

NEWS  
News: Bloomberg

JPMorgan CEO Jamie Dimon Warns US Recession 'Not Off the Table'  
Yet

**“Jamie Dimon said he wouldn't take the prospect of a recession in the US “off the table,” but that the Federal Reserve should wait before it cuts interest rates.”**

Jamie Dimon said he wouldn't take the prospect of a recession in the US “off the table,” but that the Federal Reserve should wait before it cuts interest rates.

“The world is pricing in a soft landing, at probably 70-80%,” the JPMorgan Chase & Co. chief executive officer said via video link at the Australian Financial Review Business Summit in Sydney on Tuesday. “I think the chance of a soft landing in the next year or two is half that. The worst-case would be stagflation.”

Dimon said economic indicators have been distorted by Covid-19 and he takes them with “a grain of salt,” saying the Fed should wait for more clarity before lowering interest rates. “They can always cut quickly and dramatically. Their credibility is a bit at stake here,” he said. “Unemployment in the United States is very low at the moment, wages continue to go up.”

Dimon said while the US economy was “kind of booming” currently, the risk of a recession remained. The comments strike a slightly less optimistic tone from the top banker, who has recently painted a sanguine outlook for world markets, a sharp divergence from his views less than two years ago when central banks first started tightening interest rates. Dimon made headlines for warning in 2022 that a “hurricane” was about to hit the US economy.

Source: <https://www.bloomberg.com/news/articles/2024-03-11/dimon-says-us-economy-booming-but-recession-not-off-the-table>

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### US Chip Supply 'Too Concentrated' in Few Nations, Raimondo Says

***“The US wants to help the Philippines double its semiconductor facilities, Commerce Secretary Gina Raimondo said in a business forum in Manila on Tuesday.”***

The US wants to help the Philippines double its semiconductor facilities, to lessen the geographic concentration of the global chip supply chain, Commerce Secretary Gina Raimondo said in a business forum in Manila on Tuesday.

The comments came in the wake of announcing over \$1 billion in investments from US companies in the Philippines as part of a trade mission organized by President Joe Biden and led by Raimondo. The commerce chief, much like US Secretary of State Antony Blinken, has sought to encourage nations in Southeast Asia to deepen their investment in chipmaking and related industries, at a time when much of that business still happens in Taiwan and South Korea.

“US companies have realized that our chip supply chain is way too concentrated in just a few countries in the world,” Raimondo said. “Forget about geopolitics, just at that level of concentration, you know the old adage don’t put all your eggs in one basket. Why do we allow ourselves to be buying so many of our chips from one or two countries? That’s why we need to diversify.”

The Philippines has 13 semiconductor assembly, testing and packaging facilities and Raimondo said “let’s double it.”

She did not offer any specifics on how the US may assist in that, other than to say it would be an attractive destination for US corporate customers. The Southeast Asian nation is rich on critical minerals, she added, and businesses are looking internationally to make their supply chain more resilient. “I believe you are on top of the list,” Raimondo told Philippine executives.

Source: <https://www.bloomberg.com/news/articles/2024-03-12/us-chip-supply-too-concentrated-in-few-nations-raimondo-says>

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## RBA's Hunter Says Households Are 'Clearly Struggling' at Moment

***“Australian households are “clearly struggling” at present as they confront a number of headwinds, led by inflation, Reserve Bank Assistant Governor Sarah Hunter said.*”**

Australian households are “clearly struggling” at present as they confront a number of headwinds, led by inflation, Reserve Bank Assistant Governor Sarah Hunter said a week before the board meets to decide on interest rates.

“For some households, interest rate hikes are also challenging and difficult but inflation is the single biggest drag,” Hunter said in her first public remarks since taking her role overseeing economic analysis and research at the RBA in late January. She commented during a panel discussion at an Australian Financial Review business summit in Sydney on Tuesday.

The RBA has raised rates 13 times since May 2022 as it tries to gain control over consumer prices that surged in the post-pandemic period. The central bank’s board meets next Tuesday and most observers expect it to keep borrowing costs unchanged at a 12-year high of 4.35% as it assesses the trajectory of the economy.

“Data are actually broadly in line with what we were anticipating,” Hunter said, referring to the latest economic releases. “That’s not to say we’re not monitoring and looking and we’ll obviously be reviewing and updating our forecasts and publishing those in May.” The bank releases its quarterly Statement on Monetary Policy that contains its latest outlook on May 7.

Source: <https://www.bloomberg.com/news/articles/2024-03-11/rba-s-hunter-says-households-are-clearly-struggling-at-moment>

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