

## MNI POLITICAL RISK ANALYSIS - US Daily Brief 24-07-25

by Adam Burrowes

### The White House *(times subject to change)*

15:00 ET 20:00 BST	President Trump signs Executive Orders and Congressional Bills
15:45 ET 20:45 BST	President Trump departs The White House en route The Federal Reserve
16:00 ET 21:00 BST	President Trump visits The Federal Reserve
17:10 ET 22:10 BST	President returns to the White House

### KEY DATES:

- ❖ Tariff letter deadline: August 1
- ❖ Government funding expires: September 30

### Washington

President Donald Trump has no public events scheduled for the morning. At 15:00 ET 20:00 BST, he will sign bills and Executive Orders in the Oval Office. At 16:00 ET 21:00 BST, Trump will tour the Federal Reserve's headquarters to inspect a renovation project that has been at the centre of a White House pressure campaign directed at Fed Chair Jerome Powell. (More below)

- At 09:30 ET 14:30 BST, Secretary of State Marco Rubio will meet Austrian Foreign Minister Beate Meinl-Reisinger at the Department of State. State Spokesperson Tommy Pigott will brief reporters at 14:00 ET 19:00 BST.

### Jeffrey Epstein Scandal

The Trump administration is still struggling to contain the fallout of the scandal surrounding an alleged cache of documents related to disgraced financier Jeffrey Epstein.

- The Wall Street Journal published a second major [article](#) of week, claiming Attorney General Pam Bondi informed Trump in May that his name "appeared multiple times", in the so-called 'Epstein files'. The Journal notes: "Being mentioned in the records isn't a sign of wrongdoing."
- Trump spokesperson Steven Cheung said in response: "This is another fake news story, just like the previous story by The Wall Street Journal."

CNN [reported](#) that new footage and photos "confirm for the first time that Epstein attended Trump's 1993 wedding to Marla Maples. Epstein's attendance at the ceremony at the Plaza Hotel was not widely known until now."

- "In a brief call with CNN on Tuesday, President Trump, asked about the wedding photos, responded, "You've got to be kidding me," before repeatedly calling CNN "fake news" and hanging up," adds the report.

- Politico writes: “This morning, Trump’s “Epstein files” ordeal has entered a new phase. If it wasn’t a crisis already, it is indisputably one now — and it threatens to swallow the news cycle and drastically complicate the GOP’s push to enact Trump’s agenda.”

Yesterday, Federal Judge Robin L. Rosenberg rejected a White House request to unseal grand jury transcripts related to Epstein’s Florida case in 2005 and 2007, arguing that transcripts are typically kept secret except in narrow circumstances, which the White House request failed to meet.

- The White House request, submitted to provide some transparency, already fell short of the expectations of Trump’s MAGA base, who wanted to see all of the documentation publicly released.

Punchbowl News reports: “Trump has lost control of the Jeffrey Epstein scandal. The House Oversight Committee – the top investigative panel in the House – will issue an array of subpoenas related [the case], rebuffing Trump’s pleas to his base to move on...”

- Punchbowl adds that suddenly, “the White House finds itself not getting any cover from Hill Republicans. In fact, GOP lawmakers are teaming up with Democrats to seek depositions and documents.”
- Punchbowl continues: “Not only is this political embarrassment for Trump, but it’s also a practical issue for Republicans. The congressional subpoenas all but guarantee that the Epstein story will continue to play out for at least another few months – just as Congress and the Trump administration wrestle with government funding.”

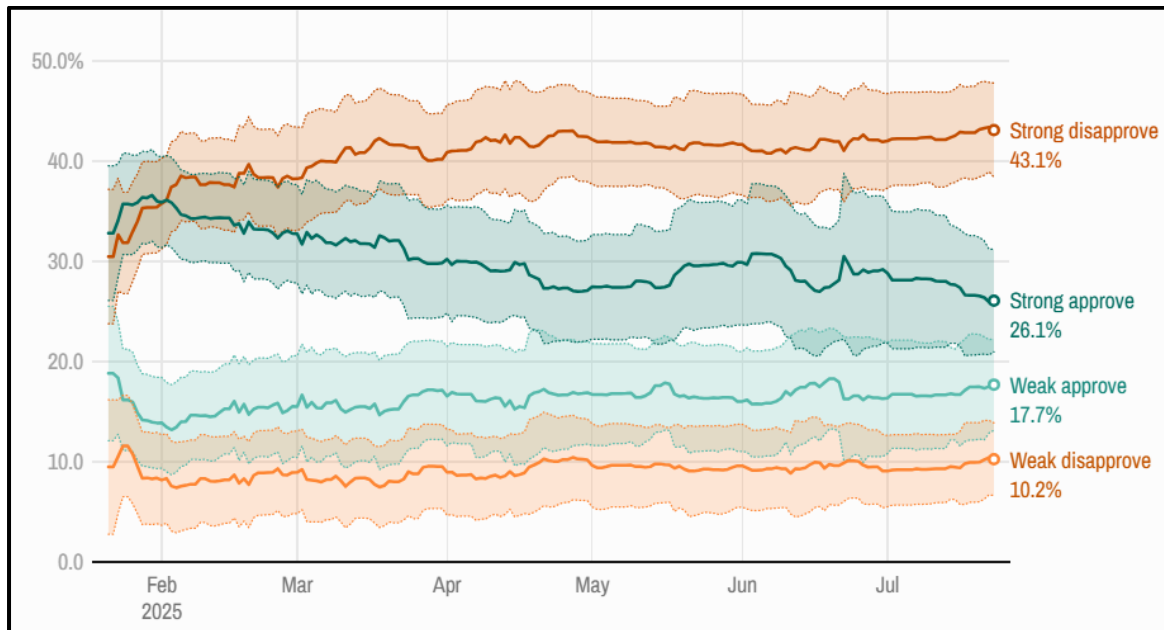
Senator Thom Tillis (R-NC) told Axios that the Trump administration should “release the damn files... It makes no sense to me. Either it’s a nothing burger ... or it’s something really disturbing, and that’s actually even a more compelling reason to release it.”

- Even attempts to head off the news cycle appear to be providing more ammunition to Democrats and GOP conservatives.
- Senate Intelligence Committee Vice Chair Mark Warner (D-VA) said of a decision by Director of National Intelligence Tulsi Gabbard to release [new documents](#) related to Russian interference in the 2016 presidential election: “It seems as though the Trump administration is willing to declassify anything and everything except the Epstein files.”

Silver Bulletin notes that Trump has hit a new low in his second-term net approval, -10.3, compared to his previous second-term low of -9.7 (on April 29th), speculating that “One potential explanation is the Epstein files.”

- Silver Bulletin adds: “Now is Trump still more popular now than he was at this point in his first term? Yes. But that might not be true for much longer. As of today, Trump’s net approval rating is only 5.5 points higher than it was on day 184 of his first term.”
- A closer look at Trump’s rating by ‘strength of approval’ shows a significant drop in ‘strong approval’, which may suggest a weakening of support with his core MAGA base, long seen as a hard floor of his support.

**Figure 1: “How strongly do Americans approve or disapprove of Donald Trump?”**



Source: Silver Bulletin

## Trade and Tariffs

Trump suggested at an AI event in Washington, D.C. (more on that below) that 15% is likely to be the floor of future reciprocal tariff rates, slightly higher than the 10% that many countries had been anticipating.

- Trump said: “We’ll have a straight, simple tariff of anywhere between 15% and 50%. A couple of — we have 50 because we haven’t been getting along with those countries too well.”
- Earlier this month, Trump said he would send letters to more than 150 countries setting a tariff rate of “probably 10 or 15%, we haven’t decided yet.” Commerce Secretary Howard Lutnick told CBS News on Sunday that smaller countries in ‘Latin America, the Caribbean, and Africa’ would receive a baseline tariff of 10%.

Republicans left back-to-back meetings with US Trade Representative Jamieson Greer this week praising current agreements from the Trump administration and predicting there would be more to come, Politico reports.

- Rep. Greg Murphy (R-NC) said: “The good thing was the Japanese agreement was reached and there are a lot of other agreements that are coming to a head. We knew it was going to take a while, we knew it was going to be an uphill, I don’t want to say fight, a challenge.”

## European Union

The [Financial Times](#) and [Bloomberg](#) reported yesterday that the US and European Union are ‘closing in’ on a deal that would impose 15% tariffs on European imports, potentially heading off a threat issued by Trump earlier this month to hit the EU with a 30% tariff rate on August 1.



- According to the reports, both sides would waive tariffs on some products, including aircraft, spirits and medical devices. FT sources said they understood the 15 per cent minimum tariff would include existing duties, so Brussels views the deal as cementing the status quo.
- The FT report noted: "The bloc will continue to prepare a possible 93bn package of retaliatory tariffs, set at up to 30 per cent, in case they cannot agree a deal by August 1, the people said. A US official said the situation was fluid and subject to change."

European Commission spokesperson Olof Gill told reporters this morning that "the EU continues to engage intensively with the US on tariffs...Our focus is on finding a negotiated outcome with the US...We believe such an outcome is within reach."

- Gill added: "We have no intention to bring additional countermeasures between now and August 1...But we remain prepared for all scenarios." He noted that the 'anti-coercion instrument (ACI)' is intended to act primarily as a "deterrent", and that it has many "off ramps" that would allow for a de-escalation.

Bloomberg [reported](#) this morning that the European Commission expects to get the qualified majority of member states required to trigger the ACI, if needed.

- Bloomberg notes: "The instrument [ACI] is primarily designed as a deterrent with its activation requiring a qualified majority of member states to support the move. The ACI would enable the EU to launch a broad range of retaliatory actions, including new taxes on US tech giants, targeted curbs on US investments, and limiting access to the EU market."

## South Korea

South Korea's Finance Ministry said Thursday that a high-level trade meeting between South Korea and the US this week has been postponed after Treasury Secretary Scott Bessent became unavailable due to a scheduling conflict, per Bloomberg.

- Jeong Woo Park at Nomura Holdings said: "Since they've mentioned rescheduling the talks soon, it seems safe to consider it a postponement for now. There doesn't seem to be an issue with the negotiations themselves. From the US perspective, they probably don't view the Korea discussions as urgent since they have successfully wrapped up their talks with Japan."
- Bloomberg reports: "South Korea had viewed the Friday dialogue as a critical chance to make progress in trade negotiations ahead of a looming Aug. 1 deadline for President Donald Trump's across-the-board tariffs to go up to 25%. Bessent's absence takes some of the momentum out of the talks, but South Korea is still looking for further developments led by its chief trade negotiator Yeo."

Yonhap reports: "South Korea is expected to propose investing at least US\$100 billion in the United States as part of its ongoing tariff negotiations with Washington, informed local industry sources said Thursday." A similar investment pledge from Tokyo was seen as instrumental in facilitating a deal with Trump this week.

- An official told Yonhap: "Even if the total amount of investment falls short of Japan's, it seems the government is trying to put together a package that aligns with U.S. President Donald Trump's interests, like cooperation in the shipbuilding industry."

## Congressional Business

The House is OUT until September 2

The Senate is IN

### Committee Schedule –

- 10:00 ET 15:00 BST: SENATE Appropriations: Fiscal Year 2026 Commerce, Justice, Science, and Related Agencies Bill

## FY26 Appropriations

Senate Majority Leader John Thune (R-SD) acknowledged yesterday that Congress is likely to require a short-term funding measure to avert a government shutdown on October 1.

- Politico reports that Thune's goal is to "get as many of the 12 annual funding bills as possible signed into law by Oct. 1, and then use a more limited stopgap measure to temporarily cover the rest of the federal government. The Senate is moving its first tranche of funding bills this week, and Thune said he wanted to pass another three or four in September, which would let the chamber bless at least half of the dozen appropriations measures in time for the shutdown deadline."
- House Majority Leader Steve Scalise (R-LA) said in an interview with Politico on Wednesday that doing stopgap funding is "not ideal" and that it's "bad for defense."
- "We want to try to get a negotiated appropriations process. And we still have that ability. That's why I'm so encouraged by the Senate finally ... moving appropriations bills through that chamber," Scalise said.
- The Senate will continue to work on its appropriations bills ahead of the August recess. Today, the Appropriations Committee will vote on the FY26 bill for Commerce, Justice, and Science.

## Artificial Intelligence

The White House released its Artificial Intelligence 'Action Plan', laying out policy proposals for the Trump administration to pursue to ensure "dominance" in the industry. Website link [here](#). PDF link [here](#).

- The plan purports to "accelerate AI innovation" by removing "red tape" and "onerous regulation". It lays out a strategy for building AI infrastructure by developing "streamlined permitting for data centres" and "restoring semiconductor manufacturing".
- The plan advocates for "exporting American AI to allies and partners" and countering "Chinese influence in international governance bodies".
- It states that American energy capacity has "stagnated" while China has "rapidly built out their grid,". Stressing that "America's path to AI dominance depends on changing this troubling trend."
- The plan outlines "three pillars: innovation, infrastructure, and international diplomacy and security." Arguing that the US needs to "innovate faster and more comprehensively than our competitors in the development and distribution of new AI technology across every field..."

- Axios notes: “Most of the 23-page Action Plan gives a green light to the tech industry, focusing on accelerating AI innovation rather than addressing concerns such as model safety, environmental risks and the potential for job loss.”

## Federal Reserve

The White House announced yesterday that President Trump will visit the Federal Reserve’s Washington, D.C, headquarters today to inspect renovation works that Trump has highlighted as potential grounds to dismiss Chair Jerome Powell.

- Trump will be joined by Office of Management and Budget Director Russell Vought, Deputy Chief of Staff James Blair, Senate Banking Committee Chair Tim Scott (R-SC), and Federal Housing Finance Agency Director Bill Pulte.
- The visit, expected to last around an hour, is the latest attempt to ratchet up pressure on Powell to change path on interest rates, or resign from office before his term ends in May 2026.
- While Trump and senior White House officials have downplayed the prospect of firing Powell, they have upheld an accusation that the Fed renovation could represent fraud or even [perjury](#) if it is discovered he misled Congress during a recent Senate testimony. Trump has also levelled more general allegations of incompetence in monetary policy.

Trump’s most recent line of attack has focused on housing affordability, which chimes with Pulte’s [aggressive social media campaign](#) urging Powell to resign. Trump’s angle may reflect [poor polling](#) related to the economy in general and inflation and the cost of living, in particular.

- “Housing in our Country is lagging because Jerome “Too Late” Powell refuses to lower Interest Rates. Families are being hurt because Interest Rates are too high, and even our Country is having to pay a higher Rate than it should be because of “Too Late.” Our Rate should be three points lower than they are, saving us \$1 Trillion per year (as a Country). This stubborn guy at the Fed just doesn’t get it — Never did, and never will. The Board should act, but they don’t have the Courage to do so!” Trump said on Truth Social yesterday.

Treasury Secretary Scott Bessent told MSNBC yesterday that he’s “not sure” where questions of firing Powell come from, as “Trump has repeatedly said he’s not going to fire Chair Powell.”

- Bessent added: “[Trump] might like for him to resign, but he’s not going to fire him. He’s said that on numerous occasions. I think he may have even said it again yesterday.”

## Iran

Iran’s Deputy Foreign Minister Kazem Gharibabadi told the UN yesterday that Tehran has agreed to host a technical team from the International Atomic Energy Agency (IAEA) “in the coming weeks” to discuss “a new modality” for cooperation between Iran and the UN’s nuclear watchdog.



- Gharibabadi noted that the team will not be permitted to inspect Iran's nuclear sites. But, even without inspections of Iran's nuclear sites, the resumption in IAEA-Iran talks may be viewed as a positive sign for stability.
- In a [post on X](#) today, Gharibabadi outlined conditions for Tehran to resume nuclear talks with the US. These include "gaining Iran's trust" (adding that "Iran does not trust the United States in any way"), "not using the negotiations as a platform for hidden agendas such as military action", "respect and recognition of Iran's rights under the Non-Proliferation Treaty, including enrichment in accordance with Iran's desired needs; and lifting sanctions".
- Gharibabadi will meet with his counterparts from the E3 nations (France, Germany, UK) in Istanbul on Friday, 25 July amid the looming threat of ['snapback'](#) sanctions being imposed on Iran if no new nuclear deal is in place by October (at the latest).

Laura Rozen at the Diplomatic reports that Iran is "open to new talks with the United States, but believes two principles need to be agreed to make them successful: namely that the United States should agree that Iran will not be attacked while it is negotiating, and that the U.S. and Iran agree that a deal would benefit both countries."

- The Wall Street Journal reports that Gharibabadi "showed little flexibility on the fundamental issue that has divided Tehran and Washington: Iran's insistence that it will not stop enriching uranium. He said Tehran won't make itself entirely dependent on foreign supplies of fuel, as the Trump administration has demanded."

## Russia-Ukraine

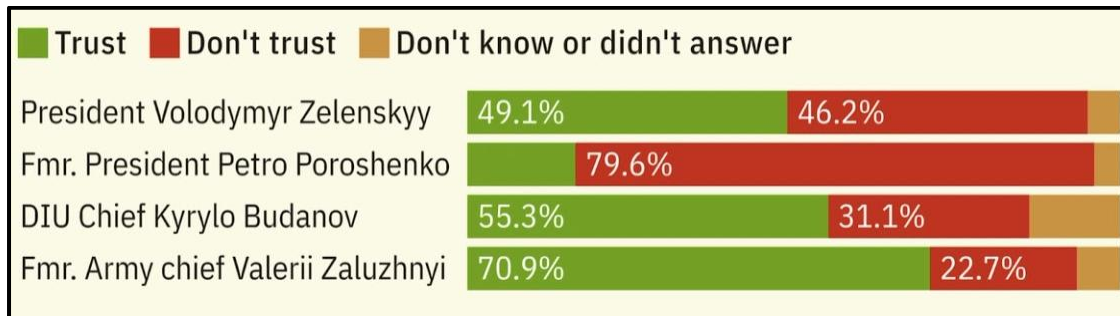
Russian and Ukrainian delegations met in Istanbul yesterday for roughly 40 minutes for another round of talks aimed at negotiating a ceasefire. The meeting made limited progress in expanding communication channels and prisoner exchanges, but as expected, did little to advance a ceasefire.

- Ukrainian negotiator Rustem Umerov said: "Regarding a cease-fire, we have not made progress yet." Russian negotiator, Vladimir Medinsky, told reporters: "The positions are quite apart from each other."
- The New York Times notes: "Both Kyiv and the Kremlin say they want to end the war. They just have very different views on what a peace agreement should look like. Ukraine is demanding a full cease-fire before discussing a durable peace. Russia wants the opposite, insisting on agreeing to peace terms before halting its offensive."
- Russian President Vladimir Putin likely believes that Trump's 50-day grace period until he considers new sanctions and secondary tariffs is sufficient time for Russia to make additional battlefield gains in its summer offensive.

Semafor notes Ukrainian President Volodymyr Zelenskyy's recent move to undercut the independence of the country's anti-corruption agencies "has sparked a political crisis that could hurt Kyiv's hopes of joining the European Union."

- The Financial Times reports: "The row puts Ukraine's Western partners in a tricky position; they don't want to risk explicitly calling out Kyiv, knowing that public criticism could be weaponized by the Kremlin."

## Figure 2: Ukrainian's Views of Politicians, June 6-11



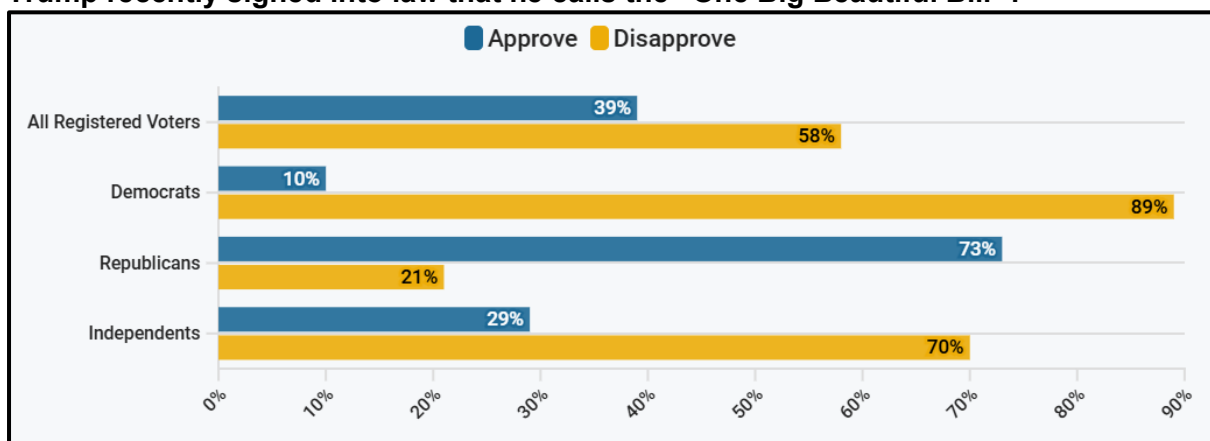
Source: Semafor, SOCIS

## Chart of the Day

A Fox News [survey](#) has found that more Americans, “disapprove (58%) than approve (39%) of the GOP’s ‘One Big Beautiful Bill’ by 19 percentage points, and more than twice as many think the law will hurt rather than help their family.”

- Fox notes: “Opposition to the budget comes from a large majority of Democrats (89%), most independents (70%), and one in five Republicans (21%). Significant shares of Trump’s base also oppose the bill, including 52% of rural voters, 46% of White men without a college degree, and 37% of White evangelical Christians.”
- Fox adds: “Topping the list of things in the law that voters dislike is increasing the debt ceiling (74%), as three-quarters disapprove. More than half also disapprove of reducing food stamp funding (65%), making tax cuts permanent for those with higher incomes (64%), increasing spending for immigrant detention centers (59%) and the border wall (55%), ending wind and solar tax credits (58%), and increasing work requirements for Medicaid (53%).”

**Figure 3: “Do you approve or disapprove of the federal budget legislation President Trump recently signed into law that he calls the “One Big Beautiful Bill”?”**



Source: Fox News



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