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A Deal for NATO? Zelenskyy Signals Willingness to Step Down

President Volodymyr Zelenskyy has suggested he would step down if it guaranteed his country's NATO membership or a lasting peace deal with Russia. "If you really need me to leave my post, I'm ready," he said at a press conference in Kyiv on Sunday, marking the first time he has publicly floated the idea of resignation as a bargaining tool.

While access to NATO remains unlikely in the short term, Zelenskyy's statement highlights mounting pressure from Washington, where the Trump administration has made a series of concessions to Moscow. The White House is reportedly pushing Kyiv toward a resource extraction deal that would see up to $500 billion in mineral revenues funnelled into a US-controlled fund—an arrangement Zelenskyy has firmly rejected.

Meanwhile, Russia launched its largest drone attack of the war on Sunday, firing 267 drones at targets across Ukraine, as diplomatic efforts to reshape the conflict gather pace behind closed doors.

Friday's Market Drop: Sentiment Sours on Stagflation Fears

The S&P 500 dropped 1.7 percent on Friday, its biggest decline since December, as investors absorbed a wave of disappointing economic data. Unlike previous market shocks, there was no single trigger—rather, a combination of slowing business activity, weakening consumer sentiment, and inflation concerns weighed on sentiment.

Preliminary PMI data showed services contracting for the first time in over two years, offsetting a modest rise in manufacturing, which itself looks fragile as new orders, especially exports, declined. The housing market also worsened, with steep drops in new home construction and existing home sales.

Consumer sentiment was the biggest red flag. The University of Michigan's survey posted its largest drop since last April, reflecting broad-based pessimism across all demographics. Tariff concerns are adding to inflation fears, with businesses blaming rising raw material costs on new trade duties. The survey also showed a sharp decline in buying conditions for consumer durables, with a 19 percent plunge driven by fears of tariff-driven price hikes.

While employment data remains stable for now, layoffs linked to corporate restructuring and government budget cuts could soon push jobless claims higher. With the Fed largely on hold, markets are now focused on fiscal policy. If growth slows further while inflation remains sticky, stagflation fears could keep market volatility elevated.

Bybit Hit by Record-Breaking $1.5bn Crypto Heist

Dubai-based crypto exchange Bybit has suffered what analysts are calling the largest digital asset theft in history, with hackers stealing $1.5 billion in Ethereum. The breach has raised fresh concerns about the security of digital asset exchanges.

Bybit’s CEO, Ben Zhou, confirmed that 401,000 Ethereum tokens were taken in what he described as a “sophisticated attack” that manipulated transaction signatures to mask the hack. Bybit has already processed over 580,000 withdrawal requests since the incident and is working with forensic experts to track the stolen funds.

The attack comes just as sentiment towards crypto was turning bullish under the Trump administration. The sheer scale of the theft shows the persistent vulnerabilities plaguing the sector, even as platforms invest heavily in security.

Does the U.S. Need a Sovereign Wealth Fund?

Donald Trump’s proposal for a “Maga SWF” has revived debate over whether the U.S. should establish a sovereign wealth fund. While countries like Norway and Saudi Arabia use SWFs to invest strategically, the U.S. has always relied on issuing Treasuries to fund its priorities.

Supporters argue that with trillions in government-owned assets, the U.S. could create a fund to invest in AI, infrastructure, and clean energy, generating long-term returns and reducing reliance on debt. A well-managed SWF could also strengthen U.S. economic influence, similar to China’s state-backed investments. Trump has pointed to Saudi Arabia’s $925 billion fund as a benchmark, suggesting the U.S. could surpass it over time.

But critics warn that without a surplus, a U.S. SWF could become another politically driven spending tool. Former Fed Chair Alan Greenspan opposed the idea in 2001, fearing government investments would distort markets. Unlike Norway’s highly transparent model, a U.S. fund could struggle to remain independent from political influence.

In many ways, the U.S. already acts like a sovereign wealth fund—raising money through debt and directing it into national priorities. But if structured properly, a fund could provide long-term financial stability and reduce reliance on borrowing. The challenge is ensuring it’s built for investment, not politics.