

# USA OUTLOOK

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Photo: NY TIMES

## How the U.S. Is Trying to Ensure the Dollar's Dominance During Economic Turmoil

Concerns have intensified over the future of the U.S. **dollar's dominance in the global financial system** as China continues expanding the international use of the renminbi. Chinese policymakers have accelerated efforts to promote their currency in international trade, investment agreements, and cross-border transactions, particularly among emerging economies seeking alternatives to the dollar-based system.

At the same time, the U.S. dollar continues to hold a dominant position in global finance due to the depth of U.S. financial markets, investor confidence, and the central role of dollar-denominated assets in **international trade and reserves. Despite China's** growing influence, the renminbi still faces limitations related to capital controls, transparency, **and the structure of China's financial system, which** continue to restrict broader international adoption.

The evolving competition between the dollar and the renminbi reflects broader geopolitical and economic tensions between the United States and China. Efforts by Beijing to strengthen alternative financial networks and payment systems demonstrate a long-term strategy to increase **China's global financial influence, while investors** and governments worldwide continue closely monitoring the implications for international markets and economic stability.

Source: <https://www.nytimes.com/2026/05/11/business/dollar-dominance-renminbi-china.html>

## Inflation Jumps, Oil Prices Rise on U.S.-Iran Standoff

Oil prices rose sharply following renewed tensions between the United States and Iran, increasing concerns about potential disruptions to global energy supplies and instability in the Middle East. Markets reacted to fears that any escalation could affect the Strait of Hormuz, a critical route for international oil shipments, leading benchmark crude prices to climb as investors sought to assess the geopolitical risk.

The increase in oil prices has also renewed concerns about inflation and broader economic pressure worldwide. Higher energy costs could translate into increased transportation and production expenses, affecting both businesses and consumers. Financial markets remain attentive to diplomatic developments between Washington and Tehran, as further deterioration in relations could continue to impact global energy markets and economic stability.

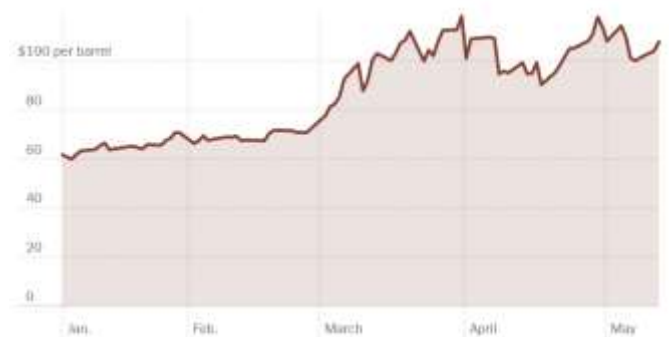


Photo: NYTIMES

Source: <https://www.nytimes.com/2026/05/12/business/oil-prices-rise-us-iran.html>



Photo: NY TIMES

## Trump Arrives in Beijing to Begin High-Stakes Summit With Xi

President Donald Trump arrived in Beijing on Wednesday to begin a two-day summit with Chinese President Xi Jinping, marking the first visit to China by **a U.S. president since Mr. Trump's trip in 2017 during his first term.** Upon arrival at Beijing Capital International Airport, **he was welcomed by China's vice president, Han Zheng, senior Chinese officials, and a military honor guard,** while groups waving Chinese and American flags greeted the U.S. delegation. The meetings are expected to begin on Thursday morning in Beijing.

The summit takes place amid shifting geopolitical and economic dynamics between the United States and China. In recent months, China pressured the United States to retreat from steep tariff measures by restricting exports of critical minerals essential to U.S. **industries, highlighting Beijing's growing leverage in strategic sectors.** President Trump was accompanied by senior officials including Secretary of State Marco Rubio, Defense Secretary Pete Hegseth, and Treasury Secretary Scott Bessent, as well as business leaders such as Elon Musk, Jensen Huang, and Tim Cook, underscoring the importance of trade, technology, and economic relations in the discussions ahead.

Source: <https://www.nytimes.com/2026/05/13/us/politics/trump-arrival-xi-beijing-summit.html>

## Oil Prices Waver as Trump Meets China's Xi

Oil prices fluctuated on Thursday as investors weighed the economic impact of the U.S.-Israeli war with Iran against continued optimism in global stock markets driven by artificial intelligence investments. Financial markets closely monitored the summit between President Donald Trump and Chinese President Xi Jinping, where both leaders exchanged diplomatic remarks while also addressing sensitive geopolitical issues. President Xi warned that relations between Beijing and Washington could enter an **"extremely dangerous place" if U.S. policy toward Taiwan ignored China's demands.** Meanwhile, the White House stated that President Trump urged China to help persuade Iran to end the conflict and reopen the Strait of Hormuz, the critical waterway that has remained effectively blocked since the war began.

Although there was no immediate confirmation of new commitments from China, Iranian media later reported that some Chinese vessels had been allowed to pass through the strait. Brent crude closed at \$105.72 per barrel and West Texas Intermediate settled at \$101.17, both remaining substantially above pre-war levels. Despite continued pressure on energy markets and rising gasoline prices in the United States, stock markets remained resilient, particularly in the technology sector, where investor optimism surrounding artificial intelligence continued to support gains. Analysts nevertheless cautioned that inflationary pressures linked to higher energy costs are becoming an increasingly important concern for the global economy.



Photo: NYTIMES

Source: <https://www.nytimes.com/2026/05/14/business/oil-stocks-gas-iran-trump-china.html>



Photo: NYTIMES

## *Oil Prices Climb on Fears of Broader Energy Crunch*

Oil prices rose sharply on Friday while global stock markets declined amid persistent concerns over energy supply disruptions in the Middle East and the lack of meaningful progress during the summit in Beijing between President Donald Trump and Chinese President Xi Jinping. Although both leaders emphasized stability at the conclusion of the meetings, there was little indication that China committed to helping persuade Iran to reopen the Strait of Hormuz, a strategic waterway that transports roughly one-fifth of the **world's crude oil and has remained effectively closed since the conflict involving the United States, Israel, and Iran** escalated in late February.

Brent crude, the international oil benchmark, increased more than 2 percent to nearly \$108 per barrel, while West Texas Intermediate, the U.S. benchmark, rose approximately 3 percent to \$104 per barrel. Since the outbreak of the conflict, oil prices have climbed roughly 50 percent. At the same time, financial markets reacted negatively as investors weighed the risk of a prolonged energy disruption. Stock indexes across Asia, Europe, and U.S. futures markets recorded significant declines, including sharp losses in South Korea, Japan, Hong Kong, Germany, and the United Kingdom.

Gasoline prices in the United States also remained elevated, with the average price of regular gasoline reaching \$4.53 per gallon, approximately 52 percent higher than at the start of the conflict. Analysts warned that investor concerns have intensified **following President Trump's remarks suggesting that reopening the Strait of Hormuz was not essential for the United States**. According to market analysts, these statements contributed to fears that the waterway could remain blocked for an extended period, increasing the risk of a prolonged global energy shock and continued inflationary pressure.

Source:

<https://www.nytimes.com/2026/05/15/business/oil-stocks-gas-trump-iran.html>