US Economy Under Pressure: Inflation Surges, Tariffs Bite, and Global Tensio

Global Financial News · Answer Key · 8 Questions

1. What was the primary driver for the jump in the U.S. annual inflation rate to 3.3% in March 2026, marking its highest level since May 2024?

A) Increased shelter costs
B) Higher energy costs due to the war with Iran
C) A decline in used car prices
D) Stabilized food prices

2. In 2025, how did U.S. companies' investment plans in China change compared to 2024, according to a survey by the US-China Business Council?

A) Investment plans increased significantly
B) Investment plans remained the same
C) Investment plans decreased to record lows
D) Only 48% of companies planned to invest, a decrease from 80% in 2024

3. Which global event significantly impacted U.S. energy markets in early 2026, leading to increased gasoline and fuel oil prices?

A) A major hurricane in the Gulf of Mexico
B) The U.S. war with Iran
C) A prolonged drought affecting domestic oil production
D) A cyberattack on the Strategic Petroleum Reserve

4. According to a survey by the American Chamber of Commerce in China released in January 2026, what was the primary concern for U.S. businesses operating in China?

A) Stricter environmental regulations
B) The slowing growth of China's economy
C) Increased competition from local businesses
D) Reduced access to technological resources

5. What was the impact of increased U.S. tariffs in 2025 on the U.S. trade deficit with its largest trading partners like Europe, China, Canada, and Mexico?

A) The trade deficit significantly narrowed with all partners
B) The trade deficit widened with all partners
C) There was a modest narrowing of the trade deficit with these partners
D) The trade deficit remained unchanged

6. In 2025, the U.S. effective tariff rate increased from under 5% in 2024 to approximately what percentage?

A) 8%
B) 12%
C) 17%
D) 25%

7. What factor significantly contributed to the U.S. trade deficit in 2025, despite increased import tariffs?

A) A sharp decrease in consumer spending
B) A substantial decline in export of services
C) Record-high imports driven by accelerated purchases ahead of new duties
D) Reduced demand for imported industrial supplies

8. What is the projected impact of China's economic slowdown on the U.S. economy, according to analysis from July 2025?

A) Increased global trade and higher demand for U.S. goods
B) Stronger investment flows from international corporations
C) Lower nominal GDP growth in the U.S. due to less global trade and demand
D) A surge in export opportunities for U.S. businesses