






USA OUTLOOK


WEEKLY NEWSLETTER
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S&P closes higher on trade hopes, Nvidia lifts Nasdaq

Photo: Reuters

On June 2, 2025, the S&P 500 rose 0.4% and the Nasdaq gained 0.7%, driven by optimism around ongoing trade talks despite President Trump's announcement to double tariffs on steel and aluminum imports. Investors viewed the tariff threats as pressure tactics to advance negotiations. Chinese officials rejected Trump's accusations and vowed to defend their interests.

Steel stocks surged, led by Cleveland-Cliffs, while automakers like Ford and GM declined due to concerns over rising input costs. Tech stocks also performed well, with Nvidia and Meta posting gains. However, Tesla dropped after reporting weaker sales in some European markets.

U.S. manufacturing contracted for a third month in May, and traders are now watching upcoming jobs data for more clues on the economy and potential Fed rate cuts. Market activity was slightly below average, and overall sentiment remained cautious but hopeful.

Source: <https://www.reuters.com/business/wall-street-futures-slip-after-trumps-steel-aluminum-tariff-threats-2025-06-02/>

US seeks best trade offer from countries this week, White House says

On June 3, 2025, the White House confirmed it had asked countries to submit their best trade offers by Wednesday, as the Trump administration works to secure a series of trade deals ahead of a self-imposed deadline in five weeks. According to White House Press Secretary Karoline Leavitt, the request was formalized in a letter sent by the U.S. Trade Representative (USTR) to various trading partners. The letter asks for proposals on key issues including tariff and quota levels for U.S. industrial and agricultural goods, removal of non-tariff barriers, digital trade, and economic security commitments.

The letter also promises quick feedback, identifying a potential "landing zone" for deals before the 90-day pause on Trump's "Liberation Day" tariffs ends on July 8. The administration is pushing to finalize agreements rapidly, using the looming tariff deadline as leverage. However, some trading partners, like the European Union, had not received the letter as of Tuesday, highlighting possible coordination gaps in the process.



Source:

<https://www.reuters.com/world/china/us-seeks-best-trade-offer-countries-this-week-white-house-says-2025-06-03/>



Photo: Reuters

Wall Street ends narrowly mixed in choppy trade on weak economic data

U.S. markets ended mixed on June 4, 2025, amid weak economic data and ongoing trade tensions. The Dow fell 0.22%, the S&P 500 was flat, and the Nasdaq rose 0.32%. The services sector contracted for the first time in nearly a year, and private job growth hit a two-year low, raising concerns about slowing growth and inflation.

Investor focus remained on U.S. trade policy, as tariffs on steel and aluminum were doubled, and uncertainty lingered over negotiations with China. Despite these headwinds, May saw strong gains for the S&P 500 and Nasdaq, driven by softer trade rhetoric and positive earnings.

In corporate news, CrowdStrike and Dollar Tree declined on weak forecasts, while GlobalFoundries and Hewlett Packard Enterprise rose on investment and demand growth. Wells Fargo briefly hit a three-month high after the Fed lifted its asset cap. Trading volume was below average, reflecting market caution.

Source:

<https://www.reuters.com/business/us-stock-futures-rise-tech-shares-find-support-2025-06-04/>

USDA redaction of trade analysis causes concern about report integrity

The U.S. Department of Agriculture (USDA) delayed the release of its quarterly agricultural trade report and published it without its usual explanatory text, raising concerns about the report's integrity and transparency. The omitted analysis had linked the rising agricultural trade deficit to former President Donald Trump's tariffs and reduced foreign demand for U.S. products, including a shift toward "Buy Canadian" sentiments.

The USDA cited an internal review process as the reason for the delay. However, sources indicate that report authors were told to stop its release and later questioned about their attribution of the trade deficit. The final version, while containing unaltered data, lacked context and narrative explanations normally included.

Analysts worry this move reflects political interference and undermines the objectivity of USDA data. Staff cuts at USDA – with significant losses in both the Economic Research Service (ERS) and the Foreign Agricultural Service (FAS) – are also fueling concerns about the future quality of such reports.

The U.S., once enjoying an agricultural trade surplus, now faces a growing deficit driven by increased imports of high-value goods like alcohol and fresh produce.



Source:

Photo: Reuters

<https://www.reuters.com/world/us/usda-redaction-trade-analysis-causes-concern-about-report-integrity-2025-06-06/>



Photo: Reuters

Trump administration approves coal mine expansion to boost Asia exports

The U.S. Interior Department has approved the expansion of Signal Peak Energy's coal mine in Montana, enabling the company to extract over 57 million metric tons of coal and extend the mine's operation by nine years. The move follows President Donald Trump's declaration of a national energy emergency, aimed at accelerating energy projects and boosting exports, especially to allies such as Japan and South Korea.

Interior Secretary Doug Burgum said the expansion enhances U.S. energy independence and strategic exports. The mine, located in the Bull Mountains, employs over 250 people and primarily supplies coal to Asian markets.

The project had been under review and litigation since 2020 but was fast-tracked under new Trump-era policies limiting environmental reviews to 28 days. Environmental groups criticized the decision, citing concerns over climate change, water use, and harm to local ranching and wildlife.

The announcement coincides with other administration efforts to promote U.S. energy exports in Asia, including liquefied natural gas (LNG) projects.

Source:

<https://www.reuters.com/sustainability/trump-administration-approves-coal-mine-expansion-boost-asia-exports-2025-06-06/>