Market Views: What impact has Trump's first 100 days had on Asia?

AsianInvestor team
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AsianInvestor sought insights from industry experts to explore the lasting implications of Donald Trump's first 100 days in office.

President Donald Trump's first 100 days have been nothing short of a wild economic ride, introducing reciprocal tariffs under his "America First" agenda that sent ripples through Asia's export-dependent economies.

With policy announcements dropping at breakneck speed and markets reacting in real-time, there's been never a dull moment as the region navigates this unpredictable new landscape.

China responded by accelerating its technological self-sufficiency initiatives, particularly in AI semiconductor production.

Meanwhile, Southeast Asian nations like Vietnam, India, and Thailand seized the opportunity, attracting relocated manufacturing operations while upgrading infrastructure and reforming policies to enhance their competitive positions.

AsianInvestor reached out to the investment community for perspectives on these developments and was struck by the overwhelming response. The volume of submissions—nearly triple our usual rate—reflects just how deeply this topic has resonated across the industry.

The following responses have been edited for brevity and clarity.

Yi Ping Liao, portfolio manager & senior research analyst, emerging markets equity
Franklin Templeton


Liao Yi Ping

From a long-term perspective, we view the escalation of tariffs between US and China as a continuation of the broader decoupling trend that began during Trump's first term.

We see the ongoing trade war as a headwind to the Chinese economy and are cautious on broader Chinese equities. That said, we continue to find high quality bottom-up investment opportunities due to China's large domestic market, strong investment in human capital, and scope for monetary and fiscal easing.

We see opportunities primarily in domestically oriented Chinese companies, as well as technology leaders in China with limited US exposure.

The possible unwinding of US exceptionalism and dollar weakness is a key risk, potentially leading to some shifts in assets from the US to the rest of the world. Asian equities look very compelling in this context, as the region continues to be the engine of global growth.

Valuations for Asia ex Japan still look inexpensive compared to the rest of the world. Within EM Asia, we think India is best positioned, as the economic drag from tariffs is limited given India's large domestic market, and India may also be well-positioned to negotiate a trade deal for lower tariffs.

Eli Lee, chief investment strategist
Bank of Singapore

Export-oriented Asia has been caught in the crosshairs of the White House's tariff announcements, which were more punitive than expected.


Eli Lee

Still, we see some green shoots in the region as a number of Asian markets appear to be keen on dialling down tensions with the US.

The impact on local economies could also be mitigated by supportive monetary and fiscal policies. Asian-based companies with supply chains in the US could also see some relief on tariffs.

In equities, we maintain our overweight position on Asia ex-Japan equities but will look to position more defensively. We have overweight positions on China, Hong Kong, Singapore and the Philippines, with the latter two seeing relatively lower reciprocal tariff rates compared to most other markets.

Hong Kong and China equities markets are likely to be clouded by external risks associated with the escalation of tariff disputes and US-China tensions in 2Q25. This is likely to cap further valuation re-rating in the near term despite early signs of earnings improvements in the latest results announcement season.

We expect that the Chinese government may potentially roll out additional supportive measures, on top of counter measures and negotiations with US counterparts. Hence, we reiterate a barbell strategy focusing on: i) quality yield stocks to cushion market volatility, ii) internet and platform companies, and iii) policy beneficiaries, such as those that could benefit from stronger emphasis on domestic consumption and technology innovation.

In fixed income, sectors in Asia which could be more negatively impacted by slowing global growth include metals and mining, oil & gas, auto and industrials – these could see larger spread widening. In contrast, barring a global recession, sectors such as financials, utilities and telecoms, could be more defensive, and see smaller spread widening on a relative basis.

Steve Alain Lawrence, CIO
Balfour Capital Group


Steve Alain Lawrence

Trump's early "America First" moves — TPP withdrawal, tariff escalations, and unilateral diplomacy — triggered rapid realignment across Asia without derailing global markets, which turned increasingly bullish on emerging economies.

India's Reliance Defense partnered Lockheed Martin to produce F-16s domestically. Japan's SoftBank pledged $50 billion into US tech, securing political goodwill. Singapore's Temasek Holdings diversified heavily into ASEAN infrastructure and fintech.

In Vietnam, the foundations of a "new economy" accelerated. Vingroup launched VinFast to capture the EV market, FPT Corporation expanded technology outsourcing for US clients, and Hoa Phat Group surged steel exports amid US-China trade tensions.

Saigon Hi-Tech Park, anchored by Intel's $1.5 billion facility, drew record investment from US and Japanese firms.

Across APAC, nations fast-tracked the Regional Comprehensive Economic Partnership (RCEP), reducing reliance on US leadership. Samsung Electronics and TSMC simultaneously pivoted production into Vietnam and the US to hedge geopolitical risk.

Rather than destabilisation, Trump's first 100 days catalysed a bullish pivot toward a multipolar, resilient Asia — with Vietnam emerging not just as a manufacturing hub, but as a centerpiece of the region's new digital and green economy.

Jennifer Qiu, global market strategist
JP Morgan Asset Management

Asia is an export-oriented region, but the impact from US tariffs varies by economy and sector.

Exports to the US represent 3% of GDP or less for economies like India, Indonesia, China, and Australia, while Taiwan and Vietnam are more reliant on US trade.


Jennifer Qiu

The replaceability of products matters too, as certain specialised products, like semiconductors, may be difficult to substitute with US domestic production.

The indirect impact on global and regional growth could be more significant, as uncertainty weighs on confidence, potentially causing a pullback in capex and consumption.

Emerging symptoms have prompted policymakers to dole out the fiscal medicine. China pledged further easing policies, while Japan unveiled an emergency economic package to counter tariff impacts.

Meanwhile, domestic inflation and USD strength are less concerning, allowing Asian central banks to accelerate rate cuts to support growth. Trade negotiations between the US and Korea, Japan, and India also show early progress, though full agreements may take years to finalise.

While near-term market volatility and economic slowdown are likely, in the long run, tariffs could accelerate existing trends of intra-regional trade, supply chain diversification across Asia, and strengthening domestic demand.

Such developments could benefit select Asian markets and companies that are well-positioned to seize these opportunities.

Xin-Yao Ng, investment director of Asian equities
Aberdeen Investments


Xin Yao Ng

When Trump was elected, it was widely believed that his policies will be more pro-growth, that he'll pursue tax cuts while tariffs will be just negotiation tactics where he'll bark much harder than the bites. Therefore, the expectation was that he'd implement policies that keeps the bulls running in the US equity market.

That turned out to be totally wrong, at least thus far, with the harshness of his tariff policy causing a global shock. Concerns about the US economy exploded and S&P 500 has corrected close to 8% since his inauguration. The tech-heavy NASDAQ down even more at close to 12%. USD has also been weak, with the US Dollar Index falling about 10%.

Comparatively, MSCI Asia Pacific has outperformed meaningfully with about 4% return in USD during the period. Against all odds, MSCI China was one of the best performers, jumping 13%.

Although that wasn't all due to Trump, but supported also by an increasing recognition of China's improving tech prowess across some of the most critical technologies for the future such as artificial intelligence, semiconductors, robots and electric vehicles.

The development of companies like Huawei, Deepseek and Unitree suggests that US' suppression of China tech development might only have forced the Chinese companies to dig even deeper and harder.

The same will go for tariffs, where US now seems to be trying to clampdown on China's industrialisation, while Beijing believes their comparative advantages such as their world's largest force of engineers, strong vocational education, supply chain ecosystems, and hardiness of the population will endure longer than the US consumers can stomach the inflation of tariffs.

Aidan Yao, senior investment strategist, Asia
Amundi Investment Institute


Aidan Yao

The policies enacted by Trump's first 100 days in office could go down in history as marking the turning point of the post-war global trade, economic and financial orders.

The April 2 announcement came as a shock to the world, causing strong volatility across global markets. While the ex-China tariffs were later delayed for 90 days, the damage was already done to confidence in policy-making in the US and its collateral damage on the global system.

Foreign capital has started to exit the US markets, causing rare simultaneous declines in the US dollar, treasuries and US equities.

While tariffs are now on hold for most, elevated trade uncertainties are bad news for Asia – a region which relies on export-led growth. To extent that China's and the US's economies may slow sharply on tariff struggles, the rest of the region will also need to be prepared for any second-round shocks.

The good news is that domestic policy helps are on their way. A number of Asian central banks have started cutting rates, with many ready to act should tariffs and their associated uncertainties deepen the economic malaise.

These policy acts should help domestic-oriented economies to weather the external storms, creating relative opportunities for global investors.

Christopher Hamilton, head of APAC ex Japan Client Solutions
Invesco


Christopher Hamilton

The initial period has validated concerns about uncertainty and fluctuations in U.S. policy, rather than presenting a completely unexpected shift.

The surprising element was the magnitude and scope of the proposed changes, which have left global policymakers scrambling for solutions.

Nevertheless, Asian investors have been focused on portfolio diversification and rebalancing for some time, driven by increased U.S. exposure over recent years, anticipation of the new administration's strategies, and attractive opportunities outside the U.S. due to better valuations and less policy uncertainty.

We find that investors are much better prepared for this scenario than they were during the COVID-19 pandemic or the 2022 monetary policy tightening.

We believe that Asian markets will remain resilient due to the loosening policies of many Asian central banks, a relatively low base of market valuations, and a positive trajectory of market recovery.

Vivian Lin Thurston, partner and portfolio manager for emerging markets growth
William Blair


Vivian Lin Thurston

US trade policies in recent times have led to materially increased uncertainties for Asian economies and equity markets given the importance of US exports for the region and large magnitude and scope of the tariff increases.

This has undoubtedly increased the investment complexity and market volatility of the asset class as the trade war is weighing on both earnings and sentiment.

China, for instance, could experience materially adverse impact from the extremely high bilateral tariffs imposed recently, yet potential domestic stimulus could offset some of the impact, together with the potential for improved tariffs as the trade negotiation continues.

Taiwan tech supply chain is an industry facing tremendous uncertainties given the trade war and related US chip sanction towards China. Certain ASEAN countries with high exports to the US are also likely to face challenges or uncertainties including Thailand, Malaysia and Vietnam.

Yet, the bigger question on our minds is how the trade policies may impact the US economy and inflation. The potential US stagflation would likely be negative for EM Asia economy, currencies and equity markets.

That being said, we continue to see and focus on attractive bottom-up opportunities in the region and the structural growth stories we believe remain unchanged including rising middle class consumption in India, China and ASEAN countries, which are less impacted by the global trades directly. Market volatility also created opportunities to invest in high-quality fast-growing companies at discounted prices.

Daniel Tan, portfolio manager
Grasshopper Asset Management

Fear of global inflation was granted a 90-day reprieve on April 9th when Trump delayed the reciprocal tariffs against nearly everyone but China.


Daniel Tan

While US-China trade activity is declining significantly, the broader global trade activity is starting to recover, after a sharp deceleration.

The volatility of US treasury yields seen in April will have an impact on Asian corporates and sovereigns looking to refinance their maturing dollar debt.

An unresolved trade war would put pressure on the long-end part of the treasury curve, as trade tariffs are inflationary for the global economy in general.

In addition, there is the lingering fear of a return of capital flight from US assets (US Treasuries, USD and US equities) seen in April, as markets have shown that a dilution of fed independence can be a risk-off scenario.

Markets look to the coming weeks for clarity on whether Trump can negotiate trade deals that would bring a more lasting de-escalation with major trading partners such as India, South Korea and Japan. Issuance of new debt will likely be postponed as Asian issuers wait for a favourable period to issue new debt. On the other hand, investors will demand a higher risk premium for investing in new corporate bond issuance in Asia.

This has the effect of pushing up yields on the primary market, hurting investors in the secondary bond market. For distressed and high yield corporates, their ability to refinance maturing dollar debt could be tested in the coming months. For Asian corporates with heavier exposure to USD debt obligations versus local currency debt exposures, their debt servicing cost will likely stay high, as the dollar has remained strong versus emerging market currencies (IDR, INR, KRW) since the end of last year.

On the Asia equities front, we expect HK/China equities to continue to trade under pressure with a possible revisit of the lows seen in April, if trade tensions worsen from here. How the US-Sino trade relationship will evolve in the near future remains uncertain. We also expect investors to recalibrate their portfolios and rotate away from equities that are in direct cross-fire between US-Sino trade relations.

David Chen, chief investment officer of asset management
Tiger Brokers Hong Kong

During his first 100 days, President Trump advanced the "America First" strategy by imposing reciprocal tariffs to bring manufacturing back home and secure vital supply chains, directly impacting Asia's export-oriented economies.

David Chen

China, in turn, accelerated breakthroughs in upstream AI semiconductor production to strengthen technological autonomy and exert greater control over its supply chain.

Meanwhile, emerging Asia-Pacific economies such as Vietnam, India, and Thailand—buoyed by cost advantages and geopolitical dividends—absorbed a significant portion of relocated manufacturing.

These countries expedited investment attraction, upgraded infrastructure, and achieved industrial upgrading, all while expanding their export shares in global markets. Capital flows have become more diversified as multinational firms reallocate production.

At the same time, regional economic cooperation—exemplified by multilateral agreements like the Regional Comprehensive Economic Partnership (RCEP)—has drawn increased attention as a stabilising force.

Overall, although Trump's first 100 days introduced short-term trade frictions and market uncertainties, they also compelled Asian nations to reassess the global division of labor, bolster supply-chain resilience, and lay the groundwork for long-term structural transformation through targeted policy adjustments.

Daphne Tan, director of business development
CMC Markets Singapore


Daphne Tan

In just 100 days, Donald Trump's presidency set in motion significant shifts across Asia's economy, alliances, and balance of power.

His "America First" approach, marked by withdrawal from the Trans-Pacific Partnership and protectionist rhetoric, introduced new uncertainties into Asia's growth outlook but also highlighted opportunities for change in trade dynamics and regional partnerships.

Economically, the IMF forecast growth in the Asia-Pacific region to slow to 3.9% in 2025 from 4.6% in 2024, citing heightened risks from US trade policy shifts. Central banks, including the Bank of Japan and Bank of Korea, adjusted their outlooks to account for external uncertainties, particularly US protectionism and potential interest rate hikes.

Strategically, Trump's more transactional approach to alliances prompted China to deepen its ties with Southeast Asia. During his recent trip to Vietnam, Malaysia, and Cambodia, President Xi emphasised economic cooperation through trade agreements and infrastructure projects, including those under the Belt and Road Initiative.

These early developments signalled a broader trend: as US leadership appeared less predictable, China's role as a regional stabiliser — and emerging global counterweight — came increasingly into focus.

EQUITIES