




# USA OUTLOOK


WEEKLY NEWSLETTER  
JUNE 08 TO JUNE 12

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Photo: NY TIMES

## *Trump Nominates Blanche for Attorney General, Setting Up Confirmation Fight*

President Trump has nominated Todd Blanche, his former personal attorney and current acting attorney general, to serve as the nation's top law enforcement official on a permanent basis. The nomination sets up what is expected to be a contentious Senate confirmation process, as lawmakers scrutinize Blanche's close ties to the president and his role in advancing several controversial administration initiatives.

**Blanche has become one of Trump's most trusted allies**, overseeing significant changes at the Department of Justice and supporting many of the administration's priorities. However, his involvement in a proposed \$1.8 billion compensation fund for individuals claiming mistreatment by the government has drawn criticism from both Democrats and Republicans, raising concerns about the politicization of the Justice Department and the use of taxpayer resources.

**While Trump has praised Blanche's loyalty and legal work on his behalf**, several lawmakers have questioned his judgment and independence. His confirmation battle is likely to focus on his management of the Justice Department, his approach to executive power, and whether he can demonstrate that he would serve the interests of the country rather than those of the president who nominated him.

Source: <https://www.nytimes.com/2026/06/08/us/politics/trump-todd-blanche-attorney-general.html>

## *Stocks Drop on Tech Fears and War Worries*

U.S. stock markets declined on Tuesday as investors reacted to renewed geopolitical tensions in the Middle East and growing concerns surrounding the **technology sector**. **President Trump's pledge to retaliate against Iran** following the downing of a U.S. military helicopter, coupled with ongoing military activity in southern Lebanon, added uncertainty to global markets. Meanwhile, oil prices fell despite continued disruptions in the Strait of Hormuz, **reflecting mixed expectations about the conflict's impact on energy supplies**.

The market downturn was driven largely by a sharp sell-off in technology and semiconductor stocks. **Investors remained cautious ahead of SpaceX's upcoming public offering** and amid increased debt and equity issuance to finance artificial intelligence infrastructure projects. The S&P 500 fell more than 1%, while its technology sector dropped over 3%, highlighting concerns about valuations and financing pressures within the industry.

Despite the decline in U.S. equities, markets in Asia and Europe posted gains. Gasoline prices in the United States remained stable at \$4.16 per gallon, although they are still approximately 40% higher than before the conflict began. Analysts noted that investor sentiment appeared cautious rather than panicked, with attention focused on upcoming inflation data, major market events, and developments in the Middle East.



Note: Data delayed at least 15 minutes. Source: FactSet. The New York Times.

Photo: NYTIMES

Source: <https://www.nytimes.com/2026/06/09/business/oil-gas-prices-iran.html>

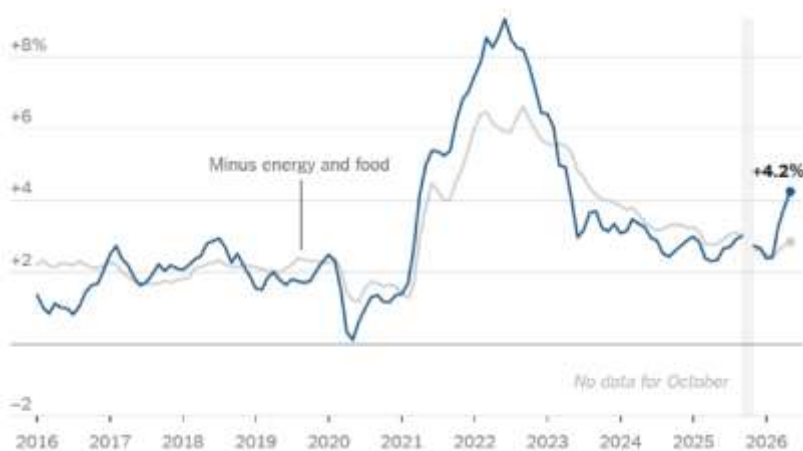
**Annual change in C.P.I.**

Photo: NY TIMES

*Inflation Accelerates to Fastest Pace in 3 Years as Energy Prices Bite*

U.S. inflation accelerated to 4.2% in May, its highest level in three years, driven primarily by rising energy costs linked to the ongoing conflict with Iran. Gasoline prices increased significantly compared to a year ago, putting additional pressure on household budgets and eroding wage gains. As a result, real hourly earnings declined over the past year, further straining consumer spending.

Despite the rise in overall inflation, core inflation—which excludes food and energy—remained relatively contained at 2.9%, suggesting that broader price pressures have not yet spread throughout the economy. Many businesses appear reluctant to pass higher costs on to consumers, instead relying on discounts and promotions as households become increasingly sensitive to price increases.

Higher energy costs are beginning to affect sectors such as transportation, travel, manufacturing, and technology. At the same time, growing electricity demand from artificial intelligence infrastructure and data centers is contributing to rising utility and technology-related costs. Economists note that inflation could ease if energy markets stabilize, but continued geopolitical tensions and supply disruptions may keep price pressures elevated in the months ahead.

Source: <https://www.nytimes.com/2026/06/10/business/economy/inflation-consumer-price-index.html>

*Trump Picks New Intelligence Chief After Revolt Over Pulte*

President Trump nominated Jay Clayton to serve as Director of National Intelligence, replacing his controversial choice of Bill Pulte as acting intelligence chief. **The move follows bipartisan criticism of Pulte's lack of intelligence and national security experience, which sparked opposition in Congress and complicated efforts to advance key national security legislation. Senate leaders from both parties signaled a willingness to move quickly on Clayton's nomination, viewing him as a more qualified candidate to oversee the nation's intelligence agencies.**

Clayton, who previously chaired the U.S. Securities and Exchange Commission and currently serves as U.S. attorney in Manhattan, is expected to face scrutiny over his close relationship with the Trump administration and his handling of several politically sensitive matters. His nomination comes at a critical time as lawmakers debate intelligence oversight and surveillance authorities, with many hoping a permanent appointment can restore stability and confidence in the leadership of the U.S. intelligence community.



Photo: NYTIMES

Source: <https://www.nytimes.com/2026/06/11/us/politics/trump-jay-clayton-intelligence-chief.html>

## Global inventory of crude oil

Weekly levels from 2019-2026

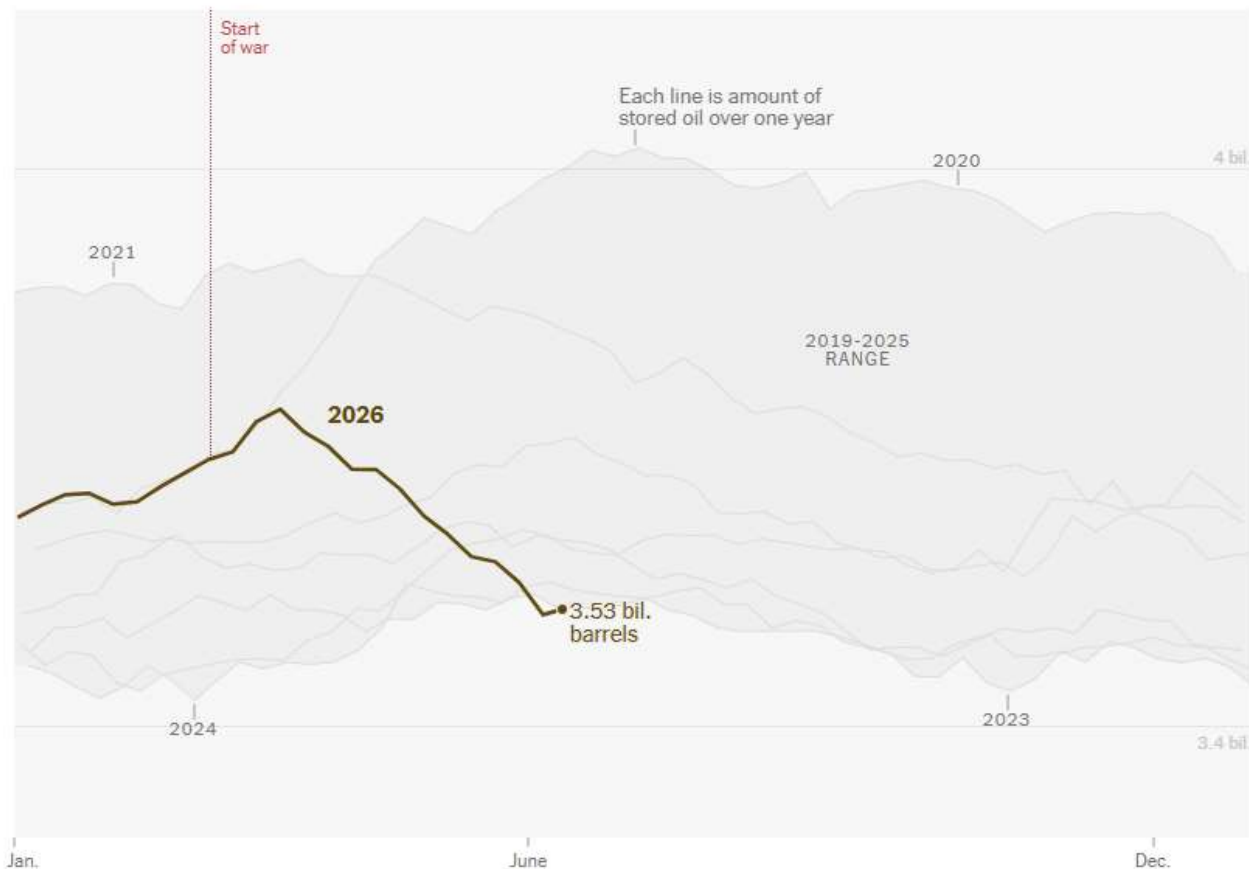


Photo: NYTIMES

### *The World Is Draining Oil Reserves, Raising Pressure for a Peace Deal*

Global oil reserves are being depleted at an accelerated pace as countries rely on stockpiles to offset supply disruptions caused by the conflict involving Iran and the continued restrictions on shipments through the Strait of Hormuz. While these reserves have helped stabilize energy markets and prevent shortages, analysts warn that inventories in several regions, including the United States, Japan, and South Korea, are falling steadily, increasing pressure on diplomatic efforts to restore normal oil flows.

**The United States, despite being the world's largest oil producer, has been drawing heavily on both commercial inventories and its Strategic Petroleum Reserve while increasing exports to meet global demand. Government reserves are expected to fall to their lowest levels in decades, reducing Washington's flexibility to respond to future supply shocks if tensions persist. At the same time, gasoline and fuel inventories remain relatively low worldwide, leaving energy markets vulnerable to further disruptions.**

Recent signs of progress toward a potential peace agreement between the United States and Iran have eased concerns and pushed oil prices lower. However, energy experts caution that even if a deal is reached, it could take months for supply chains and shipping routes to return to normal. Until then, global energy markets are likely to remain fragile, with consumers and businesses facing the risk of higher fuel and transportation costs if disruptions continue.

Source:

<https://www.nytimes.com/2026/06/12/business/energy-environment/iran-war-oil-reserves.html>