



AMCHAM  
GUATEMALA  
AMERICAN CHAMBER OF COMMERCE

# USA OUTLOOK

WEEKLY NEWSLETTER  
MARCH 10 TO MARCH 14

[www.amchamguate.com](http://www.amchamguate.com)

 /amchamguate

 @AmchamGT

 Amcham Guatemala

 Amcham Guatemala

 AmChamGT



Photo: Reuters

## White House pushes back against recession talk as household worries grow, stocks tank

U.S. stocks fell sharply after President Donald Trump announced 25% tariffs on Canada and Mexico, with the S&P 500 seeing its biggest drop since December 18. Markets had hoped for a last-minute delay, but tariffs took effect on Tuesday, with reciprocal tariffs coming April 2.

The ISM manufacturing PMI fell to 50.3, signaling economic weakness, while technology and energy stocks led the decline. The Dow dropped 1.48%, S&P 500 fell 1.76%, and Nasdaq lost 2.64%. Investors also worried about rising inflation and a cautious Federal Reserve, while Chinese stocks slid ahead of an expected increase in fentanyl-related tariffs on China.

Source:

<https://www.theguardian.com/us-news/> <https://www.reuters.com/world/us/white-house-official-expects-q1-gdp-squeak-into-positive-category-2025-03-10/>

## US-Canada trade war heats up as Trump doubles metals tariffs, then backs off

On March 11, President Donald Trump reversed his decision to double tariffs on Canadian steel and aluminum to 50%, just hours after announcing them. The 25% tariffs on these imports will still take effect for Canada and all other countries on March 12.

The U.S.-Canada dispute escalated when Ontario Premier Doug Ford threatened a 25% surcharge on electricity exports to the U.S., affecting over 1 million American homes. However, after negotiations, Ford agreed to suspend the surcharge and will meet with U.S. Commerce Secretary Howard Lutnick in Washington.

The uncertainty shook financial markets—the S&P 500 briefly dropped 10% from its all-time high, marking a market correction, before rebounding. Nearly \$5 trillion in market value has been erased from U.S. indexes since Trump took office on January 20.



Source:

<https://www.reuters.com/world/americas/trump-says-he->



Photo: Reuters

## S&P 500, Nasdaq end higher as cool inflation data calms tariff jitters

U.S. stocks rose on Wednesday after cooler-than-expected inflation data eased market fears, though Trump's ongoing tariff war kept gains in check. The S&P 500 gained 0.49%, and the Nasdaq climbed 1.22%, driven by tech stocks, while the Dow slipped 0.20%.

The Consumer Price Index (CPI) showed inflation cooling more than expected, fueling hopes that the Federal Reserve could cut interest rates. However, uncertainty remains due to Trump's 25% tariffs on steel and aluminum imports, which triggered retaliatory tariffs from Canada and Europe.

Goldman Sachs lowered its year-end target for the S&P 500, and J.P. Morgan warned of rising U.S. recession risks. The S&P 500 remains 8.9% below its all-time high, and the Nasdaq is still in a correction phase, having dropped more than 10% from its December peak.

Source:

<https://www.reuters.com/markets/us/futures-rise-after-wall-st-selloff-tariffs-inflation-data-focus-2025-03-12/>

## How hard have US agencies been hit by Trump and Musk's layoffs?

U.S. President Donald Trump and billionaire Elon Musk have launched a major effort to reduce the federal workforce, cutting or offering buyouts to over 100,000 employees so far. Initially targeting employees with less than a year of tenure, the layoffs are now expanding to career government workers, with federal agencies ordered to submit large-scale layoff plans by March 13.

Key agencies affected:

Veterans Affairs (VA): Plans to cut 82,000 jobs, reducing staffing to 2019 levels.

Defense Department: Cutting 5,400 jobs, though further reductions (up to 8% of its civilian workforce) are possible.

USAID: Laying off 1,600 employees, with most direct hires put on leave.

IRS: Expected to eliminate 20-25% of its workforce (up to 25,000 jobs) by May 15.

CIA: Has fired an unspecified number of recent hires, raising national security concerns.

The Trump administration has not provided an official total number of layoffs, and additional cuts across agencies are likely in the coming months.

Photo: Reuters



Source:

<https://www.reuters.com/world/us/how-hard-have->



Photo: Reuters

## Wall St ends sharply higher as selloff prompts dip-buying rally

U.S. stocks rebounded sharply on Friday as investors took advantage of recent declines, driving a broad rally across major indexes. The Dow rose 1.65%, the S&P 500 gained 2.13%, and the Nasdaq jumped 2.61%, marking their biggest one-day percentage gains since November 6. Tech-related stocks, including AI-driven “Magnificent 7” and semiconductor shares, led the recovery.

Despite this surge, both the S&P 500 and Nasdaq posted their fourth consecutive weekly losses, weighed down by concerns over President Donald Trump’s trade policies, including new tariff threats. The uncertainty drove investors toward safe-haven assets, pushing gold above \$3,000 per ounce. Analysts noted that while the market was oversold, fundamental economic concerns remain unresolved.

Source:

<https://www.reuters.com/markets/us/futures-rise-after-volatile-week-consumer-data->