Expana

Tariff Talks 2025

Expana's Weekly Rundown

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INTRODUCTION

On July 22, the United States trade team reportedly reached deals with Japan, Indonesia, and the Philippines.

US President Donald Trump announced this week that he had signed what he described as "perhaps the largest deal ever made" with Japan, aimed at reshaping trade relations between the two countries. The agreement sets a new 15% tariff rate on all Japanese products imported into the US, a notable decrease from the 25% rate imposed earlier this month, as reported by Expana. The US-Japan trade deal opens market access for American farmers and food producers—namely commodities like rice were named when President Trump announced the deal. What's more, the Japanese will invest $550 billion into the US in exchange for a concession in automotive and car parts tariffs—down to 15% as well.

This "innovative" Japanese trade deal is providing framework for other trading partners—namely the European Union—to make promises that secure a lower tariff rate. Now, the EU trade officials could secure a similar rate to slash their currently assigned 30% duty in half, according to multiple sources like Reuters which Expana cited.

While the US-Indonesia deal was announced previously—the White House trade officials posted a fact sheet as well as framework outlining the reciprocal trade terms. This deal includes a US 19% tariff, opens Indonesian markets for US companies by removing non-tariff barriers, and sets purchase agreements for US commodities like grains, oil, and airplanes.

Prior to that, President Trump participated in a bilateral meeting with Philippines President Ferdinand Marcos Jr. Previously, President Trump sent a letter to the country's President assigning a US 20% tariff. The countries have had an "iron clad" relationship since Trump's first term, said the Filipino President Marcos during a meeting with the US Presidential Administration. Now, the rate went down 1% for imports of Filipino products into the US; the trade deal also hinges on US military aid to the Philippines, and it opens market access for US exports to the country.

During the press conference, Presidents Trump and Marcos agreed that both their countries will need to strike mutually beneficial trade deals with China.

Since the first tariff letters went out on July 7, new rates have been assigned to the States' top trading partners, according to Expana.

After last week's update, this publication contains information available to Expana's team as of July 23. The tariff rundown tracks the weekly changes in tariff news, and how each social media post, interview, or press conference may affect global agri-commodity producers and trade partners. Keep reading for tariff-related news, commodity by commodity...

SEND A LETTER TO THE EDITOR!
We want to hear your questions about the evolving nature of global commodity trade. Please send feedback to Ryan.Gallagher@ExpanaMarkets.com

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Tariff Rates

As of July 24, 2025

KEY

No change	
Rate reduced	
Rate raised	

[1] Current or negotiated rate
[2] Former rate

COUNTRY	Current[1]	Former[2]
Algeria	30%	30%
Bangladesh	35%	37%
Bosnia and Herzegovina	30%	35%
Brazil	50%	10%
Brunei	25%	24%
Cambodia	36%	49%
Canada	35%	25%
European Union	30%	20%
Indonesia	19%	32%
Iraq	30%	39%
Japan	15%	25%
Kazakhstan	25%	27%
Laos	40%	48%
Libya	30%	31%
Malaysia	25%	24%
Mexico	30%	25%
Moldova	25%	31%
Myanmar	40%	44%
Philippines	19%	20%
Serbia	35%	37%
South Africa	30%	30%
South Korea	25%	25%
Sri Lanka	30%	44%
Thailand	36%	36%
Tunisia	25%	28%
United Kingdom	10%	10%
Vietnam	20%	46%

ALCOHOLIC BEVERAGES

by Ryan Gallagher

The Whiskey House of Kentucky will ship bourbon to Germany's Berentzen-Gruppe, a bourbon and American whiskey supplier to customers in Europe, cited Expana. News like this is supportive of a still-to-be mutually beneficial US-EU trade deal. To date, US officials sent a letter assigning the EU a 30% duty—a would-be hit to producers of Italian wine, for example.

This year though, alcohol sales volume in the US and beyond is falling, many sources have reported.

Rice was mentioned in the US-Japan trade deal. At the same time, rice production (and thus rice-based drinks like sake) is down this year, according to an article by The Drinks Business. Unrelatedly, that same outlet also reported a recent rise in French champagne shipments to the US, the UK, and to Japan.

COFFEE, COCOA & TEA

by Ryan Gallagher, Andrew Moriarty

Coffee: Importers are watching for the US trade team to make a deal with Brazil. As of right now, sources tell Expana it would not make sense for US coffee buyers to bring in the product unless their clients are willing to pay the 50% tariff Trump levied at the US's main supplier of beans. It is not clear if shipments from Brazil increased after the tariff announcement ahead of the August 1 implementation date. While US buyers can go to producers in Honduras or Mexico, there is no substitute for the volume that Brazil's farmers produce.

Cocoa: Across the board, Q2 2025 cocoa grindings decreased, reported Expana about one of the main pieces of market fundamentals. Asian grindings dropped significantly, while European grindings dropped by more than market players expected; North American grindings dropped by the smallest percentage, according to Expana.

"With cocoa prices reaching record highs, Barry Callebaut raised its selling prices by 112% in Q2, and then by 103% in Q3. Customers are showing less appetite," according to an article by MarketScreener that refers to US tariffs and the resulting customs duties adding an extra layer of "fear" to an already difficult situation.

DAIRY

by Brittany Feyh, Courtney Shum

As trade tensions continue to mount, US dairy exporters are closely watching the upcoming August 1 deadline. Potential reinstatement of tariffs on China, expected to take effect August 12, remains a key concern for dairy professionals, as retaliatory measures could directly impact the sector. China remains the top destination for low protein whey powders, making the market especially sensitive to trade disruptions.

Countries such as the Philippines, Indonesia, and Vietnam are major buyers of US nonfat dry milk (NFDM) along with lactose and have shown increased demand for US products.

Further complicating the outlook is the escalating trade rhetoric with North American partners Mexico and Canada. Although the US-Mexico-Canada Agreement (USMCA) was designed to secure market access for US dairy products, ongoing disputes and legal challenges have raised questions about the agreement's long-term stability. If tensions persist, USMCA-covered dairy could be at risk.

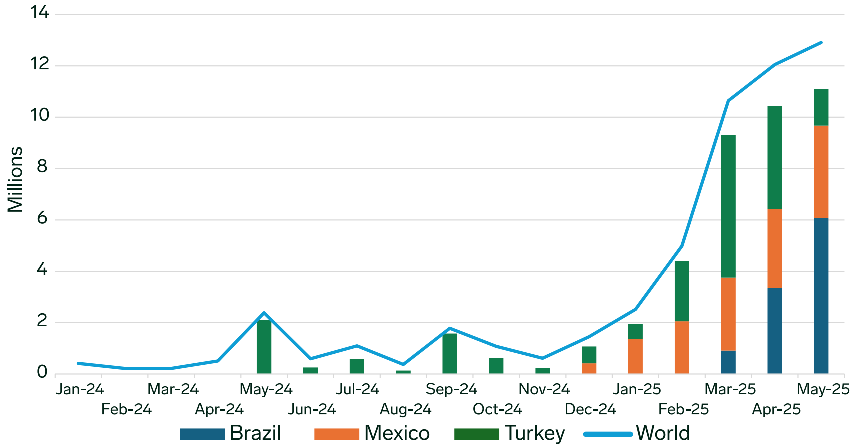
With multiple international markets in flux, US dairy exporters are entering Q3 2025 with heightened caution, bracing for potential disruptions that could reshape export strategies.

EGGS

by Allison Berry

This year, Brazil, Mexico, and Turkey have served as the primary trade partners supplying shell eggs for breaking. Amid production shortfalls caused by HPAI, these three countries accounted for approximately 88% of total US shell egg imports over the past three months.

Shell Egg Imports (Dozen)
Source: ERS



In May, Brazil emerged as the leading source, representing 47% of total imported volume. However, the US's proposed 50% tariff on Brazilian goods—set to take effect August 1—has already begun to influence importer behavior. Market participants are now shifting away from Brazilian product and relying more heavily on domestic breaking stock, which has become more available and cost competitive as prices continue to adjust.

From May to present, domestic breaking stock inventories have risen by 25%, while the 48lb breaking stock quotation has declined by roughly 75c/dozen. Notably, the volume of imported eggs used for processing remains fractional compared to domestic production—further reinforcing the US market's underlying reliance on internal supply.

POULTRY

by Matt Busardo

There have been no meaningful updates to the global trade landscape for US broiler exports in recent days. That said, here is a quick refresher on where things stand:

The 50% US tariff on Brazilian poultry remains largely symbolic, given Brazil's negligible import volume into the US. The broader impact lies in competitive pressure in shared export markets like Mexico and the Middle East.

China's temporary tariff reduction on US poultry, from 125% to 10%, is still set to expire August 1. No extension has been announced. Although 106 US plants were previously approved for export, access remains limited due to HPAI zoning and customs delays.

Vietnam's reported deal with the US remains unconfirmed in practice. No official tariff schedule or transshipment guidelines have been released, keeping the situation speculative.

Talks with India have stalled, with high protective tariffs in place. The EU market remains closed to US product due to ongoing restrictions on common antimicrobial rinses.

With export channels largely unchanged, domestic demand continues to anchor the market. High beef prices and consistent retail and foodservice pull are helping to keep broiler product moving.

RED MEAT

by Mason Augustino, Emily Schlichtig

Beef: The imported beef market continues to feel the impact of Brazil's recent tariff announcement and the uncertainty it brings. Participants expect greater reliance on other origins to fill supply gaps. Variety beef exports remain limited, with some product originally intended for China now redirected to Mexico. New Mexican tariffs have raised fresh concerns for exporters. Meanwhile, Argentine exporters are in talks with China to approve more beef items, which some believe could reduce future US access to the Chinese market.

Pork: As the August 1 tariff deadline approaches, market participants remain alert. While pork is not directly targeted, concerns persist over possible retaliation from key US export partners including Mexico, Japan, and South Korea. Together, they accounted for over half of pork exports in 2024. A new US-Japan deal established a 15% tariff, replacing the proposed 25% rate. The US still plans tariffs of 25% on South Korea and 30% on Mexico. Exports to China remain under a 30% US duty through August 12, with effective rates near 57%. A 35% tariff on select Canadian goods also begins August 1 but excludes USMCA items.

SEAFOOD

by by Janice Schreiber, Vivian Rosenbaum-Cottier

The US frozen scallop market remains full steady-to-firm in 2025, though tariffs are reshaping trade. Initially set at 24% in April, tariffs quickly fell to the 10% blanket rate. Yet, imports dropped 11% in April and 27% in May year-over-year. A planned 25% duty on Japanese scallops, due August 1, was reduced to 15% under a US-Japan agreement. Even so, Japanese product, already at record highs, remains less competitive, pushing demand to other origins or tight domestic supply. Meanwhile, China's reopening to Japanese seafood gives Japan an outlet, further straining US buyers.

Vietnam, Indonesia, and Thailand have strengthened their roles as alternative groundfish processors over past years, but China remains the dominant exporter of processed US groundfish. While new tariffs have been announced for these Southeast Asian countries, China's current 30% rate is in effect until August 12, and a revised duty is still pending. With competitors facing elevated tariffs, an updated Chinese rate could reaffirm China's position as the most competitive sourcing option for US importers. Following relatively steady June pricing, market pressure on imported groundfish has intensified, and prices remain at record highs.

GRAINS

by Murphy Campbell

In the last week, US tariff developments significantly impacted grain markets, with President Trump's 50% tariff on Brazilian exports, set for August 1, 2025, sparking fears of trade retaliation. A US-Indonesia trade deal slashed tariffs to 19%, boosting US grain exports for wheat, though corn and rice face uncertainty. A source noted that there doesn't appear to be any enforcement mechanism for the deal. Market players highlight uncertainty for farmers, with soybean and corn prices volatile due to trade tensions and Brazil's competitive edge from a weaker real. Market players remain cautious, anticipating volatility due to ongoing US-China trade tensions and potential export disruptions. Favorable Midwest weather adds bearish pressure, but tariff uncertainty is keeping the market on edge, with corn prices facing downward risks if trade disputes escalate.

FEED ADDITIVES

by Simon Duke

Traders are reporting a growing gap between Canadian and US amino acid prices. Demand remains sluggish amid uncertainty over whether amino acids will continue to be exempt from US tariffs on Canadian imports.

In Brazil, the US tariff outlook remains uncertain following the announcement of 50% duties on Brazilian exports planned for August 1. Although an exemption list applies to the tariffs imposed in April, these do not automatically extend to the new round of duties. Exporters stress that the situation remains fluid, with the possibility of last-minute negotiations or exemptions.

For vitamins, a widening price spread in prices between Canada and the US is also evident.

US President Trump has threatened to impose new 30% tariffs on EU imports starting August 1, unless a new trade deal is reached, potentially increasing costs for US buyers of EU-sourced vitamins such as A, E, and D3. One global buyer argued vitamins may remain exempt due to US reliance on imports. But uncertainty persists.

Lastly, sources say tariffs on Chinese vitamins are being fully passed on for products without strong European-origin alternatives, like B vitamins. For vitamins A and E, Chinese suppliers are only partially passing on the increased costs.

FRUIT & JUICES

by Holly Bianchi, Craig Elliott

Juices: Starting August 1, the US will implement a 50% tariff on orange juice imports from Brazil—adding to existing duties and pushing the total levy to nearly 70%. Brazil is the dominant supplier of orange juice to the US, accounting for more than 60% of imports. Market sources report that distribution chains are facing significant disruption.

Fruit: President Trump confirmed that under USMCA, produce from Canada and Mexico remains tariff-free. A 10% tariff applies to fruit from all other countries, affecting imports like berries, citrus, and stone fruit from South America, Europe, and Asia. Starting August 1, the US will impose a 35% tariff on Serbian fruit, including raspberries, cherries, and plums, compounding supply issues tied to Serbia's weak 2025 harvest.

The US has reached a trade deal with Japan, which will impose a 15% reciprocal tariff on US imports of Japanese goods. The US exports fruits such as oranges, lemons, grapefruit and kiwifruit to Japan.

SUGAR & SWEETENERS

by Andraia Torsiello

Sugar is still excluded from tariffs placed on Mexico and Canada under terms of the USMCA, with most other countries facing a 10% tariff for sugar. However, President Trump will likely renegotiate the USMCA next year, and new terms could be included. Also, Brazil is facing a 50% tariff from the US. The country is the world's largest sugar producer, and accounts for nearly half of the world's sugar exports. Meanwhile, spot demand for sugar remains limited as end users are well-covered and take a wait-and-see approach as the tariff situation continues to develop. The sweetener market is also quiet. Domestic production capacity for items like dextrose is limited, and a lot of product is imported from China as a result. President Trump has imposed a deadline of August 12 for the US and China to reach a trade agreement.

NUTS

by Nick Moss, Jara Zicha

Uncertainty surrounding the Vietnam-US trade deal has lingered in the cashew market without official confirmations from either government. Trade has remained muted between the two countries as market participants await more clarity on trade policy.

Nut markets such as almonds, peanuts, pecans, pistachios, and walnuts where the US is predominantly an exporter are encouraged by recent trade deal announcements and the potential for growth in those markets. However, the lack of a deal and increased tensions with traditionally strong destination markets such as the EU, Canada, and Mexico have market participants concerned about retaliations and how they would impact demand.

VEGETABLES & PULSES, PLANT PROTEINS

by Holly Bianchi, Craig Elliott, Andraia Torsiello

Vegetables: A 17% antidumping tariff has been imposed on Mexican tomatoes following the US withdrawal from the Tomato Suspension Agreement. The US has imposed a 35% tariff on Canadian vegetables like lettuce, carrots, and onions, and reinstated a 20% tariff on Vietnamese vegetables such as mushrooms and leafy greens. A 35% tariff on Serbian vegetables, including cabbage and peppers, takes effect August 1, 2025. EU vegetables like tomatoes and cucumbers now face a 30% tariff, while a new US—Japan trade deal is expected to impact imports of potatoes, asparagus, and lettuce.

Plant Proteins: Market participants state that pea protein isolate prices in North America have increased as China is no longer a viable sourcing option due to tariffs, with indications around $3.00/lb. While demand is steady, limited sourcing options are putting upward pressure on prices. Also, the USMCA is set to be renegotiated next year, and industry players will be watching this closely as Canada, a major supplier in this market, could potentially face 25% tariffs on US imports. Most participants are contracted for the year and expect to feel the impact of rising prices during Q3 and Q4, when negotiations pick up again.

OILSEEDS, OILS & FATS

by Ben Barritt

This week, market sources cite two key developments regarding tariffs which impacted the soybean market. On July 23, Indonesia signed a new trade framework that removes tariffs on US soybean exports. Sources added that this has the potential to significantly boost US competitiveness in southeast Asia. Meanwhile, ongoing tariffs from China on US soybeans continued to weigh down prices. Market players are observing increasing trade flows between China and Brazil, with expectations for this trend to continue for the foreseeable future. Brazil's share of Chinese soybean imports rose y-o-y by 4%, from 72-76%. Traders said that it should not be a surprise if this figure hits 80% next year.

METALS & ORES

by Artem Segen

In July, the United States concluded a series of bilateral agreements with Japan, Indonesia, and Vietnam aimed at easing trade tensions before the expanded tariffs took effect in August. However, these agreements are limited in scope, so the 50% tariffs on steel and aluminum imposed under Section 232 remain in full force. Thus, despite the general trend towards the formation of a new tariff architecture with a range of 15-19% for certain goods, the metallurgical industry remains under the strictest regime.

The deal with Indonesia set a 19% tariff, including supplies of non-ferrous metals such as copper, nickel, and tin in particular. Also in July, Washington concluded negotiations with Vietnam, posted President Trump, which produces and supplies steel products to the US market. Tariffs on steel products remain at 50%.

PLASTICS

by Andrew Woods

Market sources remain focused on the August 1 tariff deadline within the plastics markets. Specifically, there is significant market attention on major trading partners of the US, including Canada, Mexico, and the European Union. Due to the uncertainty surrounding tariff rates, more polyethylene products, including low-density and high-density polyethylene (LDPE and HDPE), have remained in the US market, as shown by the major drop-off in polyethylene export figures since March 2025.

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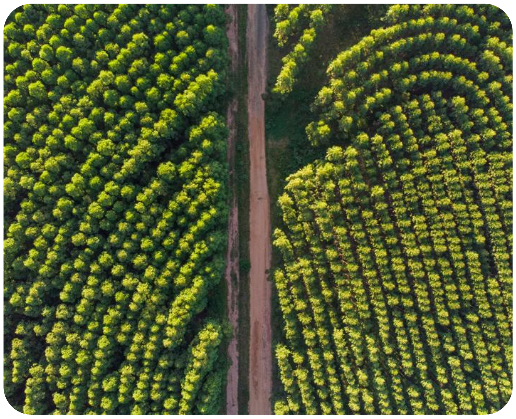
PULP, PAPER & WOOD

by Greg Potter



One source in the pulp sector said that they did not expect an agreement between the US and Brazil to materialize before the August 1 deadline given the overtly political tone of justifying tariffs from the US side and the Brazilian president's response. They further stated that even if an agreement was reached, they still expected higher prices as any agreement reached would more than likely still include US tariffs at high rates. US pulp producers have lost many customers in China over the last few months, with US SBSK prices correspondingly declining from May to June because of lower export demand.

CLOSING

On July 17, President Trump sent a second letter to Brazil, this one to the former President Bolsonaro that once again mentioned concern for free speech in the South American country. The previous letter to Brazil announced the 50% tariff and used the issues mentioned to prod the country's leaders to negotiate trade.

Looking ahead, US Treasury Secretary Bessent plans to head to meet with Chinese officials in Stockholm, Sweden next week where an extension to the reciprocal tariff pause could be extended past mid-August, according to an interview with Bessent on Bloomberg. Bessent acknowledged that Chinese government officials holding two American citizens in the country could be part of the talks.

Also Read: "Navigating the Trump Tariff Turbulence: A Comprehensive Timeline" for a look back in 2025 tariff history.

The information contained within this report was updated as of July 24. Real-time updates are available within Expana's suite of online platforms.

Click to read last week's report:

Tariff Talks 2025: Expana's Weekly Rundown #18

And feel free to share this report with colleagues and friends!

Looking forward, nothing is certain. However back at the end of 2024, a global recession was predicted for spring 2025, according to Expana's forecasting team. CLICK TO READ MORE ABOUT WHAT'S TO COME IN GLOBAL COMMODITY MARKETS.

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