

MNI POLITICAL RISK ANALYSIS - US Daily Brief 24-04-25

by Adam Burrowes

The White House *(times subject to change)*

11:00 ET 16:00 BST	President Trump greets Norwegian Prime Minister Jonas Støre and participates in a Bilateral Lunch
17:00 ET 22:00 BST	President Trump participates in a Bilateral Meeting with Prime Minister Støre
16:30 ET 21:30 BST	President Trump signs Executive Orders
18:30 ET 23:30 BST	President Trump departs White House for Trump National Golf Club, Washington, D.C.
19:30 ET 00:30 BST	President Trump participates in a "MAGA Inc". Dinner at Trump National Golf Club

KEY DATES:

- ❖ GOP target for concluding budget reconciliation: May 26
- ❖ Government funding expires: September 30

Washington

11:00 ET 16:00 BST: US President Donald Trump will meet Norwegian Prime Minister Jonas Gahr Støre at the White House today for a working lunch and bilateral meeting.

- In the afternoon, Trump will sign Executive Orders in the Oval Office before departing the White House for an event for his super PAC (MAGA Inc.) at the Trump National Golf Club a few miles away in Sterling, Virginia. Trump will return to the White House in the evening.

Støre is expected to be accompanied in the Oval Office by former NATO Secretary General - and current Norwegian Finance Minister - Jens Stoltenberg, whose relationship with Trump reportedly helped facilitate the meeting.

- The bilat comes amid fresh lows in the US-Ukraine relationship (more on that below), with Trump and Vice President JD Vance issuing an ultimatum to President Volodymyr Zelenskyy: Accept an unfavourable ceasefire deal with Russia or risk losing Washington entirely.

The Norwegian Prime Minister is likely to advocate for continued US support for Ukraine, backed by [fresh military commitments](#) from Oslo to Kyiv. Støre's position is likely to be bolstered by Oslo's role in Arctic intelligence gathering and active patrolling, a region Trump has identified as critical to US national security.

- Støre told reporters earlier this week: "We [Norway and the US] are both members of NATO, but there's also a bilateral relation between our two countries, much of it tied to the situation in the [Arctic] areas... It's worth reminding [US officials] that what we monitor in the north is something that also, to the highest degree, directly affects US security policy."

- Norway also hosts the only official Russian settlements on NATO territory - two towns on the Arctic island Svalbard. Trump's recent rhetoric towards Greenland has raised concerns in Norway that the territory could become a flashpoint in both Arctic security and the broader Ukraine conflict.

At 15:00 ET 20:00 BST: Secretary of State Marco Rubio, Secretary of Defense Pete Hegseth, and National Security Advisor Mike Waltz will meet with NATO Secretary General Mark Rutte at the Department of State, another meeting that could be crucial to repairing the most recent rupture between Kyiv and Washington.

- State Department Spokesperson Tammy Bruce will brief reporters from Foggy Bottom at 14:00 ET 19:00 BST.

Trade and Tariffs

Trump's softer tone on China (more on that below) and the Federal Reserve helped spur a second day of market gains, despite warnings from CEOs and business leaders that Trump's unpredictable trade policy would continue to drive market turbulence.

- The Wall Street Journal reports: "Huge stock swings—the new normal for frazzled investors—have left many on edge, but some rookie traders are making bigger, riskier bets instead of retreating to safety."
- The Wall Street Journal editorial board [speculates](#), perhaps optimistically, that Trump's recent dovish pivot could be his 'Mitterrand moment' as he executes, "a reversal by stages in his tariff agenda."
- Punchbowl News reports that House Financial Services Committee Chair French Hill (R-AK) defended Fed independence though he said that "doesn't make them immune from criticism." Perhaps a sign that Congress would push back against Trump if he were to renew his attacks on Fed Chair Jerome Powell.

Semafor notes that Citadel CEO Ken Griffin warned at the Semafor World Economy Summit that Trump's actions "eroded" the country's strong fiscal reputation, adding: "It can be a lifetime to repair the damage that has been done."

- Neuberger Berman's head said at the same summit that market volatility was pushing investors "further afield" to Europe and elsewhere.
- Axios notes the Fed Beige Book, "released eight times a year and based on what business contacts around the country are saying about conditions, used the word "uncertainty" 80 times."
- Art Laffer, the conservative economist who once called Trump the "single best president of his lifetime" [warned](#) that Trump's tariffs are causing the "scariest period in his lifetime."

Speakers at the Semafor summit reacted positively to signs that Trump may be open to trade negotiations with Beijing, with Semafor noting that Bank of America's top economist predicted that tensions between the world's two biggest economies had peaked: "We've seen the worst in terms of escalation."

- Optimism was further bolstered by White House Council of Economic Advisers Chair, Stephen Miran, who followed Treasury Secretary Scott Bessent's dovish pivot on China: "I'm optimistic that we will be able to take the temperature down a bit."

Bloomberg [reports](#) that the Trump administration is considering reducing certain tariffs targeting the auto industry. The report notes that one measure would spare automobiles and parts already subject to metals tariffs, eliminating so-called “stacking” of levies.

- Bloomberg notes: “Another option being studied would fully exempt auto parts that comply with the US-Mexico-Canada trade pact.”

Rachel Reeves, the British chancellor of the Exchequer, told reporters in Washington yesterday, after her first meeting with Treasury Secretary Scott Bessent, that there were firm lines the UK government would not cross in its trade negotiations, such as changing food standards or compromising on car safety rules, per the New York Times.

- Japanese Finance Minister Katsunobu Kato said yesterday that he wants to base talks today with Treasury Secretary Scott Bessent on existing currency agreements.
- Kato said: “Currencies should be determined by the market, and excessive or disorderly moves can have negative impacts on economies and financial stability. This is a basic principle that’s shared among the Group of Seven including the US, and I want to hold talks based on this basic understanding.”
- Bloomberg notes: “Earlier in the day Bessent was clear that there will be “absolutely no currency targets,” when asked how he planned to raise the issue with Japan.”

China

Trump and his top officials soothed markets by signalling that a “fair deal” with China is one of the near-term goals of his trade agenda. But, [China doesn’t appear ready for talks](#) just yet, likely seeing signs of weakness in Trump’s response to market turbulence.

- Trump’s comments followed a more conciliatory tone from Treasury Secretary Scott Bessent towards the International Monetary Fund and the World Bank at the Institute of International Finance (IIF) yesterday. (He also [railed](#) against the institutions’ “mission creep” and adopting “vapid, buzzword-centric marketing”).

IIF President and CEO Tim Adams [said](#), quoting Bessent’s remarks ahead of a Q&A: “America first doesn’t mean America alone, to the contrary: Far from stepping back you seek to expand US leadership.” Adams added in response: “I must say there is a collective sigh of relief around this town right now.”

- Worth noting, per Axios: “Bessent is covering his own hide amid a spate of leaks describing him as the economic team’s voice of sanity. Oddly, good press can be one way to end up on Trump’s bad side.”

The Wall Street Journal [reports](#): “The Trump administration is considering slashing its steep tariffs on Chinese imports—in some cases by more than half—in a bid to de-escalate tensions with Beijing,” but noting that “Trump hasn’t made a final determination” and “discussions remain fluid and several options are on the table”.

- The Washington Post reports that Trump, “stung by a mounting backlash to his historic tariff plans, signaled on Wednesday that he is aiming for an end to the most intense period of global trade conflict in several decades.”

As noted above, the softer tone from the White House is yet to be matched by China. Foreign Ministry spokesperson Guo Jiakun said at a daily press conference this morning that

China and the US "have not held consultations and negotiations on tariffs" and that China will fight a tariff war "if we must."

- Guo added that the US "needs to stop threats if it wants talks", reiterated that the "US 'tariff tsunami' breaks WTO rules."
- Charles Gasparino at Fox Business cautioned on X yesterday: "CEOs who deal with the Chinese government say don't count on [Chinese President Xi Jinping] jumping at the first offer of a trade truce from Trump & Co. They believe Xi will play a long game..."
- Erica York at the Tax Foundation [writes on X](#): "Reducing tariffs on imports from China to "just" 60% or so takes us back to the 10% universal plus 60% on China campaign proposal, and recall at the time it was proposed, nearly everyone thought it was extreme and impossible."

Figure 1: How Will the Trump Tariff's Impact the US Economy (2024 Presidential Election Campaign Models)

Estimator	Tariff Policy	Change in Real GDP
Tax Foundation	10% Universal	-0.5%
American Action Forum	10% Universal	-0.16% GDP; -0.31% with retaliation
UBS Wealth Management	10% Universal	Cumulative -1.0% to -1.5% over 3 years with retaliation
Peterson Institute for International Economics	10% Universal	10-year range, -0.36% (high) to -0.07% (final year); -0.88% to -0.24% with retaliation
Moody's	10% Universal	-1.04%, -2.82%, -3.45%, and -3.61% in years 2025-2028, with simulated retaliation
Euromonitor	10% Universal	-0.5% in 2025, -0.9% in 2026, with retaliation (derived from growth rate projections)
IMF	10% Universal	-0.4% to -0.6%, persisting at -0.4% with retaliation
Peterson Institute for International Economics	60% China	10-year range, -0.19% (high) to -0.12% (final year); -0.43% to -0.21% with retaliation
Tax Foundation	10% Universal, 60% China	-0.8%, -1.2% with retaliation
Capital Economics	10% Universal, 60% China	Up to -1.5%
RBC	10% Universal, 60% China	-1.5% after 2 years
The Budget Lab	10% Universal, 60% China	-0.5%; -0.64% with retaliation
EY	10% Universal, 60% China	-1.18% in 2025 and -2.34% in 2026 with retaliation (derived from growth rate projections)
Tax Foundation	20% Universal, 60% China	-1.3%, -1.7% with partial retaliation
The Budget Lab	20% Universal, 60% China	-0.64%; -0.95% with retaliation
The Budget Lab	20% Universal, 60% China, Additional Mexico	-1.15%; -1.43% with retaliation
Fitch	Aggressive US Tariff Scenario	-0.4% to -0.8%; up to -1.1% with retaliation

Source: Tax Foundation

European Union

EU competition boss Teresa Ribera told reporters that European Commission fines on Apple and Meta are not a retaliatory action to Trump's tariffs.

- Ribera said, per Politico: "These are decisions that are not taken with passion," but with "seriousness and evidence. It's law enforcement."
- The New York Times [notes](#): "Apple was fined 500 million euros (\$570 million) and Meta was fined €200 million (\$230 million) for breaking the Digital Markets Act, which was adopted in 2022. The European law aims to keep big tech companies from abusing their position as digital gatekeepers that can unilaterally impose requirements on users and businesses."
- Meta's chief global affairs officer, Joel Kaplan, said in a statement: "The European Commission is attempting to handicap successful American businesses while allowing Chinese and European companies to operate under different standards. This isn't just about a fine; the commission forcing us to change our business model effectively imposes a multibillion-dollar tariff on Meta while requiring us to offer an inferior service."
- A White House [memo](#) from February said US officials would consider retaliation if the European Union targeted American tech companies, a signal that the move could spark a fresh round of tit-for-tat measures.

Congressional Business

The House is OUT

The Senate is OUT

Committee Schedule –

Russia-Ukraine

Relations between the US and Ukraine hit a new low yesterday after President Trump issued a lengthy [statement](#) on Truth Social suggesting that Ukrainian President Volodymyr Zelenskyy's refusal to discuss Russian sovereignty over Crimea is "harmful" to peace negotiations.

- Trump said, referring to this [WSJ article](#) in which Zelenskyy said Kyiv would never recognize Russian control of Crimea: "This statement is very harmful to the Peace Negotiations with Russia in that Crimea was lost years ago..."
- Trump continued: "The situation for Ukraine is dire - He can have Peace or, he can fight for another three years before losing the whole Country... We are very close to a Deal, but the man with "no cards to play" should now, finally, GET IT DONE."

Trump's statement came after Vice President JD Vance outlined "an American peace proposal that closely mirrors longstanding Russian demands, including a "freeze" of

territorial lines in the three-year war, acceptance of the annexation of Crimea by Russia and a prohibition on Ukraine becoming part of the NATO alliance," per [NYT](#).

- Vance told reporters in India: "We've issued a very explicit proposal to both the Russians and the Ukrainians, and it's time for them to either say yes or for the United States to walk away from this process."

In ad hoc remarks to reporters yesterday, White House Press Secretary Karoline Leavitt made it clear that pressure is on Zelenskyy rather than Russian President Vladimir Putin: "The president's frustrated; his patience is running very thin... He wants to see the killing stop, but you need both sides of the war willing to do that, and unfortunately, President Zelensky seems to be moving in the wrong direction."

- Leavitt's statement may be undermined by a massive Russian missile attack on Kyiv overnight, "blowing up residential apartments and killing or injuring dozens of civilians in what was one of the worst attacks on the Ukrainian capital in the entire war," per Politico.

Secretary of State Marco Rubio said yesterday: "If at some point we determine that if we're just too far apart and not enough movement is happening, we may need to move on to other priorities, because there are a lot of important things happening in the world. This is not our war. We didn't start this war."

- That is a major departure from his position in 2022 when he [cosigned a resolution](#) barring any US recognition of Ukrainian territory annexed by Russia. At the time, Rubio said: "The United States cannot recognize Putin's claims or we risk establishing a dangerous precedent for other authoritarian regimes, like the Chinese Communist Party, to imitate."

Trump's chief negotiator Steve Witkoff is heading to Moscow for a fourth meeting with Putin tomorrow. Trump sounded confident when he spoke to reporters yesterday, saying: "I think we have a deal with Russia,"

- The [Institute for the Study of War](#), less so, noting Moscow's refusal to accept European peacekeepers in Ukraine: "Russian officials rejected aspects of Trump's reported peace plan. Russian officials continue to give no indication that the Kremlin is willing to make any concessions of its own."

Iran

Secretary of State Marco Rubio told Bari Weiss of the Free Press yesterday that the US is not ruling out air strikes on Iran's nuclear facilities, but diplomacy is the administration's preferred route to prevent Tehran acquiring a nuclear weapon.

- When asked if the US could credibly hit Iran's nuclear facilities, considering the high level of fortification, Rubio said: "I probably don't want to discuss all the logistics of it. Suffice it to say that I do believe the United States has options, but we don't want to ever get to that,"
- Rubio added: "We do not want a war. We do not want to see war. This is not a president that campaigned on starting wars. ... He would prefer that there not be

need to resort to military force, either by us or anybody else. He would prefer that it be something that we can negotiate.”

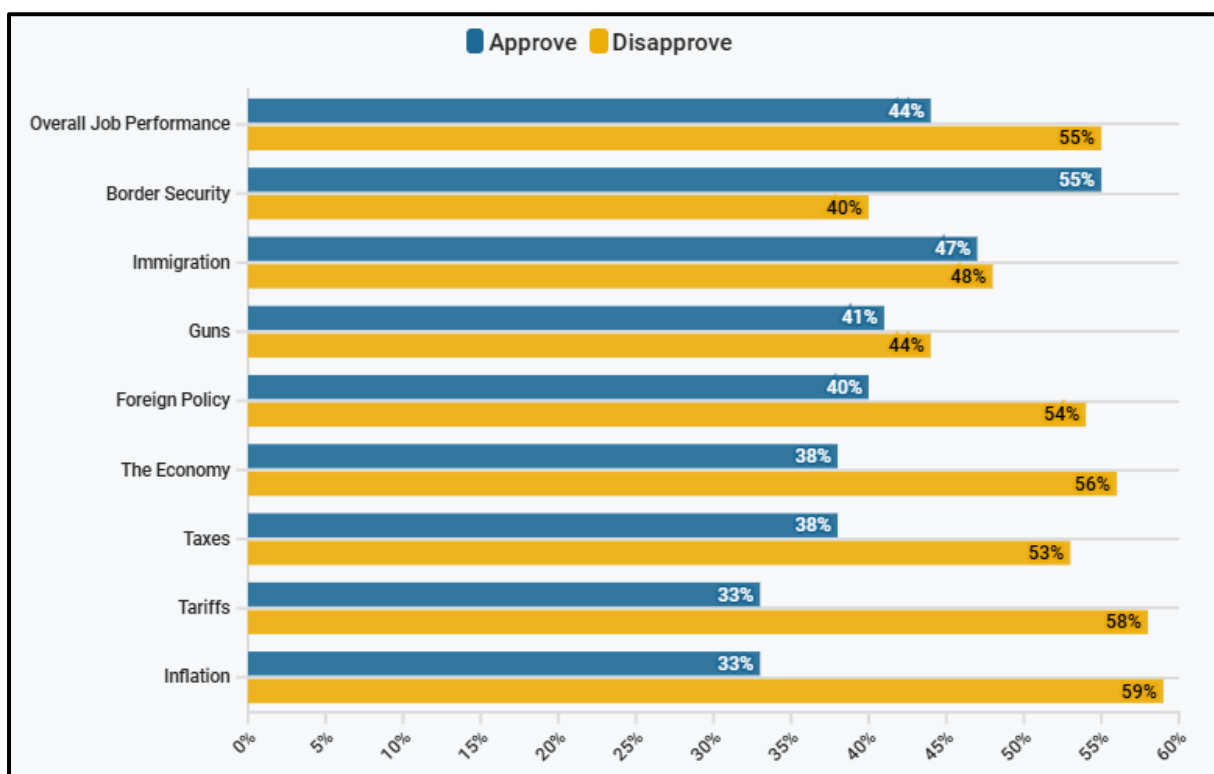
- Rubio also appeared to indicate that the US would back Iran’s civil nuclear programme if they took steps to dismantle their domestic enrichment facilities: “There’s a pathway to a civil, peaceful nuclear program if they want one.”
- Reuters notes: “Recent satellite imagery released by the Institute for Science and International Security shows Tehran is fortifying its underground nuclear facilities. That signifies that as talks between Washington and Tehran continue, Iran isn’t fully convinced the U.S. will hold up its end of the bargain.”

Chart of the Day

A new [Fox News](#) poll on Trump’s first 100 days has found that “Trump receives his best marks on border security, as a 55% majority approves,” but that’s the only issue where his ratings are in positive territory.

- Fox notes: “On immigration, a record high of 47% approve of Trump (48% disapprove), while a new low of 38% approve on the economy (56% disapprove). His worst ratings are on inflation (33% approve, 59% disapprove), followed by tariffs (33-58%), foreign policy (40-54%), taxes (38-53%), and guns (41-44%).”
- Reuters notes separately: “Americans elected President Donald Trump in hopes that he would fight inflation and boost the U.S. economy, but as he approaches his 100th day in office they are giving the Republican poor marks for his handling of both, a new Reuters/Ipsos poll shows.”

Figure 2: Trump Job Approval



Source: Fox News

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