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AMCHAM GUATEMALA
AMERICAN CHAMBER OF COMMERCE

USA OUTLOOK

WEEKLY NEWSLETTER
JULY 20 TO JULY 24

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JULY 20, 2026

Photo: NY TIMES

U.S. Average Gas Price Returns to $4 a Gallon as Iran Crisis Escalates

The average price of gasoline in the United States climbed back to $4.00 per gallon as renewed fighting between the United States and Iran intensified pressure on global energy markets. The reinstatement of the U.S. naval blockade on Iranian ports has disrupted shipping through the Strait of Hormuz, reducing oil flows and pushing Brent crude above $90 per barrel, its highest level in more than a month. Diesel prices have also risen above $5 per gallon as refinery capacity remains constrained.

The increase reverses the temporary relief consumers experienced after the U.S.-Iran cease-fire earlier this summer, which briefly eased concerns over global energy supplies. With the collapse of the truce and the resumption of military operations, fuel markets have tightened once again, driving higher oil prices that are now being reflected in gasoline costs across the country.

The resurgence in fuel prices comes at a politically sensitive time ahead of the U.S. midterm elections, when inflation and the cost of living remain among voters' top concerns. Analysts note that, beyond geopolitical tensions, strong summer travel demand, low fuel inventories, and high refinery utilization are also contributing to higher prices, increasing the risk that inflationary pressures will remain elevated in the months ahead.

Source:
https://www.nytimes.com/2026/07/20/business/four-dollar-gas-iran-war.html

JULY 21, 2026

House Narrowly Passes Stopgap Spending Bill, but Shutdown Fight Looms

House Republicans narrowly approved a stopgap spending bill that would keep the federal government funded through December 4, advancing the measure well ahead of the September 30 funding deadline. The legislation passed largely along party lines and is intended to avoid a government shutdown before the November midterm elections, though its future in the Senate remains uncertain due to unified Democratic opposition and the need for bipartisan support.

Republican leaders argued that passing the continuing resolution early demonstrates responsible governance and shifts pressure onto Democrats, while Democratic lawmakers criticized the measure for failing to include limits on the Trump administration's immigration enforcement policies. With negotiations over the annual appropriations bills still ongoing, the funding debate is expected to intensify in the coming months, raising the prospect of another confrontation over federal spending before the fiscal year ends.

Photo: NYTIMES

Source:
https://www.nytimes.com/2026/07/21/us/politics/house-stopgap-spending-bill-

JULY 22, 2026

Photo: NY TIMES

Trump's Trade Negotiator Doubles Down on Tariffs Before Global Duties Expire

U.S. Trade Representative Jamieson Greer defended the Trump administration's tariff strategy before the Senate Finance Committee, arguing that tariffs remain a central tool to strengthen domestic manufacturing, reduce the U.S. trade deficit, and protect American workers. He emphasized that although the legal authority behind the tariffs has changed following a Supreme Court ruling, the administration's overall trade strategy remains unchanged.

The administration is preparing to introduce a new round of tariffs under Section 301 that could affect imports from more than 80 countries, while also maintaining or expanding duties on key trading partners such as Canada. Officials contend that these measures are intended to counter unfair trade practices, encourage investment in U.S. production, and support long-term economic competitiveness.

The hearing also highlighted sharp divisions in Congress over U.S. trade policy. Democratic lawmakers argued that tariffs are increasing costs for consumers and creating uncertainty for businesses, while Republicans generally defended them as a necessary tool to strengthen American industry and improve the country's negotiating position in global trade.

Source: https://www.nytimes.com/2026/07/22/business/economy/trump-tariffs-jamieson-greer.html

JULY 23, 2026

Stocks Tumble as A.I. Spending and Oil Prices Weigh on Market

U.S. stock markets posted their largest one-day decline of the month as investors reacted to rising oil prices, higher borrowing costs, and disappointing earnings from major technology companies. The S&P 500 fell more than 1 percent, while the Nasdaq dropped over 2 percent, reflecting growing concerns about the sustainability of heavy investment in artificial intelligence.

Technology stocks came under pressure after Alphabet increased its projected 2026 AI-related spending and Tesla reported profits below market expectations. At the same time, escalating tensions in the Middle East pushed oil prices above $100 per barrel, driving fuel costs higher and fueling concerns that inflation could remain elevated.

Markets also focused on rising Treasury yields, with the 10-year U.S. Treasury reaching its highest level in a year as investors anticipated the possibility of further interest rate increases. Attention is now turning to the Federal Reserve's upcoming policy meeting, where policymakers will weigh persistent inflationary pressures against broader economic conditions.

Photo: NYTIMES

Source: https://www.nytimes.com/2026/07/23/business/iran-crude-oil-gas-stock-prices.html

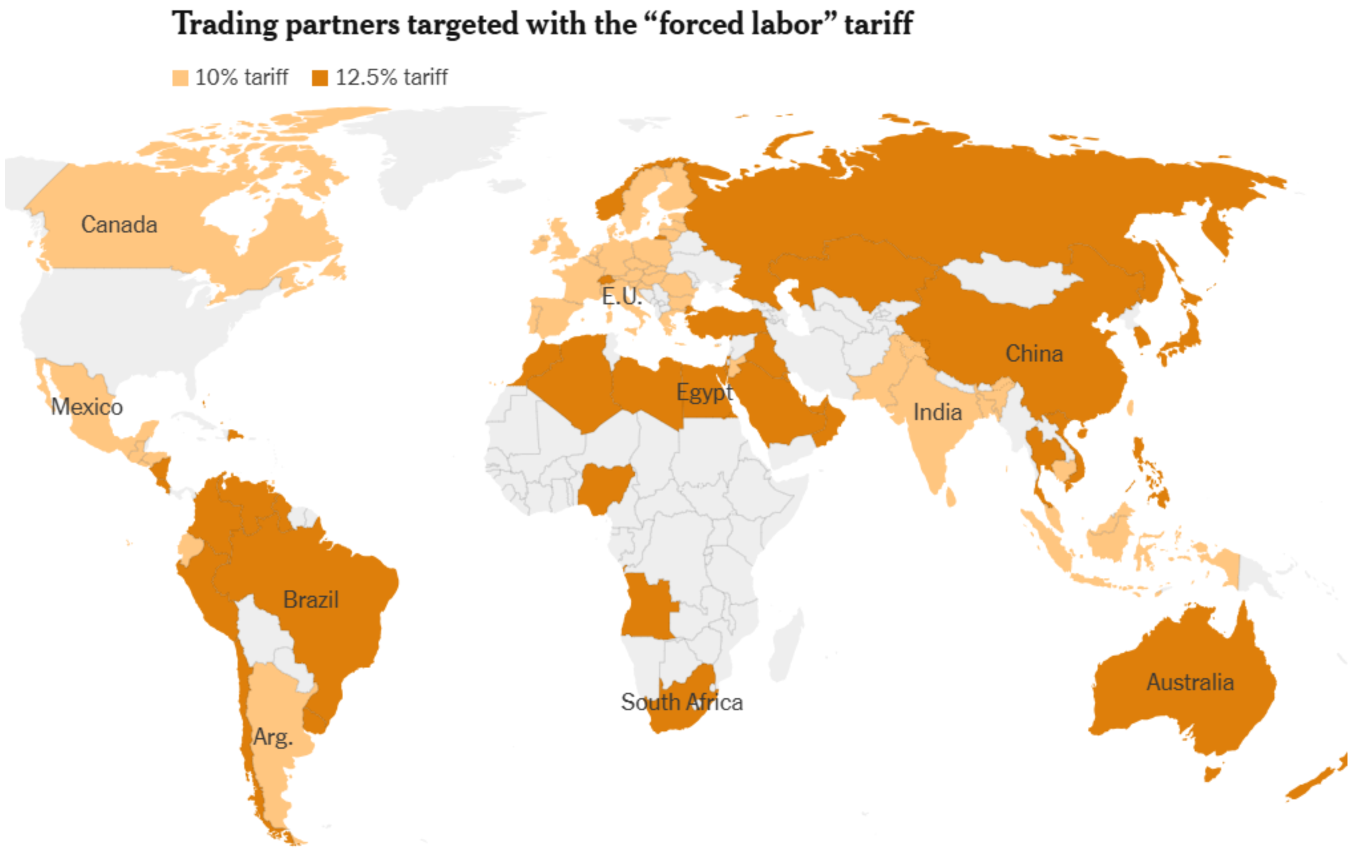

Photo: NYTIMES

New Tariffs as Old Ones Expire: The Latest on Trump's Trade War

The Trump administration introduced a new framework of tariffs on imports from more than 80 countries after the Supreme Court invalidated its previous global tariff program. The new duties, ranging from 10 percent to 12.5 percent, are being imposed under Section 301 of the Trade Act of 1974, which allows tariffs in response to unfair trade practices. According to the administration, the measures are intended to strengthen U.S. manufacturing, reduce the trade deficit, and address concerns such as forced labor and industrial overcapacity abroad.

In addition to the broad tariffs, the administration has announced country- and sector-specific measures. Brazil now faces a 25 percent tariff over alleged unfair trade practices, while Canada is set to receive a 50 percent tariff on a wide range of products as negotiations over the U.S.-Mexico-Canada Agreement continue. Separate tariffs based on national security authorities also remain in effect for products such as steel, aluminum, automobiles, pharmaceuticals, semiconductors, and other strategic industries, reflecting the administration's broader effort to expand domestic production.

The latest measures replace a temporary 10 percent global tariff that had been adopted after the Supreme Court struck down President Trump's earlier tariff regime, which relied on emergency powers. Although the administration has shifted to alternative legal authorities to continue its trade agenda, the new policies are expected to face additional legal challenges. Economists and businesses remain divided over their impact, with supporters arguing they protect American industry, while critics warn they could increase costs for consumers, disrupt global supply chains, and create greater uncertainty for international trade

Source:

https://www.nytimes.com/article/trump-tariffs-trade.html