




USA OUTLOOK


WEEKLY NEWSLETTER
JUNE 15 TO JUNE 19

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Photo: NY TIMES

U.S. and Iran Sign a Framework Deal, Leaving Major Issues for Future Talks

The United States and Iran have agreed to a framework deal that includes a 60-day cease-fire and the reopening of the Strait of Hormuz, a critical route for global energy shipments. The agreement is intended to halt military operations and create the conditions for broader negotiations aimed at achieving a permanent peace settlement. The announcement was welcomed by several world leaders, who described it as an important step toward reducing regional tensions and stabilizing global markets.

While the deal has eased immediate concerns, significant issues remain unresolved. Future negotiations will focus on two of the most contentious topics: the potential lifting of U.S. economic sanctions on **Iran and restrictions on Iran's nuclear program**. Both sides have acknowledged that these discussions will be difficult, with U.S. officials emphasizing the need to prevent Iran from developing nuclear weapons and Iranian leaders seeking economic relief and access to frozen assets held abroad.

Financial markets reacted positively to the announcement, with oil prices falling on expectations that energy exports from the region could gradually recover. However, analysts caution that it may take weeks or even months for shipping activity and supply chains to return to normal levels. Questions also remain about the implementation of the cease-fire, the future of regional conflicts involving Iran-backed groups, and the extent to which both sides will follow through on their commitments during the next phase of negotiations.

Source: <https://www.nytimes.com/2026/06/15/world/middleeast/us-iran-framework-ceasefire-deal.html>

European Union Lawmakers Approve Much-Delayed Trade Deal With U.S.

The European Parliament approved a key component of the trade agreement between the United States and the European Union, bringing the deal closer to final implementation after months of negotiations. The agreement eliminates tariffs on a range of U.S. industrial goods, including machinery, car parts, and lobster, while reducing duties on certain agricultural products. In return, many European exports to the United States will continue to face tariffs of around 15 percent.

The vote represents a significant step toward strengthening transatlantic trade relations and comes amid pressure from President Trump, who had warned of higher tariffs on European products if the agreement was not finalized by early July. While the deal still requires final approval from E.U. **member states, Tuesday's vote effectively clears the way for completion, providing greater certainty for businesses and helping avoid a broader trade dispute between the two economies.**



Photo: NYTIMES

Source: <https://www.nytimes.com/2026/06/16/world/europe/eu-us-trade-trump.html>



Photo: NY TIMES

Political Spotlight Shines on Warsh for His First Fed Meeting as Chairman

Kevin Warsh faces his first Federal Reserve meeting as chairman under intense political scrutiny, following years of public pressure from President Trump on the central bank to lower interest rates. Warsh assumes leadership at a challenging moment, with inflation remaining elevated and uncertainty surrounding the economic effects of the conflict with Iran continuing to influence monetary policy decisions.

His appointment followed months of criticism by the White House toward former Fed Chair Jerome Powell and broader debates about the independence of the central bank. During his confirmation process, Warsh sought to reassure lawmakers that he would make policy decisions independently and would not allow political considerations to influence interest rate decisions.

As the Federal Reserve prepares to announce its latest policy decision, investors and policymakers will be closely watching how Warsh approaches the balance between controlling inflation and supporting economic growth. While President Trump has recently indicated that the new chairman should operate **independently, Warsh's tenure is expected to remain** under significant public and political attention as economic challenges persist.

Source: <https://www.nytimes.com/2026/06/17/business/economy/fed-chair-meeting-warsh-trump.html>

Oil Prices Fall as U.S.-Iran Deal to Reopen Hormuz Takes Effect

Oil prices remained near their lowest levels since the beginning of the conflict after the United States and Iran announced a preliminary agreement to reopen the Strait of Hormuz, a key route for global energy shipments. The agreement includes sanctions waivers allowing Iran to resume exports of oil and petroleum products, helping ease concerns about supply disruptions that had driven energy prices higher in recent months. Markets responded positively to the development, with Brent crude holding near \$80 per barrel and U.S. benchmark crude around \$77 per barrel, reflecting growing confidence that global energy flows may gradually normalize.

The announcement also supported financial markets and offered some relief to consumers. The S&P 500 gained about 1 percent, while gasoline prices in the United States fell below \$4 per gallon for the first time since the early stages of the conflict. Despite the optimism, analysts cautioned that uncertainty remains regarding how quickly shipping activity will fully recover and what the agreement will ultimately mean for global trade. Higher costs related to insurance, transportation, infrastructure repairs, and supply chain adjustments are expected to persist, leading many market participants to adopt a cautious wait-and-see approach as negotiations toward a final agreement continue.

Price of Brent crude oil

How much the international benchmark costs

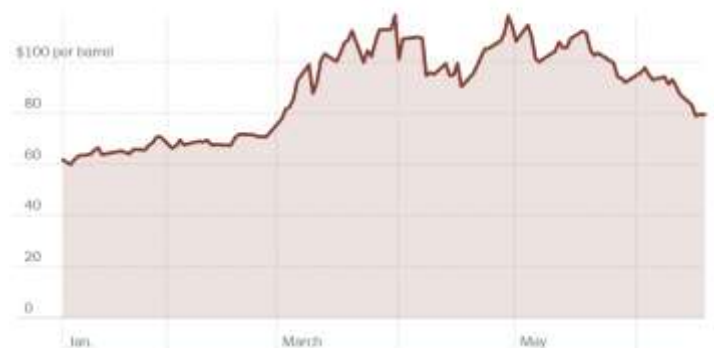


Photo: NYTIMES

Source: <https://www.nytimes.com/2026/06/18/business/oil-gas-prices-iran.html>



Photo: NYTIMES

Congress Is Anxious as U.S.-Canada-Mexico Trade Talks Intensify

Members of Congress are increasingly expressing concern over the future of the United States-Mexico-Canada **Agreement (USMCA) as negotiations intensify ahead of the pact's scheduled review. President Trump has** raised doubts about whether he will renew the agreement, creating uncertainty for lawmakers whose states and districts rely heavily on trade with Canada and Mexico. While discussions between the United States and Mexico have advanced on issues such as automotive manufacturing, agriculture, and supply **chains, Canada's** absence from the latest round of talks has raised questions about the future of the trilateral framework.

At the center of the negotiations are proposed changes aimed at increasing North American and U.S. content requirements for manufactured goods, particularly automobiles. The administration is seeking stricter rules that would require a greater percentage of vehicle components to be sourced within North America and the United States in order to qualify for tariff-free treatment. Supporters argue these measures could strengthen regional supply chains and boost domestic production, while critics warn they could increase costs for businesses and create new trade barriers.

The debate comes at a politically sensitive time as lawmakers prepare for the midterm elections and assess the economic implications of potential changes to the agreement. Many Republicans and Democrats alike have voiced support for maintaining a stable North American trade framework, while also advocating targeted improvements related to labor standards, environmental protections, and market access. As negotiations **continue, questions remain about Congress's role in approving any revisions and whether the** administration will pursue changes through existing executive authority or seek broader legislative backing.

Source:

<https://www.nytimes.com/2026/06/19/business/usmca-trade-talks-us-canada-mexico.html>