

US Tariffs and Jobs Data Shake Market Confidence

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Investors are bracing for further volatility in commodity and financial markets after the United States reported unexpectedly weak job growth and President Donald Trump unveiled sweeping new tariffs on imports from more than 70 countries.

The US Labor Department reported only 73,000 jobs were added in July, well below expectations of 104,000, with significant downward revisions to May and June figures. The

unemployment rate rose to 4.2%, and while wages climbed 0.3%, the overall data signaled a possible weakening in the labor market.

The poor jobs report sharply increased the likelihood of interest rate cuts, with markets now pricing in an 80% chance of a Federal Reserve rate reduction, up from under 60% before the data release. In response, the US dollar fell to 98.6 from above 100, and gold surged past \$3,400 per troy ounce.

At the same time, President Trump imposed new tariffs ranging from 10% to 41% on a broad list of imports, raising fears of a wider global trade conflict. Notably, refined copper and related products were excluded from the tariffs, leading to a sharp sell-off on the Comex exchange. Copper prices collapsed by over 20% in a single session, erasing a record premium between US and international markets. This has shifted copper shipments away from the US toward Asia and Europe, resulting in rising stockpiles at London Metal Exchange warehouses.

Crude oil markets also reflected the broader uncertainty. West Texas Intermediate briefly topped \$70 per barrel, its highest since June, before retreating to \$67.05 on speculation that OPEC+ may raise output amid ongoing trade tensions. Weekly gains settled at around 3%.

As the Federal Reserve prepares for upcoming public remarks, investors will closely monitor any signals on interest rate policy. With Trump's August 7 tariff hikes looming, concerns are growing over renewed trade tensions at a time when economic indicators suggest the US may be entering a period of slower growth.