



Likely Impact of Trump's Policies on Global Markets

"Global markets are underestimating geopolitical risks that Trump administration's first 100 day policies could unleash. Not only on immigration(ban on immigration from some Muslim nations, tough talk on building wall on Mexico border and severely toughening legal immigration routes like H1B) & trade front (withdrawal from TPP, threatening to impose border tax on firms importing from their plants manufacturing outside US) but also security front by making provocative statements against China in the context of island building and navigational passage in the South China Sea and fears of re-consideration of One-China policy. China can retaliate economically by using its currency as a tool and going in for either an overt or covert depreciation, queering the pitch for others to retaliate. The unleashing of rising tariffs and falling currencies war has the potential to cause major asset dislocation and flutter in the seemingly sanguine global asset markets"

Ajay Bodke

CEO & Chief Portfolio Manager - PMS

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