# ZITAPLUS
## WEEKLY BULLETIN

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# TENSIONS IN THE STRAIT OF HORMUZ

ZITA PLUS

ECONOMIC CALENDAR • TECHNICAL ANALYSIS
TWO CHARTS HIGHLIGHT THE S&P 500’S CURRENT SETUP
INFLATION COOLS AMID GEOPOLITICAL RISKS • AND MORE...

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| TIME | CUR. | EVENT | FORECAST | PREVIOUS |
|---|---|---|---|---|
| **WEDNESDAY, MARCH 18** | | | | |
| 14:00 | | CPI (YoY) (Feb) | 1.9% | 1.7% |
| 16:30 | | CPI (MoM) (Feb) | 0.3% | 0.5% |
| 17:45 | | BoC Interest Rate Decision | 2.25% | 2.25% |
| 18:30 | | Crude Oil Inventories | - | 3.824M |
| 22:00 | | Fed Interest Rate Decision | 3.75% | 3.75% |
| 22:00 | | FOMC Economic Projections | - | - |
| 22:00 | | FOMC Statement | - | - |
| 22:30 | | FOMC Press Conference | - | - |
| **THURSDAY, MARCH 19** | | | | |
| 07:00 | | BoJ Interest Rate Decision | 0.75% | 0.75% |
| 16:00 | | BoE Interest Rate Decision (Mar) | 3.75% | 3.75% |
| 16:30 | | Philadelphia Fed Manufacturing Index (Max) | 17.5 | 16.3 |
| 16:30 | | Initial Jobless Claims | 215K | 213K |
| 17:15 | | Deposit Facility Rate (Mar) | 2.00% | 2.00% |
| 17:15 | | ECB Interest Rate Decision (Mar) | 2.15% | 2.15% |
| 17:45 | | ECB Press Conference | - | - |
| 18:00 | | New Home Sales (Jan) | 723K | 745K |
| **FRIDAY, MARCH 20** | | | | |
| ALL DAY | | Japan - Vernal Equinox | - | - |

GMT+4 DUBAI TIME

# TENSIONS IN THE STRAIT OF HORMUZ

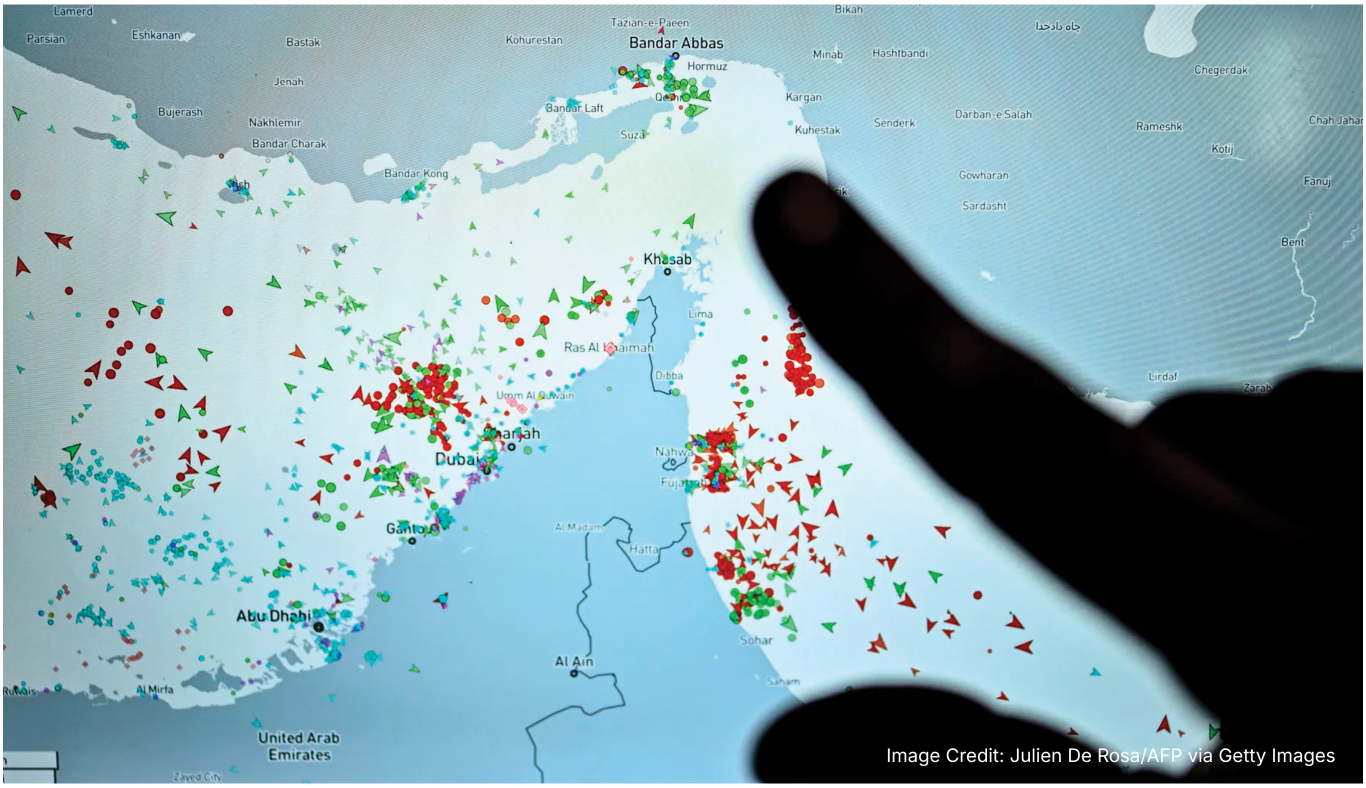


Image Credit: Julien De Rosa/AFP via Getty Images

Geopolitical friction in the Middle East has escalated beyond the military front, posing a direct threat to global trade and energy security. The focus remains locked on the Strait of Hormuz, a vital maritime artery through which roughly 20% of the world's oil trade flows. Recent reports suggesting that Iran has attempted to deploy sea mines in these waters have put international markets on high alert, as any disruption here could effectively shut down the corridor.

## IRAN'S ASYMMETRIC STRATEGY

Tehran continues to use an asymmetric military doctrine, prioritizing low-cost, high-impact methods over conventional warfare. While analysts suggest Iran's missile program may have weakened relative to previous years, the Islamic Revolutionary Guard Corps (IRGC) remains a formidable force through its proxy networks and militia structures. By utilizing sea mines and drone technology, Iran can challenge the military balance of power without engaging in a standard naval face-off. US forces have already reportedly intercepted and disabled several Iranian vessels allegedly involved in mining operations, highlighting the immediate risks to commercial shipping.

## MARKET RESPONSE AND SUPPLY RISKS

The threat of a closed strait has sent shockwaves through energy markets. In a historic move to stabilize supply, the International Energy Agency (IEA) recommended that member nations release approximately 400 million barrels of strategic oil reserves. This marks the largest coordinated release in the agency's history. Despite this massive intervention, experts warn that these reserves may only offer short-term relief. Persistent shipping risks and potential damage to energy infrastructure could keep oil prices volatile and keep upward pressure on global inflation.

## ECONOMIC AND HUMANITARIAN TOLL

The conflict is not without a heavy price. Beyond the financial markets, the United Nations has pointed to the staggering humanitarian and economic costs, with regional damage estimates nearing $1 billion daily. As the US, Israel, and Iran trade blows, the destruction of residential areas and energy facilities further complicates the path to stability. Investors and diplomatic bodies now remain fixated on the Strait, knowing that the next developments there will likely dictate the direction of the global economy for the remainder of 2026.

# XAUUSD

## GOLD UNDER PRESSURE

Gold has declined roughly 5% over the last fortnight as surging energy costs reignite inflation fears and dampen hopes for imminent Federal Reserve rate cuts. While geopolitical strife often aids the metal, investors are currently favoring the US dollar as the primary safe haven, creating significant headwinds for non-yielding assets.

Heightened risks surrounding the Strait of Hormuz and elevated oil prices continue to bolster the dollar, further squeezing gold's valuation. As energy-driven inflation risks persist, the likelihood of the Fed maintaining a restrictive policy remains high, keeping gold on the defensive.

### Key Levels

- **First Support:** $4,957–$4,958
- **Secondary Support:** $4,650–$4,660

# XAUXAG

## SILVER SLIDES AS DOLLAR REBOUNDS


Silver dropped toward $80 per ounce, marking its fourth straight daily decline. As the Middle East conflict enters its third week, volatile oil prices and heightened risks in the Strait of Hormuz have reignited inflation fears. This shift has strengthened the US dollar, forcing precious metals to surrender recent gains as investors pivot to the dollar.

With energy-driven inflation persisting, expectations for a restrictive Federal Reserve policy remain high. This environment continues to squeeze silver's valuation, leaving the metal vulnerable to further technical selling.

### Key Levels

**Critical Support:** $78.50 (A breach here may accelerate the correction).

**Downside Targets:** $71.50

**Broad Support Zone:** $62–$65

# EURUSD

## EUR/USD NEAR 1.14 AS PRESSURE BUILDS

EUR/USD is trading just above 1.14 after the dollar strengthened amid rising tensions in the Middle East and oil prices remaining above $100. Attention now turns to the ECB meeting, where markets expect signals on inflation risks tied to higher energy costs.

### Trading Ranges

- **Resistance:** 1.1500
- **Support:** 1.1395
- **Next Support Zone:** 1.1065–1.1100

# DXY

## DOLLAR INDEX HOLDS NEAR 100.35

The US Dollar Index (DXY) opened the week climbing toward 100.35, maintaining its ten-month highs. While bullish momentum remains strong on the monthly chart, reports of a potential U.S.-led naval coalition to secure the Strait of Hormuz could dampen safe-haven demand. If this international effort stabilizes maritime trade, the dollar may see a temporary pullback. However, the broader technical bias remains upward as markets continue to favor the dollar amid persistent energy-driven inflation.

# IS VOLATILITY BEING PRICED TOO HIGH?

**Vol Levels**

| Category | Ticker | At the Money Vols: 1m atm | 1m atm %tile | 3m atm | 3m atm %tile | Implied/Realized: 1m iv/rv | 1m iv/rv %tile | 3m iv/rv | 3m iv/rv %tile |
|---|---|---|---|---|---|---|---|---|---|
| Macro | SPX | 19.2 | 66.3 | 18.2 | 57.4 | 1.64 | 93.7 | 1.72 | 98.5 |
| | QQQ | 22.2 | 58.2 | 22.1 | 55.7 | 1.53 | 93.1 | 1.56 | 96.9 |
| | IWM | 27 | 78.3 | 24.9 | 72.1 | 1.29 | 80.4 | 1.45 | 96.9 |
| Country | EEM | 30.5 | 82.6 | 25.9 | 71.7 | 1.24 | 74.2 | 1.34 | 91 |
| | EFA | 22.7 | 82 | 19.7 | 69.2 | 1.31 | 86.1 | 1.38 | 95.3 |
| | EWZ | 34.7 | 62.1 | 32 | 53.4 | 1.28 | 78.3 | 1.1 | 58.4 |
| | FXI | 28.6 | 68.2 | 26.6 | 63.2 | 1.47 | 97.1 | 1.34 | 98 |
| Metals | GDX | 51 | 93.4 | 49.7 | 94 | 0.85 | 14.6 | 0.88 | 17.8 |
| | GLD | 30 | 95.3 | 28.4 | 94.6 | 0.89 | 16.3 | 0.74 | 2.1 |
| | SLV | 70 | 98.8 | 69.5 | 99.3 | 0.86 | 11.6 | 0.65 | 0.4 |
| | XME | 49.2 | 91.2 | 44.4 | 88 | 1.27 | 84.8 | 1.16 | 81.1 |
| Rates/$ | HYG | 6.9 | 38.6 | 6.7 | 26.8 | 2.1 | 95 | 2.28 | 99.1 |
| | TLT | 11.3 | 31.9 | 11.8 | 31.3 | 1.22 | 84.7 | 1.37 | 97.7 |
| Energy | OIH | 43 | 78.9 | 41.6 | 79.1 | 1.42 | 95.4 | 1.33 | 97.2 |
| | USO | 102.1 | 99.5 | 75.8 | 98.9 | 1.83 | 98.9 | 1.88 | 100 |
| | XOP | 38.2 | 66.8 | 35.8 | 62.6 | 1.37 | 90.7 | 1.38 | 98.2 |

| Category | Ticker | At the Money Vols: 1m atm | 1m atm %tile | 3m atm | 3m atm %tile | Implied/Realized: 1m iv/rv | 1m iv/rv %tile | 3m iv/rv | 3m iv/rv %tile |
|---|---|---|---|---|---|---|---|---|---|
| US Sector | XLE | 28.4 | 72.7 | 28.1 | 72.6 | 1.58 | 97.7 | 1.29 | 92.7 |
| | IYR | 17.3 | 49.3 | 17.4 | 45 | 1.54 | 94 | 1.46 | 96.5 |
| | XHB | 32.6 | 76.4 | 30.9 | 71.7 | 1.3 | 82.6 | 1.2 | 77.4 |
| | XLB | 25.8 | 75.1 | 23.8 | 70 | 1.32 | 84.8 | 1.29 | 89 |
| | XLF | 21.8 | 59.5 | 20.8 | 54.6 | 1.09 | 46.1 | 1.25 | 78.5 |
| | XLI | 23.4 | 77 | 22.1 | 69.6 | 1.33 | 79.3 | 1.4 | 92.7 |
| | XLK | 28.8 | 76.9 | 28 | 74.4 | 1.28 | 75 | 1.33 | 86 |
| | IGV | 37.7 | 94.1 | 35.9 | 94 | 1.03 | 42.3 | 1.05 | 29.8 |
| | SMH | 40.8 | 95.9 | 39.8 | 97.6 | 1.36 | 87.6 | 1.31 | 94.3 |
| | XLP | 18.8 | 82.5 | 17.4 | 77.9 | 1.21 | 63.4 | 1.26 | 74.3 |
| | XLU | 20 | 80.4 | 19.3 | 76.1 | 1.18 | 69.6 | 1.33 | 90.7 |
| | XLV | 19.6 | 74.8 | 18.3 | 68.1 | 1.33 | 77.6 | 1.34 | 85.8 |
| | XBI | 33.3 | 72.2 | 33 | 72.6 | 1.47 | 93.8 | 1.29 | 91.5 |
| | XLY | 25 | 74.6 | 25.4 | 75.5 | 1.67 | 92.5 | 1.55 | 97.7 |
| | XRT | 30.3 | 73.9 | 29.2 | 72.7 | 1.47 | 92 | 1.52 | 98.7 |
| | KRE | 34 | 77.6 | 31.4 | 74.3 | 1.18 | 63.4 | 1.28 | 86.5 |
| | ARKK | 37.6 | 45.9 | 37.5 | 45.5 | 1.21 | 75.1 | 1.27 | 91.3 |

*Source: Nomura Vol*

Financial markets occasionally display a striking contradiction. Investors position for severe disruptions even while price movements remain relatively calm. Recent uncertainty surrounding Iran and the broader Middle East has increased anxiety across financial markets, yet actual price behavior tells a quieter story. The result is a widening gap between what markets expect to happen and what is actually happening.

## THE RISING COST OF PROTECTION

Options markets currently show high implied volatility, signifying strong demand for protection against potential surprises. Implied volatility represents the premium investors pay for insurance against future market swings. Yet realized volatility, which captures the actual movement in asset prices, remains relatively subdued. In practical terms, investors are paying higher prices for protection against risks that have not yet appeared in day-to-day trading.

## PRICING THE POSSIBILITY OF STRESS

Across equities and several major sectors, the ratio of implied volatility to realized volatility has climbed to historically high levels. This suggests markets are positioning for possible instability even while current price action remains relatively steady. In simple terms, markets appear priced for turbulence, even though trading conditions still look calm.

## OPPORTUNITY IN THE VOLATILITY GAP

For some investors, this environment creates tactical opportunities. Strategies such as volatility selling can benefit when option premiums rise faster than actual market movements. Still, uncertainty tied to developments in the Middle East means conditions could change quickly. Any disruption to key energy routes, particularly the Strait of Hormuz, could rapidly increase realized volatility and bring market pricing closer to reality.

## EXPECTATION VERSUS REALITY

The current outlook indicates that the market is caught between future expectations and current conditions. Investors are willing to pay considerable premiums to protect against potential shocks, even as real price swings remain limited. In many ways, markets today reflect a familiar pattern: fear of tomorrow often moves faster than the reality of today.

# INFLATION COOLS AMID GEOPOLITICAL RISKS

The latest United States inflation report indicates that price pressures continued to soften throughout February, aligning closely with market expectations. This suggests that the underlying momentum of price growth is slowing compared to the start of the year. While some specific categories saw minor adjustments, the broader economic picture shows a gradual stabilization after the aggressive spikes experienced in previous years.

- **Core Inflation:** Held steady near 2.5% on an annual basis.
- **Headline CPI:** Increased roughly 0.27% monthly and 2.4% year-over-year.
- **Sector Trends:** Price hikes in apparel and furnishings were offset by declining used vehicle costs and stable shelter inflation.

## FOOD AND COMMODITY PRICES

The latest data on food prices indicates only mild upward pressure, suggesting that a significant inflationary surge is not currently underway. Grocery costs saw a modest monthly increase, while the annual rate remained relatively controlled. These trends signify that although specific sectors continue to undergo price adjustments, the overarching inflationary environment is gradually stabilizing after the intense spikes observed in recent years.

However, financial markets have largely pivoted away from this backward-looking data. The focus has shifted toward intensifying geopolitical developments, specifically the escalating conflict in the Middle East. Rising oil and gas prices resulting from this instability have sparked fresh anxieties regarding future inflation. Energy markets are notoriously sensitive to supply shocks, and any sustained disruption could rapidly escalate transportation, manufacturing, and consumer expenses.

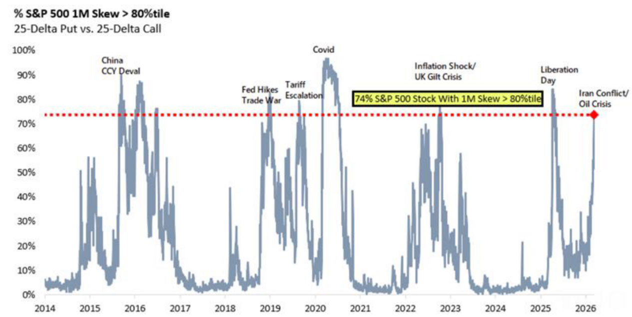
## MARKET SENTIMENT

Many investors now consider the recent inflation report somewhat obsolete. Although the figures confirm that inflation was cooling prior to the latest geopolitical flare-up, the sudden spike in energy costs threatens to rewrite the economic outlook for the coming months. Markets are now prioritizing commodity prices and geopolitical risks, as these factors are expected to be the primary drivers of future inflation trends and central bank policy maneuvers.

# TWO CHARTS HIGHLIGHT THE S&P 500'S CURRENT SETUP

Certain indicators can offer useful insights into investor behavior and the broader direction of equity markets. Recent analysis of the S&P 500 highlights two notable charts showing an unusual development in the options market and rapid financing growth in the technology sector. Taken together, these signals present an interesting picture for equities.

## A RARE OPTIONS SIGNAL IN THE S&P 500




Source: Nomura Vol

The first chart measures how many S&P 500 companies are seeing strong demand for downside hedging, meaning protection against potential price declines.

This metric is based on the options skew, which reflects how much premium investors are willing to pay for downside protection through put options.

The striking point is that around 80% of companies in the index currently show elevated one-month option skew levels. Seeing this level of protection demand across such a large portion of the index at the same time is historically rare.

This indicates that many market participants are positioning defensively against potential declines. Interestingly, historical data show that periods with widespread hedging activity have often been followed by unexpectedly strong equity returns.

**S&P Forward Returns When "Left Tail" Optionality Hits Extremes Across S&P Constituents**

**SPX Forward Returns** | 74% or More of the S&P with 1month 25delta Put/Call Skew in Richest 80%tile of Past 2yrs

| | -3m | -2m | -1m | -2w | -1w | +1w | +2w | +1m | +2m | +3m | +6m | +1y |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Median | -3.3% | -5.8% | -5.9% | -4.9% | -2.7% | 0.7% | 0.8% | 4.4% | 7.1% | 7.2% | 9.9% | 19.7% |
| Hit Rate | 20% | 10% | 20% | 0% | 0% | 89% | 67% | 67% | 78% | 100% | 89% | 100% |
| ExcessHit | -44% | -52% | -40% | -58% | -56% | 33% | 9% | 6% | 16% | 36% | 22% | 31% |
| Count | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

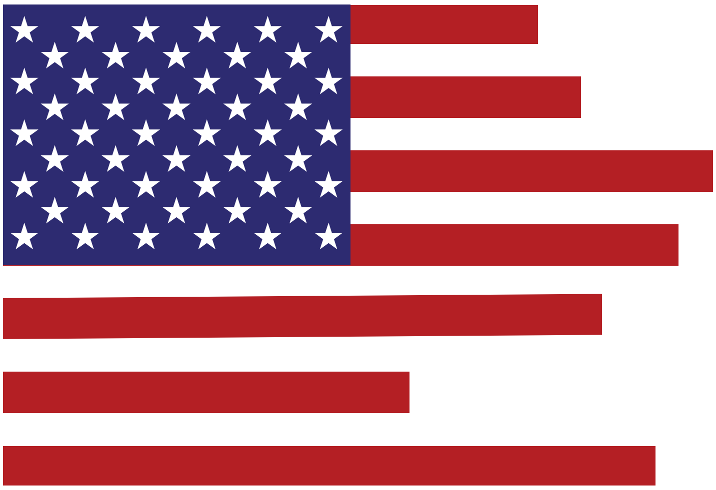
JUST MONSTER S&P INDEX EXCESS RETURNS OVER MEDIUM AND LONG HORIZON WHEN THIS % OF INDEX SINGLE NAMES HAVE SKEW THIS JACKED-UP

Source: Nomura Quant Analytics, Joanna Wang

## HISTORICAL BACKTEST: MARKET PERFORMANCE AFTER ELEVATED SKEW

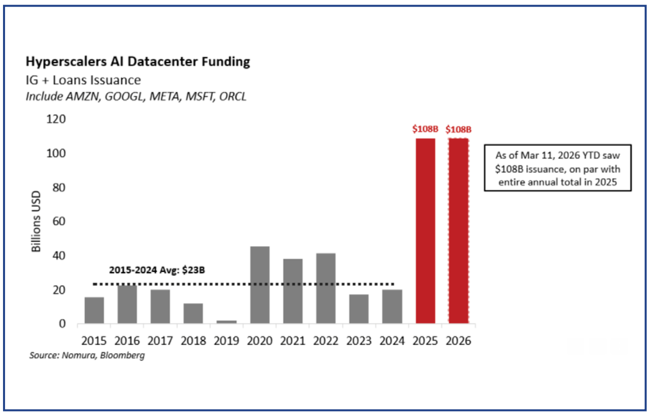
A Nomura backtest supports this pattern. The analysis shows that when a large share of S&P 500 companies display elevated option skew levels, the index has historically tended to deliver above-average returns over the medium and long term.

This does not guarantee future outcomes, but it highlights an important element of market psychology. Periods when investors strongly hedge against downside risks have often been followed by stronger equity performance than expected.



# S&P 500

## TECH GIANTS RAISE RECORD FUNDING




The second chart focuses on financing activity in the technology sector. Companies like Amazon, Alphabet, Meta, Microsoft and Oracle have been issuing large amounts of debt and loans to fund AI data centers and infrastructure. The numbers are striking:

- **The 2015–2024 yearly average funding was about $23B**
- **In 2025, funding jumped to around $108B**
- **By March 2026, issuance had already reached $108B again**

This suggests that hyperscalers are entering a major investment cycle in AI infrastructure.

## INTERPRETING THE SIGNALS

The options market shows widespread demand for downside protection, while technology companies are rapidly increasing investment and financing.

Historical data indicate that periods of heavy hedging have sometimes been followed by strong equity performance. At the same time, rising tech investment highlights how capital is shifting toward AI development and data center expansion. While short-term signals point to uncertainty, long-term capital flows remain concentrated in equities. Technology and data infrastructure investment are likely to stay key drivers of market dynamics in the years ahead.

# GREAT POWER RIVALRY IN THE STRAIT


The escalating conflict in the Middle East is frequently framed as a regional crisis or a simple oil market shock. However, a deeper strategic analysis reveals that the situation is a significant pressure point within the broader geopolitical competition between the United States and China. At the heart of this struggle lies Iran, positioned as a key node in the energy and commodity networks that sustain China's global influence.

## TARGETING STRATEGIC SUPPLY NETWORKS

For several years, Washington has steadily increased pressure on regions vital to China's resource security. This strategy was evident in Venezuela, a primary energy partner for Beijing in the West. Now, the focus has shifted toward the Middle East. Iran is not merely an oil producer; it is a critical player in the supply chains of various strategic commodities that underpin the global economy. By tightening the net around these regions, the U.S. exerts direct influence over the resources China needs to fuel its growth.

## THE FERTILIZER CHOKEPOINT

While the Strait of Hormuz is famous for carrying 20% of global seaborne oil, its role in global agriculture is perhaps even more sensitive. The corridor is a primary gateway for ammonia and urea fertilizers. Analysts estimate that 25% to 35% of all globally traded shipments of these inputs pass through this narrow passage. Consequently, the Strait is one of the most vital chokepoints for the international food supply.

## FOOD SECURITY AS ECONOMIC LEVERAGE

Disruptions to these fertilizer flows create immediate ripples in food markets. High input costs jeopardize crop yields and inflate the prices of soybeans, corn, and wheat. These are commodities essential to China's domestic food security. Recent regional instability has already begun to drive these prices higher.

Through this lens, the conflict emerges as a form of economic leverage. Control over these maritime routes provides power over more than just energy; it dictates access to the inputs required for global food production. Until the U.S. and China reach a wider strategic understanding regarding resource access and energy security, the Strait of Hormuz will remain a volatile front in the ongoing great-power competition.

# Market Roundup

## U.S. WEIGHS JONES ACT WAIVER

To combat surging oil prices and logistical issues, the White House is contemplating a temporary 30-day waiver of the Jones Act. While not yet finalized, the measure would permit foreign tankers to transport fuel and fertilizer between domestic ports, routes typically restricted to U.S.-built, owned, and flagged vessels. Officials believe this flexibility could expedite shipments and lower transportation costs, providing much-needed relief to supply chains strained by war-related disruptions.

## EUROPE'S SAFE DEFENSE MECHANISM

The European Commission is moving forward with the SAFE joint defense financing program, with the first payments expected to reach 16 member states in April. Under the mechanism that took effect in May 2025, approved nations can access a pool of up to €150 billion in loans for joint defense procurement. While most plans are already authorized, evaluations for Czechia, Hungary, and France continue. France, specifically, has been asked to submit further technical data before its financing agreement can be signed and funds released.

## CHINA TIGHTENS FUEL EXPORTS

In response to Middle East hostilities, Beijing has reportedly instructed refineries to halt exports of specific refined petroleum products. Sources indicate that any shipments that had not cleared customs by Wednesday must now remain within the country. This strategic tightening suggests that China is prioritizing domestic energy security and building a buffer against potential price volatility in the global oil market.

## BOND MARKETS AND INFLATIONARY PRESSURES

The conflict is profoundly reshaping the global bond market. Rising energy costs have reignited inflation fears, largely erasing the gains bonds accumulated earlier this year. The Bloomberg global yield index has retreated to near-flat for 2026, while U.S. Treasury yields have spiked to recent highs. The market narrative has shifted decisively: the early-year optimism regarding rapid interest-rate cuts has been replaced by the realization that rates may remain higher for longer to combat persistent inflation.

# The Week Ahead

## AMERICAS

The Federal Reserve is expected to keep the federal funds rate unchanged at 3.50%–3.75%. Attention will focus on updated FOMC economic projections and Chair Jerome Powell's press conference, which may provide signals on inflation risks as US-Iran tensions continue to affect global oil supply routes. Several economic releases are also due. February producer prices are projected to rise 0.3%, slowing from January's 0.5% increase, while industrial production is forecast to grow 0.2% after a 0.7% gain in January. Pending home sales are expected to continue declining, and regional manufacturing indicators, including the New York Empire State and Philadelphia Fed indexes, may show softer momentum. Other releases include new home sales, factory orders, capital flows, the NAHB Housing Market Index, and wholesale inventories. The technology sector will also watch Nvidia's annual GTC conference for developments in artificial intelligence. Across the Americas, several central banks will announce policy decisions. Canada is expected to keep rates unchanged for a third consecutive meeting, while Brazil may cut borrowing costs by 25 basis points. Markets will also monitor Canadian inflation, retail sales, and housing data, along with Brazil's business confidence and GDP figures from Argentina and Chile.

## EUROPE

Europe faces a busy week for monetary policy, with several central banks set to announce interest rate decisions. The European Central Bank is expected to keep its key rates unchanged, with the deposit rate likely remaining at 2%. The Bank of England is also expected to hold its benchmark rate at 3.75%, although markets currently price a potential cut to 3.50% in April or June. In Switzerland, rates are likely to remain at 0%, while the Bank of Russia is expected to cut rates by 50 basis points. Sweden's Riksbank will also announce its policy decision. Germany's ZEW Economic Sentiment index is forecast to drop sharply amid tensions involving Iran. Other releases include final eurozone inflation, wage growth, current account and trade data, German producer prices, and Italy's trade balance and final inflation figures. In the UK, the unemployment rate is expected to stay at 5.2%, wage growth may slow, and public sector borrowing is likely to have declined last month.

## ASIA PACIFIC

China will release a fresh set of monthly indicators that will help assess the pace of economic activity. Industrial production is expected to grow 5.1% in the first two months of the year, slower than 5.9% recorded during the same period last year, while retail sales likely rose 2.5%, well below the 4% growth seen in early 2025. Additional data on unemployment, fixed-asset investment, and housing prices will also be published, alongside the People's Bank of China's one- and five-year loan prime rate decisions. On the diplomatic front, Vice Premier He Lifeng will meet US Treasury Secretary Scott Bessent in France on March 15–16 to discuss trade issues ahead of a planned meeting between Presidents Xi Jinping and Donald Trump in Beijing later this month. Attention will also turn to Japan, where the Bank of Japan is expected to keep its policy rate unchanged at 0.75%, although the weaker yen and higher oil prices have fueled speculation about faster policy normalization. Upcoming releases include trade figures, with the deficit expected to narrow sharply in February, while machinery orders may decline. The Reuters Tankan survey and final industrial production data will also be published. Across the broader Asia-Pacific region, India will report February trade and unemployment data, while wholesale price inflation is projected to approach 2%. Australia's central bank may raise interest rates by 25 basis points, following a similar increase in February. Employment data will also be released, with the economy expected to add around 20,000 jobs, while unemployment could edge up to 4.2%. Other regional indicators include trade data from New Zealand, Singapore, Malaysia, and Thailand, inflation figures from Malaysia and Hong Kong, and GDP data from New Zealand. Meanwhile, central banks in Indonesia and Taiwan will also announce their latest monetary policy decisions.

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