

Today's economic highlights...

Oil drops after strong rally, demand hopes limit losses

- SINGAPORE (Reuters) - Oil prices fell on Thursday, giving up some of the recent strong gains on profit-taking and speculation that the market's strength could tempt producers like Saudi Arabia to reduce output by less.
- Brent crude fell 40 cents, or 0.7%, to \$61.07 a barrel, as of 0350 GMT, after touching its highest since January 2020 on Wednesday, after a strong run in recent days driven by the Organization of Petroleum Exporting Countries and its allies, known as OPEC+, agreed output cuts and vaccine rollouts fired up hopes of a recovery in demand.
- U.S. crude slid 35 cents, or 0.6%, to \$58.33 a barrel. [Read more...](#)

China-U.S. confrontation a disaster for both countries, Xi tells Biden

- BEIJING (Reuters) - Confrontation between China and the United States would be a disaster and the two sides should re-establish the means to avoid misjudgments, Chinese President Xi Jinping told his U.S. counterpart Joe Biden in their first telephone call as leaders.
- The call on Thursday Asia time, but Wednesday in Washington, was the first since Biden took office and comes as Beijing and Washington clash over issues from trade, Hong Kong, the South China Sea, Taiwan and reports of human rights crimes against Uighur Muslims in the Xinjiang region.
- Xi reiterated during the call that cooperation was the only choice and that the two countries need to properly manage disputes in a constructive manner, according to an account of the conversation reported by Chinese state television. [Read more...](#)

Dollar Up, Inflation Remains on Investors' Minds

- (Investing.com) – The dollar was up on Thursday morning in Asia but continued to hover near two-week lows. Weaker-than-expected U.S. inflation and a promise from the Federal Reserve to keep interest rates low continued to raise investor expectations of meagre returns from the U.S. currency.
- The [U.S. Dollar Index](#) that tracks the greenback against a basket of other currencies inched up 0.01% to 90.415 by 9:53 AM ET (2:53 AM GMT). The index dropped to a two-week low of 90.249 after the release of the U.S. inflation data.
- The [USD/JPY](#) pair inched up 0.03% to 104.60. [Read more...](#)