

Wall Street holds near its record amid doubts about Trump's tariffs

By Stan Choe
AP Business Writer

NEW YORK — U.S. stock indexes hung near their records on Monday following President Donald Trump's latest updates to his tariffs, as speculation continues on Wall Street that he may ultimately back down on them.

The S&P 500 edged up by 0.1% to pull within 0.2% of its all-time high set on Thursday. The Dow Jones Industrial Average added 88 points, or 0.2%, and the Nasdaq composite climbed 0.3% to set a record. Stock indexes elsewhere around the world were mixed in their first trading after Trump announced plans over the weekend for 30% tariffs on goods from Mexico and the European Union. They won't take effect until Aug. 1, the same deadline that Trump announced last week for updated tax rates on imports from Japan, South Korea and a dozen other countries.

The latest postponements for Trump's tariffs allow more time for him to reach trade deals with other countries that could lower the tariff rates and prevent pain for international trade. They also feed into speculation that Trump may ultimately back down on his tariffs if they end up creating too much damage

for the economy and for financial markets.

If Trump were to enact all his proposed tariffs on Aug. 1, they would raise the risk of a recession. That would not only hurt U.S. voters but also raise the pressure on the U.S. government's debt level relative to the economy's size, particularly after Washington approved big tax cuts that will add to the deficit.

"We therefore believe that the administration is using this latest round of tariff escalation to maximize its negotiating leverage and that it will ultimately de-escalate, especially if there is a new bout of heightened bond and stock market volatility," according to Ulrike Hoffmann-Burchardi, global head of equities at UBS Global Wealth Management.

"As usual, there are many conditions and clauses that can get these rates reduced," said Brian Jacobsen, chief economist at Annex Wealth Management. "That's probably why the market might not like the tariff talk, but it's not panicking about it either."

For the time being, all the uncertainty around tariffs could help keep markets steady. This upcoming week has several potential flashpoints that could shake things.

On Tuesday will come the latest reading on inflation across the United States. Economists expect it to show inflation accelerated to 2.6% last month from 2.4% in May.

Companies are also lining up to report how they performed during the spring. JPMorgan Chase and several other huge banks will report their latest quarterly results on Tuesday, followed by Johnson & Johnson on Wednesday and PepsiCo on Thursday.

Fastenal, a distributor of industrial and construction supplies, on Monday reported a stronger profit for the latest quarter than analysts expected. Its stock rose 4.2%, though it also said that market conditions remain sluggish.

Shares of Kenvue rose 2.2% after the former division of Johnson & Johnson said CEO Thibaut Mongon is stepping down. Kenvue, the maker of Listerine and Band-Aid brands, is in the midst of a strategic review of its options, "including ways to simplify the company's portfolio and how it operates," according to Larry Merlo, the board's chair.

Waters slumped 13.8% after saying it had agreed to merge with Becton, Dickinson and Co.'s biosciences and diagnostic

solutions business in a deal valued at roughly \$17.5 billion.

All told, the S&P 500 rose 8.81 points to 6,268.56. The Dow Jones Industrial Average added 88.14 to 44,459.65, and the Nasdaq composite climbed 54.80 to 20,640.33 to top its last all-time high set on Thursday.

In the bond market, Treasury yields held relatively steady. The yield on the 10-year Treasury slipped to 4.42% from 4.43% late Friday.

In stock markets abroad, indexes fell across much of Europe. Germany's DAX lost 0.4%, and France's CAC 40 fell 0.3%. But indexes rose 0.8% in South Korea and 0.3% in Hong Kong.

Chinese shares advanced after the government reported that exports rose last month as a truce in a tariff war prompted a surge in orders ahead of the Aug. 1 deadline for reaching a new trade deal with Washington.

Some of the biggest moves in financial markets were for crypto, where bitcoin continues to set records. This upcoming week is "Crypto Week" in Washington, where Congress will consider several bills to "make America the crypto capital of the world."

Under fire by Trump over costs, Chair Powell seeks review of Fed building overhaul

By Christopher Rugabger
AP Economics Writer

WASHINGTON — Federal Reserve Chair Jerome Powell has asked an inspector general to review the cost of the central bank's building renovations that White House officials have attacked as "ostentatious."

A spokesperson for the inspector general, an independent watchdog, confirmed the request and declined further comment. The request was previously reported by Axios.

The Fed has been renovating two of its office buildings in Washington for several years at a current cost estimate of about \$2.5 billion, \$700 million more than originally expected. The project was first approved by the Fed's governing board in 2017. Trump administration officials have seized on the expense and some alleged amenities in the remodeled buildings to extend their criticism of Powell, whom the president has attacked for not reducing the Fed's short-term rate.

On Thursday, Russ Vought, the president's top budget advisor, said that President Donald Trump is "extremely troubled" about the "ostentatious overhaul" and suggested that it may be violating local building rules.

The letter represented a sharp escalation in the Trump administration's efforts to gain greater control over the Fed, an independent agency charged with seeking stable prices and maximum employment. Independence from day-to-day politics has long been seen as a critical element in the Fed's ability to achieve those goals.

Trump has repeatedly demanded that Powell cut the short-term interest rate that the central bank controls, in part because the president believes it will lower the government's borrowing costs.

Trump in April threatened to fire Powell, though he later backed off those threats after stock prices fell in response. The Supreme Court has since signaled that the president doesn't have the authority to remove the Fed chair over a disagreement about interest rates.

The law governing the Fed does say that the chair can be fired "for cause," such as wrongdoing by the chair or neglect of duty. Powell's term as chair ends in May 2026.

Vought's letter criticizes Powell's management of the Fed, suggesting that the administration could be trying to build a case to remove the chair for cause.

"I still think it's unlikely, but not impossible that Trump would try to replace Powell before his

term was up," Stephen Moore, a former adviser to Trump and an economist at the Heritage Foundation, said.

The letter also charges that the Fed altered its building plans without notifying a Washington planning commission, known as the National Capital Planning Commission, and may be in violation of its rules. Trump recently has appointed two close aides to the commission.

Over the weekend, the Fed said in a post of "frequently asked questions" on its website about the building project that it is "not subect to the direction" of the commission and has only complied with its directives voluntarily. The Fed also said that it is accountable to the Senate and House of Representatives, and is also overseen by the independent inspector general, not the White House.

The Fed is not directly funded by taxpayers and instead uses proceeds from interest payments on its huge bond holdings and fees from banks to pay for its operations.

In the FAQ, the Fed said that the higher costs for its project stem from rising costs for materials, labor, and equipment. Construction costs generally have soared in recent years as a result of the 2022-2023 inflation spike, the largest in four decades. The central bank also says more asbestos has been discovered than expected, and it has had to comply with height restrictions in Washington by building more underground, at greater expense.

During a Senate hearing last

month, Sen. Tim Scott, a Republican from South Carolina and chairman of the banking committee, criticized the Fed for "lavish renovations" that he said included "rooftop terraces, custom elevators that open into VIP dining rooms, (and) white marble finishes."

Powell, however, disputed that characterization: "There's no VIP dining room. There's no new marble. ... There are no special elevators." The Fed did change its building plans in 2023, he added.

The Fed also said in the FAQs that a "garden terrace" that it referenced in 2021 planning documents is a "ground-level front lawn" on top of a parking garage that is used to "help with stormwater management and to increase building efficiency and roof longevity."

Meanwhile, Trump on Monday attacked Powell again, saying he has been "terrible" and "doesn't know what the hell he's doing."

Powell has held off on further reductions given Trump's tariffs, saying that Fed officials want to see how the import taxes influence inflation and economic growth.

The Fed's concern is that rate cuts on the scale discussed by Trump could worsen inflation if, in fact, his tariffs result in higher prices across the U.S. economy. There is also the possibility that tariffs harm economic growth in ways that require rate cuts in order to limit job losses.

Trump and some of his officials have urged Powell to resign, though there is no indication he will leave before his term ends in May.

Absent revelations of related misconduct by the Fed chair — for which there is zero evidence to date — that led to a collapse of support in the Senate, we are 100% confident Powell will not resign," Krishna Guha, an analyst at investment bank Evercore ISI, wrote Monday.

MARKETS

DOW JONES INDUSTRIALS

High: 44,472.13
Low: 44,237.28
Close: 44,459.65
Change: +88.14



OTHER INDEXES

Standard&Poors 500 Index: 6,268.56 +8.81
NYSE Index: 20,581.45 +33.78
Nasdaq Composite Index: 20,640.33 +54.80

NYSE Amer Composite: 6,004.39 +40.05

Russell 2000 Index: 2,249.73 +14.90

Wilshire 5000 Total Market Index: 62,540.23 -261.37

VOLUME

NYSE consolidated volume: 2,844
Total number of issues traded: 4,722,251,374

STOCKS OF LOCAL INTEREST

COMPANY	TICKER	YESTERDAY CLOSE	CHANGE	PERCENT CHANGE	VOLUME
Casey's General Store	CASY	523.28	+6.69	+1.30%	247,646
Ford Motor Company	F	11.88	+0.10	+0.85%	57.966M
General Motors	GM	53.33	-0.06	-0.11%	6.932M
H&R Block	HRB	55.98	-0.15	-0.27%	962,490
McDonald's Corp.	MCD	301.88	+1.97	+0.66%	5.695M
Principal Financial	PFG	80.95	+0.58	+0.72%	773,927
Valero	VLO	148.87	-4.18	-2.73%	2.083M
Winnebago	WGO	32.41	-0.92	-2.76%	707,555
YUM! Brands, Inc.	YUM	147.17	-2.62	-1.75%	1.908M
Zoetis	ZTS	155.65	+0.69	+0.45%	1.986M

US imposes a 17% duty on fresh Mexican tomatoes in hopes of boosting domestic production

By Dee-Ann Durbin
AP Business Writer

The U.S. government said Monday it is immediately placing a 17% duty on most fresh Mexican tomatoes after negotiations ended without an agreement to avert the tariff.

Proponents said the import tax will help rebuild the shrinking U.S. tomato industry and ensure that produce eaten in the U.S. is also grown there. Mexico currently supplies around 70% of the U.S. tomato market, up from 30% two decades ago, according to the Florida Tomato Exchange.

Robert Guenther, the trade group's executive vice president, said the duty was "an enormous victory for American tomato farmers and American agriculture."

But opponents said the import tax will make tomatoes more expensive for U.S. consumers. Mexican greenhouses specialize in vine-ripened tomatoes, while Florida tomatoes are typically grown in fields and picked green.

"As an industry, we are saddened that American consumers will have to pay a tomato tax, or duty, for a reduced selection of the tomatoes they prefer, such as tomatoes on the vine, grape tomatoes, Romas, cocktail tomatoes and other specialty varieties," said Lance Jungmeyer, president of the Fresh Produce Association of the Americas, which represents importers of Mexican tomatoes.

Tim Richards, a professor at the Morrison School of Agribusiness at Arizona State University, said U.S. retail prices for tomatoes will likely rise around 8.5% with a 17% duty.

Jacob Jensen, a trade policy analyst at the American Action Forum, a right-leaning policy institute, said areas with a higher reliance on Mexican tomatoes could see price increases close to 10%, since it will be more difficult to replace that supply, while other parts of the U.S. could see price increases closer to 6%.

The duty stems from a longstanding U.S. complaint about Mexico's tomato exports and is separate from the 30% base tariff on products made in Mexico and the European Union that President Donald

Trump announced on Saturday.

The Commerce Department said in late April that it was withdrawing from a deal it first reached with Mexico in 2019 to settle allegations the country was exporting tomatoes to the U.S. at artificially low prices, a practice known as dumping.

As part of the deal, Mexico had to sell its tomatoes at a minimum price and abide by other rules. Since then, the agreement has been subject to periodic reviews, but the two sides always reached an agreement that avoided duties.

In announcing its withdrawal from the Tomato Suspension Agreement, the Commerce Department said it had been "flooded with comments" from U.S. tomato growers who wanted better protection from Mexican goods.

"Mexico remains one of our greatest allies, but for far too long our farmers have been crushed by unfair trade practices that undercut pricing on produce like tomatoes. That ends today," Commerce Secretary Howard Lutnick said in a statement. "This rule change is in line with President Trump's trade policies and approach with Mexico."

But others, including the U.S. Chamber of Commerce and the National Restaurant Association, had called on the Commerce Department to reach an agreement with Mexico. Texas Gov. Greg Abbott, a Republican, and Arizona Gov. Katie Hobbs, a Democrat, had also urged the Commerce Department to leave the current tomato agreement in place.

In a letter sent to Lutnick last week, the U.S. Chamber of Commerce and 30 other business groups said U.S. companies employ 50,000 workers and generate \$8.3 billion in economic benefits moving tomatoes from Mexico into communities across the country.

"We are concerned that withdrawing from the agreement — at a time when the business community is already navigating significant trade uncertainty — could lead to retaliatory actions by our trading partners against other commodities and crops that could create further hardship for U.S. businesses and consumers," the letter said.

Legal Notice

NOTICE OF MEETING FOR APPROVAL OF ECONOMIC DEVELOPMENT SUPPORT AGREEMENT WITH CHARLES CITY AREA DEVELOPMENT CORPORATION AND AUTHORIZATION OF ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS

The City Council of the City of Charles City, Iowa, will meet on July 21, 2025, at 6:00 p.m., in the Zastrow Room of the Public Library, 910 Clark Street, Charles City, Iowa, at which time and place proceedings will be instituted and action taken to approve an economic development support agreement (the "Agreement") between the City and Charles City Area Development Corporation ("ADC"), in connection with the provision of services, programs and initiatives by ADC for the promotion of economic growth and development in the Southwest Bypass Urban Renewal Area, the Riverside Urban Renewal Area, and the South Grand Urban Renewal Area. The Agreement would provide for certain financial incentives in the form of incremental property tax payments to ADC in a total amount not exceeding \$224,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make incremental property tax payments to ADC under the Agreement will not be a general obligation of the City, but such payments will be payable solely and only from incremental property tax revenues generated within the Southwest Bypass Urban Renewal Area, the Riverside Urban Renewal Area, and the South Grand Urban Renewal Area. Some or all of the payments under the Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the Council may, at the meeting or at an adjournment thereof, take additional action to approve the Agreement or may abandon the proposal.

This notice is given by order of the City Council of Charles City, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Brittney Lentz, City Clerk

Legal Notice

NOTICE OF MEETING FOR APPROVAL OF ECONOMIC DEVELOPMENT SUPPORT AGREEMENT WITH MAIN STREET CHARLES CITY AND AUTHORIZATION OF ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS

The City Council of the City of Charles City, Iowa, will meet on July 21, 2025, at 6:00 p.m., in the Zastrow Room of the Public Library, 910 Clark Street, Charles City, Iowa, at which time and place proceedings will be instituted and action taken to approve an economic development support agreement (the "Agreement") between the City and Main Street Charles City ("MSCC"), in connection with the provision of services, programs and initiatives by MSCC for the promotion of economic growth and development in the Riverside Urban Renewal Area, including administering the City's Main Street Iowa Program, a façade improvement program, and a cultural and entertainment program. The Agreement would provide for certain financial incentives in the form of incremental property tax payments to MSCC in a total amount not exceeding \$225,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make incremental property tax payments to MSCC under the Agreement will not be a general obligation of the City, but such payments will be payable solely and only from incremental property tax revenues generated within the Riverside Urban Renewal Area. Some or all of the payments under the Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the Council may, at the meeting or at an adjournment thereof, take additional action to approve the Agreement or may abandon the proposal.

This notice is given by order of the City Council of Charles City, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Brittney Lentz, City Clerk

Legal Notice

THE IOWA DISTRICT COURT FOR FLOYD COUNTY IN THE MATTER OF THE ESTATE OF SCOTT M. HOTTOVY, Deceased CASE NO. ESPR019136 NOTICE OF PROBATE, APPOINTMENT OF PERSONAL REPRESENTATIVE, AND NOTICE TO CREDITORS

To All Persons Interested in the Estate of Scott M. Hottovy, Deceased, who died on or about March 26, 2025:

You are hereby notified that on June 6, 2025, the undersigned was appointed personal representative of the estate.

Notice is hereby given that all persons indebted to the estate are requested to make immediate payment to the undersigned, and creditors having claims against the estate shall file them with the clerk of the above named district court, as provided by law, duly authenticated, for allowance, and unless so filed by the later to occur four months from the date of the second publication of this notice or one month from the date of the mailing of this notice (unless otherwise allowed or paid) a claim is thereafter forever barred.

Dated: June 6, 2025

Renee J. Hottovy, Personal Representative of Estate 208 8th Ave. Charles City, IA 50616

Nicholas T. Larson, ICIS#: AT009361 Attorney for Executor Larson Law Office, PLLC 500 MAIN STREET OSAGE, IA 50461

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Bitcoin soars to new high as lawmakers focus on pro-crypto legislation

By Alan Suderman
AP Business Writer

Bitcoin continued its rapid climb and hit another all-time high Monday as U.S. lawmakers begin a week focused on passing pro-crypto legislation.

Data from CoinMarketCap showed bitcoin climbed above \$123,000 early Monday, up from about \$108,000 only a week ago. The world's oldest and most popular cryptocurrency is currently the fifth most valuable asset class in the world at \$2.4 trillion, giving it a higher market cap than Amazon.

The enthusiasm for bitcoin

comes as the U.S. House is set to take up several pieces of cryptocurrency-related legislation in what's been dubbed "crypto week" in Congress. Lawmakers have been under pressure from President Donald Trump and the big-spending crypto lobby to pass legislation quickly.

That includes a bill passed last month by the Senate that would regulate a type of cryptocurrency known as stablecoins. The House is also set to take up a cryptocurrency market structure legislation that is far more sweeping.

Trump, once a skeptic of

the industry, has vowed in his second term to make the U.S. the global capital of crypto. Meanwhile, he and his family have moved aggressively into nearly every corner of the industry: mining operations, billion-dollar bitcoin purchases, a newly minted stablecoin and a Trump-branded meme coin.

The crypto industry has rapidly become a major player in Washington after feeling unfairly targeted by the Biden administration. The industry spent huge amounts on last year's elections and has been spending heavily on lobbying and other influence efforts this year.