

Behind geopolitical tensions, the issue of macroeconomic imbalances

As the geopolitical environment has once again become highly strained, the International Monetary Fund (IMF) is observing a resurgence of global macroeconomic imbalances. Far from being a secondary phenomenon, these imbalances reflect increasingly divergent trade and financial trajectories among the major economies. They directly fuel political and geopolitical tensions and increase the risk that future exogenous shocks will be more difficult to absorb.

A renewed widening of global imbalances is being observed, after a decade of gradual reduction following the 2008–2009 global financial crisis. This trend is reflected in the simultaneous widening of current account surpluses and deficits across major economic regions. The IMF views this development as a cause for concern, as history shows that periods of large imbalances are often associated with weakened growth, or even with financial crises or sudden stops in capital flows.

As highlighted by the IMF, these imbalances are not solely a trade-related phenomenon. They primarily reflect a persistent misalignment between saving and investment, that is, domestic macroeconomic choices whose consequences spread across the global economy.

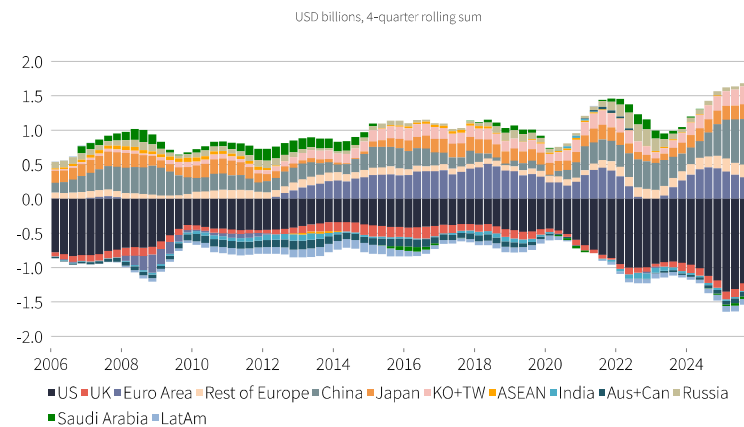
China provides a striking illustration. The Chinese economy remains characterized by a structurally low level of domestic consumption, linked to a still-incomplete social protection system, the real estate crisis, and public incentives that remain strongly geared toward productive and industrial investment.

By contrast, **the United States** is characterized by persistently excessive public deficits. Since the COVID crisis, U.S. public finances have recorded historically high deficits. This trajectory contributes to a structural current account deficit and increases financial vulnerabilities in an environment of higher real interest rates. In an international monetary system dominated by the U.S. dollar, these imbalances do not remain domestic and are transmitted through global financial markets.

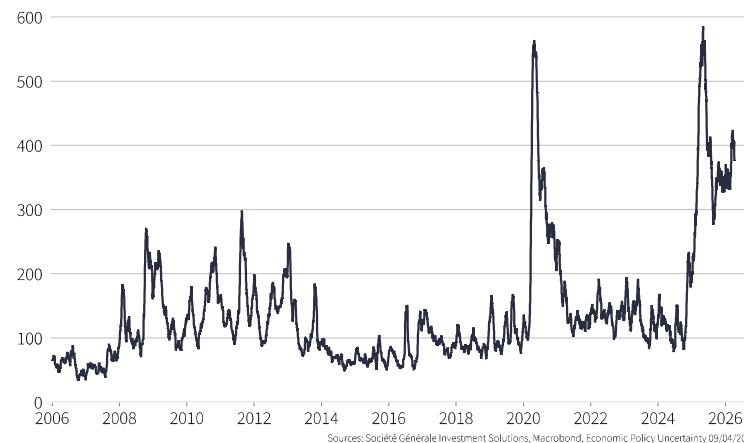
The European Union occupies an intermediate position, marked by a current account surplus that nonetheless masks a structural weakness. Europe suffers from underinvestment in high-productivity sectors, critical technologies, and long-term capital. This surplus reflects less an outperformance than an investment shortfall, which weighs on growth potential and weakens the continent's ability to absorb geopolitical, energy, and technological shocks.

The risk of a self-reinforcing dynamic: macroeconomic imbalances fuel geopolitical fragmentation, while this fragmentation in turn exacerbates imbalances by encouraging national retrenchment. Unilateral responses—whether in the form of protectionism, subsidies, or defensive industrial policies—deliver short-term political gains but aggravate medium-term vulnerabilities. Thus, current geopolitical tensions appear more as revealing factors than as triggering ones. They are rooted in persistent macroeconomic imbalances arising from divergent national trajectories and insufficient international coordination. The IMF advocates a coordinated macroeconomic rebalancing between deficit and surplus economies in order to limit risks.

CURRENT ACCOUNT BALANCES



ECONOMIC POLICY UNCERTAINTY INDEX



OUR MACRO COMMENTS

Events of the week

MARKET DEVELOPMENTS FOLLOWING THE CEASEFIRE ANNOUNCEMENT

This week was marked by significant market movements following the ceasefire in the Middle East and the announcement of the reopening of the Strait of Hormuz. On the commodities front, oil is hovering around USD 100 per barrel, now showing gains of 60% for Brent and +70% for WTI since the beginning of the year. Gas prices have risen by 46% since the start of the year.

Some equity markets reacted positively to the shift in the geopolitical situation, correcting their year-to-date performance: the CAC 40 has returned to positive territory (+1%), as has the Stoxx 600 (+3%). Asian markets remain positive since the beginning of the year (Nikkei 225 at +11% and Kospi at +39%). Other indices remain in negative territory but have erased part of the losses accumulated during the conflict: S&P 500 (-0.3%), NASDAQ (-0.6%).

Short- and long-term interest rates have risen by around 30 to 40 basis points since the start of the conflict. Two-year yields remain under pressure, with the German rate at 2.6% and the U.S. rate at 3.8%. On the long end, the 10-year German Bund stands at 3.0%, the 10-year French yield at 3.7%, and the 10-year U.S. Treasury yield at 4.3%.

Gold has benefited from the decline in uncertainty and is posting a performance of 9% since the beginning of the year.

EVENTS IN THE COMING MONTHS

April 28 : BoJ monetary policy meeting

April 29 : FED monetary policy meeting

April 30 : BoE monetary policy meeting

April 30 : ECB monetary policy meeting

Source: Macrobond, April 10, 2026. The colors in the 'Actual' column correspond to the difference from the forecast

UNITED STATES : ECONOMIC RESILIENCE AND A STABLE LABOR MARKET

U.S. economic activity remains in expansion territory in March, with services business sentiment (ISM index) coming in at 54 (down from 56 in February), supported by a favorable composition: the new orders component increased by 2 points compared with February, reaching 61 in March. The rise in raw material costs linked to the Middle East conflict, however, led to a 7-point increase in the services prices component, from 63 in February to 71 in March, its highest level since October 2022. This indicator converges with prices in the manufacturing sector, which rose by 8 points in March to reach 78.

Labor market data for March are volatile but improving. On the employment front, figures show net job creation of 178,000 jobs in March (versus 60,000 expected by consensus), thus offsetting the contraction of 133,000 jobs recorded in February. The unemployment rate declined to 4.3% in March and remains at low levels.

March inflation data show a sharp monthly increase, rising from 2.4% in February to 3.3% in March. This increase is largely explained by tensions in energy prices, while pressures remain limited on core inflation, which stands at 2.6% compared with 2.5% the previous month.

KEY EVENTS NEXT WEEK



Tuesday

China Trade balance MARCH
United States Producer price index MARCH

Wednesday

Euro area Industrial production FEBRUARY

Thursday

China - GDP Q1 2026
- Industrial production MARCH
- Retail sales MARCH

United States Industrial production MARCH

Friday

Euro area Trade balance FEBRUARY

Saturday

Japan Inflation MARCH

MARKET PERFORMANCES

Interbank rates

%	08/04/2026	10/03/2026	09/01/2026	01/01/2024	10/04/2025
US SOFR	3,648	3,67	3,72	5,34	4,34
Euro area €ster	1,931	1,93	1,93	3,88	2,42
UK SONIA	3,729	3,73	3,72	5,19	4,46
Switzerland SARON	-0,046	-0,06	-0,08	1,70	0,20
Japan TONAR	0,727	0,73	0,73	-0,04	0,48

10Y Government rates

%	09/04/2026	10/03/2026	09/01/2026	01/01/2024	10/04/2025
US Treasuries	4,29	4,15	4,18	3,88	4,40
France OAT	3,73	3,44	3,52	2,55	3,34
Germany Bund	3,02	2,84	2,82	2,02	2,59
Italy BTP	3,80	3,53	3,50	3,70	3,79
Spain Bonos	3,48	3,29	3,25	2,98	3,29
Switzerland	0,44	0,39	0,32	0,66	0,48
UK Gilts	4,83	4,58	4,44	3,60	4,63
Japan JGB	2,37	2,18	2,08	0,62	1,28

Credit

%	09/04/2026	10/03/2026	09/01/2026	01/01/2024	10/04/2025
United States IG	5,05	4,92	4,84	5,06	5,49
United States HY	6,88	6,91	6,47	7,59	8,62
Europe IG	3,77	3,52	3,37	3,72	3,57
Europe HY	6,04	5,75	5,08	6,80	6,47
Emerging FX	5,83	5,61	5,47	6,77	6,63

Equity indices

09/04/2026 vs	-1w	-1m	-3m	01/01/2024	-1y
World	3,54	1,442	0,215	47,84	40,9
United States	3,63	0,948	-1,795	45,87	39,6
Euro area	3,57	2,148	0,052	41,64	31,1
France	3,51	2,321	-0,807	17,43	20,2
Germany	2,80	-0,396	-5,257	37,88	16,5
United Kingdom	1,82	2,112	5,091	45,97	37,8
Japan	2,83	3,144	7,605	67,68	58,0
Emerging	4,90	2,287	5,128	62,06	53,2
China USD	2,62	-2,712	-9,313	48,98	24,9
India USD	5,64	-2,179	-8,554	4,76	1,4
Latin America USD	4,57	5,798	15,763	37,78	79,4

Foreign exchange rates

	10/04/2026	10/03/2026	09/01/2026	01/01/2024	10/04/2025
EUR/USD	1,17	1,16	1,16	1,11	1,12
GBP/USD	1,35	1,35	1,34	1,27	1,30
EUR/CHF	0,92	0,90	0,93	0,93	0,93
USD/JPY	159,09	157,59	157,84	141,03	144,67
USD/CNY	6,83	6,88	6,98	7,08	7,35

Commodity prices

	09/04/2026	10/03/2026	09/01/2026	01/01/2024	10/04/2025
Brent, USD/BL	96	91	63	77	63
Copper, USD/Metric ton	12 455	12 921	13 060	8 476	8 978
Gold, USD/Troy oz	4 763	5 210	4 494	2 078	3 143
Silver, USD/Troy oz	74	89	78	24	31
Palladium, USD/Troy oz	1 548	1 676	1 833	1 136	917
Platinum, USD/Troy oz	2 039	2 223	2 282	1 000	932

Source: Bloomberg on 10 April 2026, 1W = 1 week change, 3M = 3 month change, 12M = 12 month change, YTD = year to date change, Equities; total return in local currency. Government bonds = 10 year returns. Figures are rounded.

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