

MNI POLITICAL RISK ANALYSIS - US Daily Brief 22-08-25

by Adam Burrowes

The White House *(times subject to change)*

12:00 ET 17:00 BST

President Trump makes an announcement in the Oval Office

KEY DATES:

- ❖ End of Congressional recess: September 2
- ❖ Government funding expires: September 30
- ❖ China tariff truce expires: November 10

Washington

At 12:00 ET 17:00 BST, President Donald Trump will make an announcement in the Oval Office. There have been no clues from the White House on what the announcement will relate to, but it notably comes shortly after Federal Reserve Bank Chair Jerome Powell wraps up his speech at the Fed's Jackson Hole symposium.

- Previous announcements have often related to investment pledges. Earlier this month, Apple CEO Tim Cook joined Trump to announce a new USD\$100 billion additional [investment pledge](#).

Yesterday, Trump joined federal law enforcement officials at a Park Police operations centre in Anacostia to tout his crackdown on crime in the nation's capital.

- Trump said: "We're going to then go on to other places, but we're going to stay here for a while. We want to make this absolutely perfect, it's our capital."
- The Trump administration said Thursday it is reviewing more than 55 million people who have valid U.S. visas for any violations that could lead to deportation, part of a growing crackdown on foreigners who are permitted to be in the United States, per [The Associated Press](#).

The California Legislature approved a redistricting plan aimed at securing five additional House seats for Democrats at the 2026 midterm elections. The new Congressional map, which will be subject to a referendum in November, is designed to cancel out a gerrymandered GOP map in Texas that passed the Austin Congress this week.

Legal

There were several major legal developments yesterday. In Trump's favour, a New York appeals court tossed out a roughly \$500 million civil fraud judgment against Trump and his family business, per Politico.

- On the other side of the ledger for Trump, a federal judge ordered that no more immigrant detainees be sent to a center in the Florida Everglades, known as Alligator Alcatraz, and that much of the facility be dismantled, per the [New York Times](#).

- The Times notes: “The judge gave both branches of the government 60 days to move out existing detainees and begin to remove fencing, lighting, power generators and other materials. The order also prohibits any new construction at the site.”
- Semafor notes that the Trump administration had a setback in another ruling, “a judge found that former Trump lawyer Alina Habba has been unlawfully serving as US attorney of New Jersey. The DOJ plans to appeal the ruling.”
- Trump also expanded his ‘lawfare’ campaign in support of Republican officials convicted of crimes related to attempts at overturning the 2020 presidential election result. Trump called former Mesa County clerk Tina Peters “a brave and innocent Patriot” in a social media post and said she should be released from prison, per the Washington Post.

Federal Reserve

The Federal Reserve Bank of Kansas City’s [annual policy retreat](#) at Jackson Hole in Wyoming kicks off in earnest today. This year’s theme is “Labor Markets in Transition: Demographics, Productivity, and Macroeconomic Policy.”

- Federal Reserve Chair Jerome Powell will deliver opening remarks at 10:00 ET 15:00 BST. Powell’s remarks will be live-streamed to the public via the Kansas City Fed [here](#). The remainder of the symposium will not be streamed but is open to registered attendees and invited media.
- Andrew Bailey, Christine Lagarde, and Kazuo Ueda, leaders of the Bank of England, ECB and Bank of Japan, respectively, will discuss labour market transition on a panel Saturday at 12:25 ET 17:25 BST.

Semafor notes: “Investors will be watching closely for any clues to how the board is leaning ahead of its meeting next month — including any signs that the even-keeled Powell may have recalibrated his view of the economy amid a mixed bag of earnings reports from retailers this week, the latest data to cloud Wall Street’s outlook.”

- New York Times’ DealBook notes: “If Jay Powell’s past speeches at the Jackson Hole Economic Symposium tell us anything, it’s that the Fed chief is not shy about making big policy news at the central banker confab.
- “With investors and business leaders growing spooked about inflation, tariffs and President Trump’s attacks on the Fed, today’s address — likely Powell’s last as chair — should be no different.”
- MNI has a summary of today’s schedule [here](#). MNI’s preview of the event is [here](#).

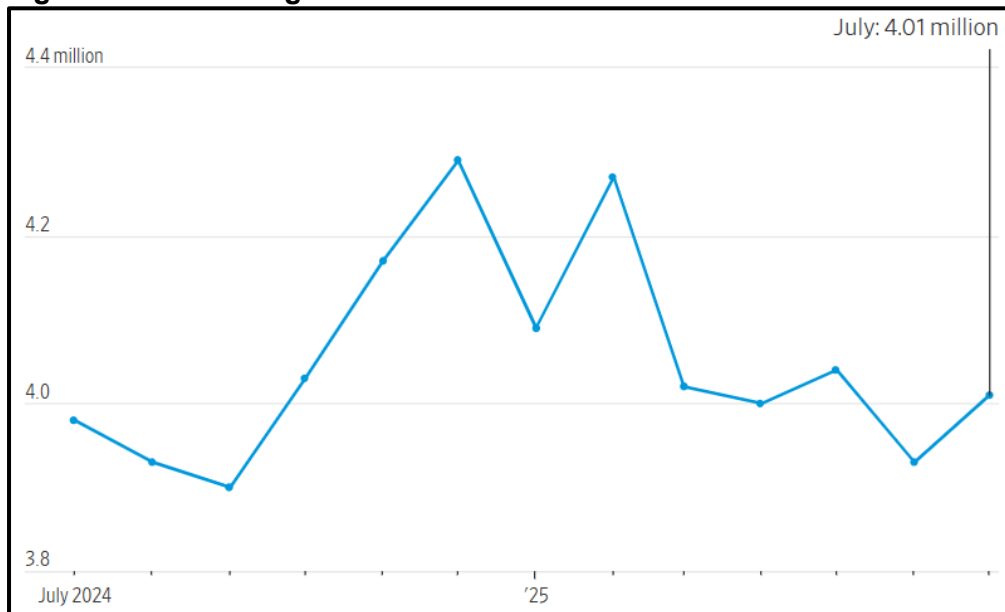
Economy

The Wall Street Journal [reports](#) that, “Sales of existing homes rose unexpectedly in July, raising hopes that the long-stalled housing market may be improving and that activity can gain more momentum in the fall.”

- The Journal notes: “Home sales were up 2% from the prior month to a seasonally adjusted annual rate of 4.01 million, the National Association of Realtors said Thursday. While that was only a slight gain, economists surveyed by The Wall Street Journal had estimated a monthly decrease in sales of 0.5%. The pickup in July

reflects that the pace of home-price growth has been slowing. Prices are falling in much of the country, and mortgage rates are easing.”

Figure 1: US Existing Home Sales



Source: Wall Street Journal, National Association of Realtors

India

Senior White House Trade Counsellor Peter Navarro told reporters yesterday that he expects a new 25% tariff on India, levied in retaliation for New Delhi's purchase of Russian oil, will go into effect on August 27, as planned.

- Navarro said Indian refiners have "gotten in bed with Italian refiners" to buy Russian crude at a discount to sell at premium prices to Europe, Africa, and Asia. Navarro claimed that linkages between Indian tariffs on US imports result in US taxpayers paying more military aid to Ukraine.
- He said: "The road to peace [in Ukraine] runs through New Delhi," adding that "India does not see its role in the bloodshed."
- The New York Times [writes](#): "The economic relationship between the United States and India has been driven perilously close to a rupture in the past month... Lost in the tumult is the value that both the United States and India derive from the services part of their total trade, which topped \$200 billion last year."

South Korea

Bloomberg [reports](#) that South Korean President Lee Jae Myung is set to embark on his first overseas trip focusing on bilateral diplomacy this weekend starting with a rare Japan visit that will likely set the stage for his first meeting with Trump in the US days later.

- Bloomberg notes: "Leaders from South Korea almost always choose the US, the country's key security ally, as their first destination abroad after taking office. The decision to head to Tokyo to meet Prime Minister Shigeru Ishiba before meeting with

Trump on Monday is all the more unexpected given Lee's reputation as a fierce critic of Japan before he became president."

- Andrew Yeo, a senior fellow at the Brookings Institution, said: "Lee will want to signal to the US and the international community his willingness to engage with Japan on a range of issues including regional security and trade and economic security, where they share significant overlapping interests."

Congressional Business

The House is OUT until September 2

The Senate is OUT until September 2

Committee Schedule –

Ukraine War

Russia intensified its bombing campaign in Ukraine, despite two summits arranged by Trump aimed at reaching a peace deal. According to Kyiv, a strike in the early hours of Thursday hit an American electronics factory in the west of the country.

- There are no signs that Russian President Vladimir Putin will agree to a bilateral meeting with Ukrainian President Volodymyr Zelenskyy. And there is no sign that Russia will moderate its hardline demands to end the war.
- Bloomberg [notes](#): "Efforts to establish security guarantees for Ukraine as part of a US-led push to end Russia's war are running into difficulties almost immediately."
- Zelenskyy wrote on X: "Now, the signals coming from Russia are simply outrageous. They are trying to wriggle out of holding a meeting. They don't want to end this war. They continue their massive attacks on Ukraine and their ferocious assaults along the frontline."

Semafor notes: "In exchange for peace... the Russian leader is demanding that Ukraine give up all of the Donbas region, renounce ambitions to join NATO, and keep Western troops out of the country, a series of conditions that are unacceptable to Kyiv."

- Russian Foreign Minister Sergei Lavrov said this morning there is no meeting between Putin and Zelenskyy planned, but "Putin is ready to meet him when a summit agenda is ready," per RIA.
- Lavrov added that "Russia has agreed to be flexible on a number of points raised by Trump in Alaska," but Ukraine and its European backers are likely to be sceptical that the comments are representative of a broader change in Moscow's position.

Likely in response to Moscow's obfuscation, Trump issued a cryptic statement on Truth Social yesterday that appeared to hint that the White House could roll back restrictions on the use of long-range weapons supplied by the US.

- Trump [wrote](#): *"It is very hard, if not impossible, to win a war without attacking an invaders country. It's like a great team in sports that has a fantastic defense, but is not allowed to play offense. There is no chance of winning! It is like that with Ukraine*

and Russia. Crooked and grossly incompetent Joe Biden would not let Ukraine FIGHT BACK, only DEFEND. How did that work out? Regardless, this is a war that would have NEVER happened if I were President - ZERO CHANCE. Interesting times ahead!!! President DJT”

Politico notes: “The Biden administration limited Kyiv to using U.S.-donated weapons only within 100 miles of Russia’s Kursk region. The Trump administration hasn’t announced any changes to those restrictions.”

- The Hill [notes](#): “Two weeks after Trump’s 2024 victory, former President Biden authorized a major shift in U.S. policy to allow Ukraine to use long-range U.S. missiles to attack sites in Russia. Trump, at the time, sharply criticized the decision, calling it “stupid” and saying he “might” consider reversing the decision, adding, “I think it was a very stupid thing to do.””

Trump followed up his Truth Social post with a second image-only post showing his meeting with Putin contrasted with an image of former US President Richard Nixon (during his tenure as President Eisenhower’s Vice President) in a similar standoff with former Soviet leader Nikkita Khrushchev.

- The image appears to signal that Trump intends to pursue a harder line on Russia if Putin doesn’t acquiesce to a meeting with Zelenskyy.

Figure 2: Trump and Putin, Nixon and Khrushchev



Source: Donald Trump, Truth Social

Critical Minerals

Reuters reports that Trump is weighing up using USD\$2 billion in CHIPS Act funding for critical minerals, boosting Commerce Secretary Howard Lutnick's influence over the strategic sector.

- Reuters notes: "The proposed move would take from funds already allocated by Congress for semiconductor research and chip factory construction, avoiding a fresh spending request as it seeks to reduce U.S. dependence on China for critical minerals used widely in the electronics and defense industries."

Trump's trade war with Brazil risks derailing a years-long effort to unlock Brazil's vast reserves of critical minerals, a long-term strategy to reduce US dependence on China.

- The New York Times [reports](#): "For years Brazil and the United States have quietly discussed how American investment and assistance could help the South American country unlock these vast reserves of rare earths, the world's second largest. But now, the diplomatic crisis between the Western Hemisphere's two largest nations risks derailing years of U.S. efforts to secure access to Brazilian rare earths."

Gaza

Israeli Minister Benjamin Netanyahu said on Thursday that Israel would immediately resume negotiations for the release of all hostages held in Gaza and an end to the nearly two-year-old war but on terms acceptable to Israel, per [Reuters](#).

- An Israeli official told the outlet it was Netanyahu's first response to a temporary ceasefire proposal put forward by Egypt and Qatar that Hamas accepted on Monday. Israel will dispatch negotiators to talks once a location is set.

Israel's defence minister, Israel Katz, said Gaza City will be destroyed if Hamas does not agree to disarm and release all hostages, per the [BBC](#).

- Katz wrote on X: *"We approved yesterday the IDF's plans to defeat Hamas in Gaza - with intense fire, evacuation of residents, and maneuvering. Soon, the gates of hell will open upon the heads of Hamas's murderers and rapists in Gaza - until they agree to Israel's conditions for ending the war, primarily the release of all hostages and their disarmament. If they do not agree - Gaza, the capital of Hamas, will become Rafah and Beit Hanoun. Exactly as I promised - so it shall be."*
- The BBC notes that Katz's comments came after the Israeli cabinet approved plans for a massive assault on Gaza City, despite widespread international and domestic opposition.

Iran

The foreign ministers of the so-called 'E3' signatories to the 2015 Iran nuclear deal, Britain, Germany, and France, will hold a joint call with Iranian Foreign Minister Abbas Araghchi today to discuss the 'snapback' of UN sanctions on Iran. The E3 have threatened to trigger the snapback at the end of the month, if Tehran doesn't take steps to address concerns over its nuclear programme.

- Iran Wire [notes](#) that the 'snapback', which triggers the reimposition of UN Security Council sanctions on Iran's nuclear program, "represents one of the most powerful diplomatic tools ever planned in international relations."
- An 'informed source' told Laura Rozen at Diplomatic that, in addition, a delegation from Iran will travel to Vienna on Friday to meet with the International Atomic Energy Agency (IAEA).

The meetings come as Iran continues to stonewall cooperation with the UN's nuclear watchdog, in the wake of joint US-Israeli airstrikes on Iran's nuclear facilities in late June.

- Rozen notes: "The three European powers wrote the UN Security Council leadership on Aug. 8 outlining the steps they would seek Iran to take to avert their triggering snapback."
- According to Rozen, the E3 have offered Iran a limited extension of the relevant provisions of UNSCR 2231, in exchange for Iran resuming negotiations and addressing some of the international community's most immediate concerns regarding the transparency and extent of its nuclear programme. To date, the offer put forward by the E3 has remained unanswered by Iran."
- Araghchi said on Wednesday: "In my opinion, we have not yet reached the point of maturity where effective negotiations with the U.S. can take place," per Iranian state media.

Middle East security expert Farzan Sabet [wrote on X](#) yesterday that a last-minute deal preventing E3 snapback of UN sanctions isn't impossible, but a recent failure from the IAEA to gain approval to resume monitoring of Iranian nuclear sites, "compounds the sense it will happen".

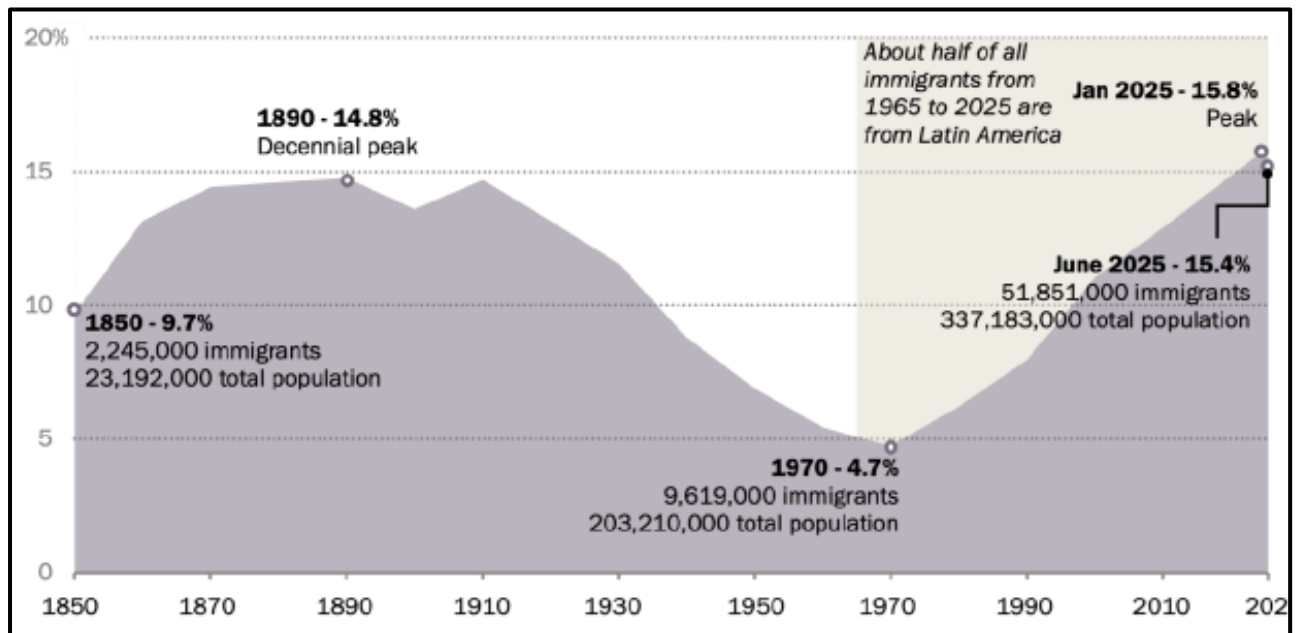
- Yesterday, the US announced new sanctions on 'China-based operators' that have "facilitated the import of millions of barrels of illicit Iranian oil onboard multiple U.S.-designated tankers."

Chart of the Day

An [extensive study](#) by the Pew Research Center has found that, "After more than 50 years of rapid growth, the nation's immigrant population is now in decline."

- Pew notes: "In January 2025, 53.3 million immigrants lived in the United States – the largest number ever recorded. In the ensuing months, however, more immigrants left the country or were deported than arrived. By June, the country's foreign-born population had shrunk by more than a million people, marking its first decline since the 1960s."
- Axios notes: "The U.S. Census Bureau's Current Population Survey finds that in June, the foreign-born population was 51.9 million — down from the peak in January (53.3 million), when immigrants were a record 16% of the population. Most of the drop "is likely due to a fall in the unauthorized immigrant population," according to Pew.
- Jeffrey Passel, the Pew Research Center's senior demographer, said: "The U.S. population of working-age people isn't growing. That means the only way the workforce can grow is from new immigrants coming in. If the workforce isn't growing, it's harder for the economy."

Figure 3: % of the US Population that is Foreign Born



Source: Pew Research Center

IMPORTANT: This email contains information protected by copyright which can only be used in accordance with the terms of your Market News subscription agreement. UNAUTHORIZED DISCLOSURE, PUBLICATION, REDISTRIBUTION OR FURTHER DISSEMINATION OF THIS INFORMATION MAY RESULT IN CRIMINAL PROSECUTION OR OTHER SEVERE PENALTIES. Any such authorization requires the prior written consent of Market News. Redistribution of this information, even at the instruction of your employer, may result in personal liability or criminal action unless such redistribution is expressly authorized in writing by Market News. Market News takes any such violation seriously and will pursue available legal remedies.

This document may contain forward-looking statements. Forward-looking statements may be identified by the use of such words as: "may," "might," "will," "would," "should," "could," "expect," "plan," "planned," "intend," "anticipate," "believe," "estimate," "estimated," "outlook," "predict," "project," "probable," "potential," "possible," "target," "continue," "look forward," or "assume" and other similar terms. Forward-looking statements are not historical facts or guarantees of future performance but instead express only beliefs regarding

future results or events, many of which, by their nature, are inherently uncertain and outside the control of Market News. It is possible that actual results and events may differ, possibly materially, from the anticipated results or events indicated in these forward-looking statements. Subscribers are cautioned not to place undue reliance on any forward-looking statements or examples. None of Market News or any of its affiliates or principals nor any other individual or entity assumes any obligation to update any forward-looking statements as a result of new information, subsequent events or any other circumstances. All statements made herein speak only as of the date that they were made.

This information has been obtained or derived from sources believed to be reliable, but we make no representation or warranty as to its accuracy or completeness. This is not an offer or solicitation of an offer to buy/sell. Copyright @ 2023 Market News Ltd & Hawking LLC d/b/a Market News. All rights reserved.