London, United Kingdom

Wall Street climbed into record territory yesterday as the United States and China moved closer to a trade deal and Washington signalled it could reach tariff agreements with over a dozen other partners.

With the Israel-Iran ceasefire holding, investors turned attention back to the wider economy and President Donald Trump's tariff blitz.

The US leader on Thursday said the United States had signed a deal relating to trade with China, without providing further details.

China said Friday that Washington would lift "restrictive measures", while Beijing would "review and approve" items under export controls.

"While details remain sparse, the announcement removed another layer of uncertainty from the global risk environment," said David Morrison, analyst at financial services firm Trade Nation.

"Investors welcomed the confirmation as a positive signal for supply chains and global trade, even if the implementation time-

Key figures at around 1330 GMT

New York - Dow:	▲ 0.3% at 43,536.22 points
New York - S&P 500:	▲ 0.2% at 6,153.89
Nasdaq Composite:	▲ 0.3% at 20,217.43
London - FTSE 100:	▲ 0.4% at 8,771.16
Paris - CAC 40:	▲ 1.4% at 7,659.27
Frankfurt - DAX:	▲ 0.9% at 23,856.29
Tokyo - Nikkei 225:	▲ 1.4% at 40,150.79 (close)
Hang Seng Index:	▼ 0.2% at 24,284.15 (close)
Shanghai - Composite:	▼ 0.7% at 3,424.23 (close)
Euro/dollar:	▲ at \$1.1725 from \$1.1701 on Thursday
Pound/dollar:	▼ at \$1.3722 from \$1.3725
Dollar/yen:	▲ at 144.73 yen from 144.44 yen
Euro/pound:	▲ at 85.44 pence from 85.22 pence
West Texas Intermediate:	▲ 0.9% at \$65.85 per barrel
Brent North Sea Crude:	▲ 0.6% at \$67.09 per barrel



line remains vague," he added.

US Treasury Secretary Scott Bessent added Friday that Washington could reach key tariff deals with over a dozen partners in the coming months and have its trade agenda wrapped up by early September.

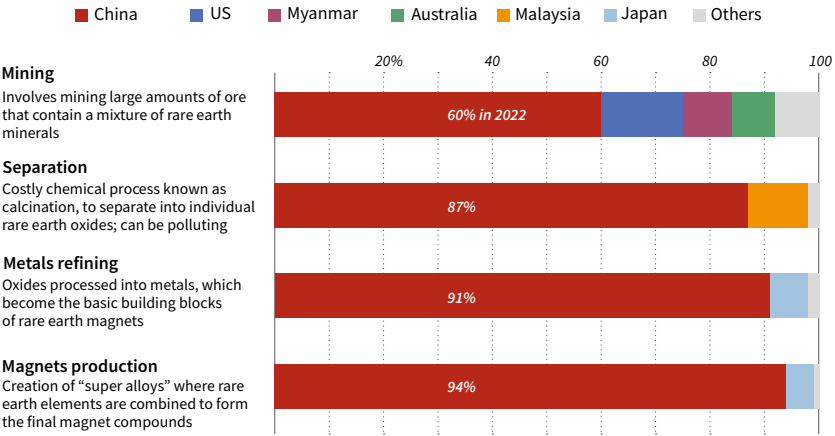
The United States is focusing on agreements with 18 key trading partners.

"If we can ink 10 or 12 of the important 18, there are another important 20 relationships, then I think we could have trade wrapped up by Labor Day (September 1)," Bessent told Fox Business.

Wall Street opened higher, with both the S&P 500 and Nasdaq Composite pushing into record territory.

China's dominance in rare earth magnets

Production value chain, according to data compiled by the Centre for European Policy Studies, in an in-depth analysis report published 2022



Sources: CEPS: USGS (2022), IEA (2021), Gauss et al. (2021), King (2022), CMA UK (2022); blog.electronenergy.com AFP

The gains came despite the US Federal Reserve's preferred inflation measure -- the core personal consumption expenditures price index -- coming in at a higher-than-expected 0.2% increase in May.

"Today's inflation report shouldn't be enough to give markets a significant scare, but it probably dashes the slim hopes investors had for a July rate cut," said eToro US investment analyst Bret Kenwell.

"Further, it may give investors a bit of hesitation with stocks surging into record high territory as we near quarter-end," he added.

European stock markets also rose, with the Paris CAC 40 leading the way, boosted by a rise in luxury stocks.

Traders brushed off data showing that inflation edged

up in France and Spain in June, even as it added to speculation that the European Central Bank may pause its interest rate-cut cycle.

In Asia, Tokyo rallied more than 1% to break 40,000 points for the first time since January, while Hong Kong and Shanghai equities closed lower.

Weaker dollar

The dollar held around three-year lows Friday as traders bet on US interest rate cuts, especially after Trump hinted at replacing Fed chief Jerome Powell.

The prospect of lower borrowing costs sent the Dollar Index, which compares the greenback to a basket of major currencies, to its lowest level since March 2022.

Weak economic data on Thursday -- showing that the

world's top economy contracted more than previously estimated in the first quarter and softer cosumer spending -- further fuelled rate cut expectations.

Trump imposed a 10% tariff on goods from nearly every country at start of April, but he delayed higher rates on dozens of nations until July 9 to allow for talks.

Xiaomi receives almost 300,000 SUV pre-orders in minutes

AFP | Beijing, China

Chinese electric vehicle maker Xiaomi received almost 300,000 pre-orders within an hour for its first sport utility vehicles in what the company said was a "miraculous" moment for the industry.

Lei Jun, founder and CEO of the electronics-turned-car company, said he was astonished by the reaction from customers.

"My goodness, in just two minutes, we received 196,000 paid pre-orders and 128,000 lock-in orders," Lei said in a video distributed after the vehicle's launch on Thursday night.

"We may be witnessing a miracle in China's automotive industry."

The company's electric vehicle division said later on its official Weibo account that there had been 289,000 pre-orders for the five-seater YU7, priced from 253,500 yuan (about \$35,000), within the first hour of sales.



Xiaomi's Hong Kong-listed shares soared eight percent at one point before paring their gains but ending at a record high.

The Beijing-based commercial tech giant made its first foray into car-making with its SU7 EV model last year, part of a broader

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industry push to boost domestic consumption.

Initial enthusiasm for intelligent driving features in such vehicles was tempered by the fatal crash of a Xiaomi SU7 in March. The vehicle had been in assisted driving mode just before it crashed, killing three students.

Premier Li Qiang used the World Economic Forum in Tianjin this week to outline China's ambition to become a "major consumption powerhouse", emphasising policies to stimulate demand for high-value goods such as electric vehicles.