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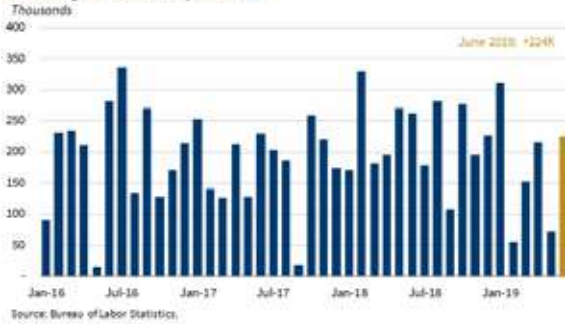
AMERICAN CHAMBER OF COMMERCE



USA OUTLOOK

Weekly newsletter | July 08 to 11

Monthly Job Growth, 2016-19



Source: Bureau of Labor Statistics.

Foto: The White House

U.S. Economy Adds Another 224,000 New Jobs in June As Wage Increases Remain Strong

The June Employment Situation Report was released last weekend and its results exceeded market expectations and marked the longest economic expansion on record. 224,000 nonfarm payroll jobs were created in June, surpassing the 162,000 that the market anticipated. Since the election of Donald Trump, more than 6 million jobs have been added.

The most significant job growth in June was experienced by education and health services, which added a combined amount of 61,000 jobs. This vigorous growth is accompanied by a consistent wage growth. Nominal average hourly ratings have increased by 3.1% over the past 12 months. Before 2018, the last time that nominal average hourly wage gains had reached 3% was in April 2009. Also, real wages are growing when considering inflation, which was 1.5% during the past year according to the Personal Consumption Expenditures.

Moreover, the unemployment rate in June was at 3.7%, making June the 16th consecutive month at or below 4%. The good news does not end there. The labor force participation rate includes people who are employed and those actively looking for employment. Since the election of President Donald Trump, it has risen by 0.2%. Despite this, there are still people in the labor force who find themselves on the sidelines, which gives hope that employment will continue to rise.

Fuente

<https://www.whitehouse.gov/articles/u-s-economy-adds-another-224000-new-jobs-june-wage-increases-remain-strong/>



Foto: Voice of America

California Assesses Damage After Second Powerful Earthquake Hits

A magnitude 6.4 earthquake struck Southern California on July 4th, and the next night, a second and greater one took place. This second Earthquake had a magnitude of 7.1 and lasted 30 seconds. It has been the strongest earthquake in Southern California in 20 years, being felt from Los Angeles, all the way to Las Vegas and Sacramento. Fortunately, most injuries were minor and damages are not as severe as expected. The governor, Gavin Newsom, requested a presidential emergency declaration in order to provide affected communities with direct federal assistance. Moreover, the governor declared a state of emergency in San Bernardino Country, which suffered greater damage and several fires.

Most destruction seen in Southern California was not as critical as it would be expected for earthquakes of such magnitude. There were plenty of power outages and a lot of medical assistance was sought, but there were no fatalities. Also, there were no major collapses in properties. However, these natural disasters led to major economic losses with a financial toll of at least \$1 billion. Even though both earthquakes had aftershocks, it is very unlikely that a third earthquake will occur. This is due because an earthquake releases energy and it takes time for it to build up again. The reason as to why two strong earthquakes took place almost simultaneously is that they occurred within two nearby fault systems.

Fuente

<https://www.wsj.com/articles/california-assesses-damage-after-second-powerful-earthquake-hits-11562424214>



Foto: nytimes.com

Warren and Harris Rise in Democratic Primary, Challenging Male Front-Runners

Most Democratic presidential candidates have been announced already, and so far, many people are leaning toward the former Vice President Joseph R. Biden, the current front-runner. However, recent exposure of Senator Elizabeth Warren from Massachusetts and Senator Kamala Harris of California has pushed them forward in the Democratic presidential race. Thus far, neither woman is in a position to take control of the race despite their increasing popularity because many working-class voters are still backing up Mr. Biden and Mr. Sanders.

After the first primary debate, Ms. Harris increased her support due to clashing with Mr. Biden over his record on race and by presenting her full portfolio of progressive policy proposals. The same debate lifted Ms. Warren's support as well. Despite this, both women still face a hard path to win the race, given the power that Mr. Biden and Mr. Sanders hold and that these women rely on the support educated liberals and female voters. Ms. Warren and Ms. Harris may ultimately be their biggest competition because they are both using similar strategies to attract alike audiences.

Ms. Warren has outlined many ambitious ideas about how her presidency would be. This readiness is moving her forward in the race, as she has already overtaken Mr. Sanders in Nevada. Since Ms. Warren and Ms. Harris are traveling similar paths when campaigning, many voters are unsure of the choice they will take.



Foto: The Wall Street Journal

World's Coffee Growers Seek to Set Minimum Price to Help Poor Farmers

More than two dozen countries that grow coffee will meet in Brazil to discuss the issue facing most farmers today: the lowest prices on world markets in more than ten years. Coffee growers have been inspired by the minimum price set in the cocoa industry last month. The biggest cocoa buyers have agreed with producers from Cote d'Ivoire and Ghana to this increase in price due to a prior suspension of sales that stemmed from protests regarding low prices.

However, it is not as simple for the coffee market to enforce a price floor as it was for the cocoa market. In the cocoa world, the two countries mentioned above grow more than 60% of the world's cocoa. Coffee plantations, however, are spread over 20 more countries than cacao producing countries. Having more countries to choose from, coffee-industry buys will seek out the best deal, which makes it hard for these countries to hold on to a minimum price.

It costs more to produce coffee than the price farmers are getting for their beans. Due to this, many growers are migrating. In 2018, coffee-grower groups representing more than 30 countries sent letters to their biggest costumers, like Nestlé S.A. and Starbucks, to convince them to pay more, but these companies did not address the problem. A possible lasting solution is to encourage coffee-growing countries to increase consumption.



Trump Signs Executive Order on Kidney Disease

On Wednesday July 10, President Trump signed an executive order directed at encouraging kidney transplants and less expensive at-home dialysis treatments. The order's action steps include prevention, detection, and treatment of kidney disease. Trump is determined to get Americans the best possible treatment in the world.

This order was signed with the goal to reduce end-stage kidney disease by 25% in the next 11 years. It encourages the creation of artificial kidneys, as well as reimbursements to kidney donors for costs of the transplant (like lost wages due to recovery). According to President Trump, kidney donors do not get enough credit

and people die while they wait for a donor. The order wants to transition from Americans focusing on getting good outcomes rather than just paying to get the procedures done.

This executive order has been the biggest presidential step toward kidney disease since 1973 during Nixon's administration. Currently, kidney disease is the ninth leading cause of death in the United States and 15% US adults suffer from it. \$110 billion was spend by Medicare in 2016 to treat patients suffering from this disease. Many hope that this executive order will be a pivotal change for kidney disease and that it will open doors for more affordable and better options.