

Tariff Talks 2025

Expana's Weekly Rundown

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INTRODUCTION

On April 30, the US Senate voted on legislation which could have revoked US President Trump's use of the International Emergency Economic Powers Act (IEEPA) to kickstart the administration's tariff regime. However, VP Vance broke the 49-49 tie for a resolution that did garner bipartisan support.

Officials from the US and China cannot agree on the whether talks between the two countries have occurred yet. The only hint of agreement came from a social media account affiliated with Chinese state media, cited [Expana](#).

For months before Trump's 2025 tariffs were ever imposed, China had been diversifying trading partners to shift away from US products. Now, the US-China tariffs are seen by many as a trade embargo between the world's biggest economies.

Especially now, Chinese buyers are expected to continue cutting back purchases of US goods like soybeans and pork products. These effects may not be felt for months—and at that time necessary federal help to producers will be considered, according to the US Agriculture Secretary, Brooke Rollins.

However, on April 29, Chinese officials waived tariffs on ethane administration hopes to open markets for US agimports from the US—part of a reportedly growing list of [exemptions](#). While many US sectors are lobbying for similar exemptions, there is no news yet.

Trade negotiations are ongoing between the US administration and countries like Japan and India where the American products.

Also on April 29, President Trump signed an executive order stating "to the extent these tariffs apply to the same article, these tariffs should not all have a cumulative effect (or 'stack' on top of one another) because the rate of duty resulting from such stacking exceeds what is necessary to achieve the intended policy goals," according to the [White House](#)

It's not clear if this is the reported "de-escalation" of the trade dispute with China. However, this directive is still wholly unclear as it states that some tariffs imposed due to drug trafficking, for example, should not be "stacked" with tariffs imposed on sectors like steel and aluminum. Yet, the order also states that all imports "may still be subject to other applicable duties, taxes, fees, exactions, and charges."

Still, the Trump administration is investigating imports of commodities like copper, timber, lumber, pharmaceuticals, and technology like semiconductors for potential industry-specific tariffs.

And US 25% tariffs still exist for steel and aluminum imports, for automobiles, and for countries buying oil from Venezuela. Yet, on April 29, President Trump signed an executive order to offer US automakers relief when sourcing parts from abroad.

Back on April 17, the US Trade Representative (USTR) announced fees targeting Chinese-made ocean freight vessels.

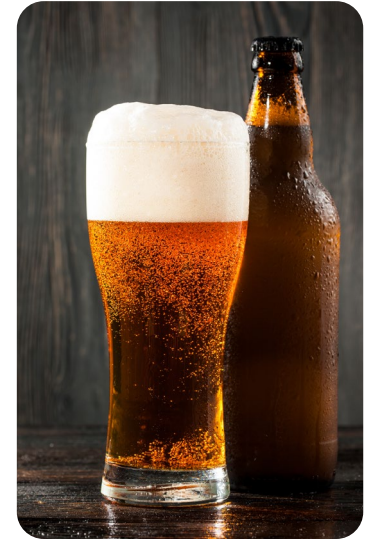
[This publication contains all information available to Expana's team as of May 1. The tariff rundown tracks the weekly changes in tariff news, and how each social media announcement, interview, or press conference may affect global agri-commodity producers and trade partners. Keep reading for tariff-related news, commodity-by-commodity...](#)

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BEVERAGES (ALCOHOLIC)

by Ryan Gallagher

- US buyers sourcing alcoholic beverages from foreign sellers may not have much more time to get product into the States as the 10% “baseline” tariff exists till July 9. Uncertainty remains as to what trade conditions will be on the other side of the reciprocal tariff pause. Most recently, one luxury liquor producer will cut ~1,200 jobs, the company’s leaders announced.
- Now, US buyers of foreign alcohol brands are being hit with higher prices, sources say. It’s not clear who will pay these increased costs, nor is it clear if other associated costs, for example around packaging, have been taken into account. On April 2, the Trump administration added beer can imports to the previously implemented US 25% tariffs on foreign aluminum and steel.
- On March 4, the LCBO, a government-owned liquor wholesaler in Ontario removed all US alcoholic beverage products from shelves and their online store. Since then, “Buy Canadian” has dotted headlines from the Northern neighbor’s media outlets, and sources say nationalistic pride is affecting global consumer behavior. Looking back to 2024, US spirits exports went up nearly 10% to \$2.4 billion, said DISCUS.



COFFEE, COCOA & TEA

by Ryan Gallagher, Andrew Moriarty



- **Coffee:** Confusion persists during US 10% tariff conditions—leading businesses to cover demand. Time is running out during the 90-day reciprocal tariff pause for US coffee buyers to source from faraway suppliers. Coffee trade is still slow, but buyers are paying high contract prices now, rather than betting trade conditions improve, sources say. Leaders from the National Coffee Association (NCA) filed an application for tariff exemption, and said lobbying was [“well received.”](#)
- **Cocoa:** There may be US cocoa product stockpiling during this tariff ‘breather’ until July, sources speculated, following lower global cocoa grinding in Q1. Weather worries and crop conditions in West Africa could create a tighter balance sheet at the end of September.
- While there has been news of producers’ investment in North American facilities, the world’s biggest chocolate maker reported declining demand. However, other businesses are beating expectations solely based on higher retail prices, despite a fall in Q1 sales.
- After the US dropped reciprocal tariffs, cocoa contract prices fell from record highs. A week later, President Trump qualified the tariff plan, and the contract price of cocoa again bent to weather reports and market sentiment, causing a new rally in prices amid thin liquidity on the exchange.

DAIRY

by Brittany Feyh

- Amid minimal policy updates from the Trump administration, the 90-day pause continues to create uncertainty across the industry. The temporary pauses have pushed exporters to secure load shipments and finalize deliveries ahead of a potential reinstatement of reciprocal tariffs. The dairy industry continues to focus on trade relationships with China. China remains the top importer of low whey protein powders and whey permeate from the US, key ingredients for animal feed.
- As global demand for whey powders remains high, China looks to Oceania and Europe to fill demand without US product. To compensate the drop in Chinese demand, the US remains focused on Southeast Asia and Central America to avoid a destabilizing drop in whey prices. Diversification of trade partnerships is becoming a strategic priority as the global dairy market remains unsettled.
- Industry players continue to push the Trump administration and the Chinese government to allow whey production onto a mutual exemption list to avoid any supply chain disruptions and stock level build up.



EGGS

by Allison Berry



- The US layer population is stabilizing as repopulation efforts progress, and the spread of avian influenza remains limited. Earlier in the supply recovery period, the administration had encouraged imports from other countries to address domestic shortfalls, which had contributed to elevated prices. However, with production now holding steady and prices having moderated, the market no longer demonstrates a pressing need for foreign supply, thereby minimizing the impact of ongoing tariff and trade discussions.
- The US table-grade egg market remains generally stable, supported by ongoing retailer replenishment activity that continues to tighten spot market availability. As a result, buyers have increased their bid values. Medium eggs, seen as a cost-effective alternative, along with breaking stock and various liquid egg products, are seeing the most prominent demand, resulting in modest upward pressure on quotes in these categories.

POULTRY

by Elsi Rodewald



- As of now, the shifting tariff situation does little to impact the majority of the chicken market. Over a quarter of US chicken exports typically go to Mexico and Canada, and as of now the 25% tariffs do not apply to poultry products as they are exempt under the United States-Mexico-Canada Agreement (USMCA). This minimizes the potential for retaliatory tariffs on these products from these nations. Furthermore, cold storage holdings are in a relatively low position, and so much production is being moved domestically, that few processors feel much pressure from a buildup in inventories.
- While changes to tariffs don't currently cause US market participants much concern (apart from paws), the situation remains in the back

of everyone's minds. Some players worry about losing global market share and being without their previous avenues should demand retreat domestically. The situation has resulted in some participants looking at new avenues in which production may be funneled, especially when it comes to paws.

RED MEAT

by Bill Smith, Mason Augustino, Augusto Eto

- **Beef:** While no significant developments were noted regarding the tariff situation, Brazilian beef exports have continued to expand. Volumes reached 215,422 mt in March, up 13.1% M-o-M and 29.6% Y-o-Y, and preliminary data for April already indicates a record high for the month. On a quarterly basis, shipments rose 11.4% Y-o-Y to 586,322 mt, with China accounting for 47.7% of the total. Chinese buyers continue to actively source Brazilian beef, albeit more cautiously following a brief surge in demand and sharp price increases earlier this month in response to the US tariff announcements.
- **Pork:** US pork exports to China face a 172% tariff, combining base and retaliatory duties. This has sharply cut US competitiveness, leading to major export declines to China, including a recent 12,000-ton order cancellation—the largest since 2020. Mexico and Canada remain exempt under USMCA.
- **Lamb & Veal:** Canadian lamb and veal are exempt under USMCA. Dutch veal remains subject to a 10% tariff. Australian/New Zealand lamb also faces a 10% tariff.



SEAFOOD

by Vivian Rosenbaum-Cottier, Janice Schreiber, Angel Rubio

- In the groundfish market, stakeholders are closely monitoring Chinese-US trade negotiations, with most orders currently on hold due to concerns about timely shipments before the June 9 deadline.
- Crab meat markets—particularly blue and red swimming crab sourced from Southeast Asia—are beginning to show price movement. US market participants report that inventories are tightening, prompting many to place replenishment orders with overseas suppliers. Stakeholders indicate that pricing out of Indonesia, the largest producer of blue swimming crab, is trending upward. Competition among importers for available product is becoming more active, further contributing to pricing pressure.
- The evolving tariff landscape, highlighted by India's high-level negotiations in Washington DC, is creating asymmetric market pressures due to differential duty rates (previously applied but now paused like Ecuador 10%, India 26%, Indonesia 34%, Vietnam 46%) in the shrimp market. These discussions are critical ahead of the July 9 implementation deadline. Industry stakeholders face substantial uncertainty, with the 10% cash collateral requirement on bond facilities causing liquidity constraints. Ecuador may receive preferential treatment due to its economic status, while Asian producers, particularly India, face higher disruption risks. The coming weeks are pivotal for reshaping global shrimp trade flows in 2025.a



GRAINS

by Murphy Campbell



- There have been no new tariff announcements that have had a direct impact on US grain prices, market players say. The market is focusing on planting progress in the US for corn and spring wheat and the weather. Planting progress is going at a good rate compared to the five-year average.
- Weather is also supportive to a good growing season, market players say. The Western Corn Belt, which is dry, is getting more rain, while the Eastern Corn Belt is getting a lessening of rain which is allowing farmers to continue to plant.
- Demand continues to be good for US corn as there are consistent flash sales. Market players are optimistic that the major US corn buyers (like Mexico and Japan) will be able to make a deal with the US.

FEED ADDITIVES

by Heather Doyle, Simon Duke



- Trade uncertainty remains a pressure point for the feed additive sector. Global feed ingredient buyers are calling the US a “high price island” as prices diverge from other regions. Lysine HCl, a critical amino acid for poultry and swine, is under downward pricing pressure as Chinese-origin product floods global markets at historically low export values—now under \$1/kg FOB. Chinese export prices have dropped more than 25% from Q4, now averaging \$1.02/kg FOB China. Chinese prices continue to weaken, pressured by low global demand, US tariffs, and EU anti-dumping duties targeting Chinese producers.
- In the US, prices remain elevated due to steep tariffs. Non-exempt products face up to 170% in cumulative duties, including Section 301, fentanyl-related tariffs, and reciprocal levies.
- While US lysine imports from China surged in early 2025, the market shows a widening spread between pre-tariff inventory and new offers with surcharges. Similar frictions are seen in biotin, where classification discrepancies mean the same ingredient can incur either a 20% or 170% tariff depending on dilution.
- These dynamics are reshaping sourcing decisions across feed, pet food, and related industries. As freight costs rise and policy signals remain mixed, buyers are adopting short-term purchasing strategies and watching tariff developments.

FRUIT & JUICES

by Harry Campbell, Holly Bianchi

- **Juices:** The tariff situation for juice markets remains unchanged weekly for China and the US—as Chinese apple juice is still very expensive. Historically, the US imports around two-thirds of its apple juice from China. According to one market player there is some uncertainty amongst US buyers how consumers would react to the higher prices. Other juice markets were quiet in regard to tariffs this week. The 10% US tariff on Brazilian exports is likely to impact the orange juice market. Around 70% of US orange juice is sourced from Brazil.
- **Fruit:** Uncertainty persists as market players are awaiting the next steps of trade negotiations. Under USMCA, fruit trade between the US, Mexico, and Canada continues tariff-free. In contrast, a 10% tariff still applies to imports from outside the region, such as South American bananas. Tariff cuts effective March 31 have boosted Vietnamese demand for US fruit—especially cherries and raisins—driven by better trade terms and strong perceptions of US quality. Further growth is expected as Vietnam expands trade agreements.



SUGAR & SWEETENERS

by Andraia Torsiello

- Tariffs remain unchanged, and product from Mexico or Canada continues to be excluded from the duties under USMCA. President Trump's 10% baseline tariff on all US sugar imports is still in play. While there is a 90-day pause, it is past the halfway mark till July 9. The tariff delay is viewed by market participants as an opportunity to import more product, if it can clear customs prior to the expiration. Some sources state that there has been an uptick in domestic demand to secure product before the tariffs take effect. Market participants dealing in sweeteners like dextrose are closely monitoring US/China relations, as most of the supply is imported from China and domestic production capacity is limited.



NUTS

by Nick Moss, Jara Zicha



- Another week has passed with no impactful tariff developments.
- Chinese purchases of US-origin nuts are said to be virtually nonexistent.
- Buyers in Europe are said to be actively in the market, seeking to cover as much of their almond needs before the EU tariffs on the US are implemented on December 1. An already tight supply situation has pushed prices higher without considering this new sense of buyer urgency. With almonds traded in USD, the stronger Euro is helping soften some of the run up in prices.
- US cashew buyers continue to be hesitant in the wake of the Trump administration pausing it's 46% tariff on Vietnamese imports for 90 days.

VEGETABLES & PULSES, PLANT PROTEINS

by Andraia Torsiello, Holly Bianchi, Harry Campbell



- **Vegetables:** Tariffs remain unchanged, with market players awaiting clarity from ongoing trade talks. Under the USMCA, vegetable trade between the US, Mexico, and Canada continues tariff-free. In contrast, a 10% tariff still applies to imports from outside the region, such as South American produce. Meanwhile, the ongoing US-China tariff dispute has raised concerns among Expana's IQF vegetable sector, with growing uncertainty around pricing and supply chain impacts.
- **Plant Proteins:** Tariffs are unchanged, causing a more bullish tone in the market. Buyers are closely monitoring the trade war, causing them to look hard at sourcing options and solutions in every aspect of the business. Soy protein prices have been mostly steady throughout negotiations based on market feedback, but pea protein prices are increasing. This is mostly attributed to anti-dumping

tariffs that were placed on Chinese pea protein concentrate imports by the US and Canada at the end of the summer. Market participants state they expect further price increases in the months ahead if President Trump continues to raise tariffs on key trading partners and the situation does not de-escalate.

OILSEEDS, OILS & FATS

by Roxanne Nikoro

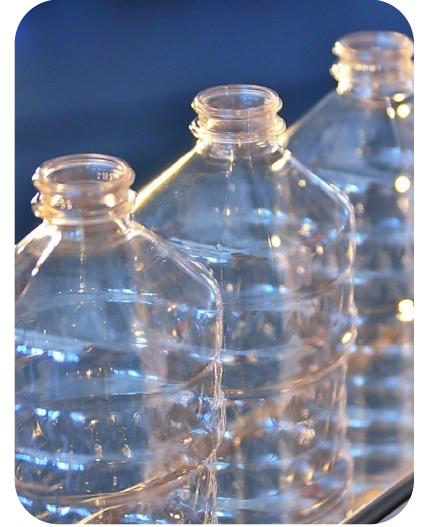
- China's Ministry of Agriculture and Rural Affairs announced on April 29 plans to reduce grain use in livestock feed to around 60%—cutting soymeal content to 10%. This move aligns with Beijing's ongoing efforts in recent years to reduce reliance on soybean imports, a strategy further reinforced by US-China trade tensions.
- According to market sources, escalating trade tensions between the US and China have continued to shift China's soybean demand toward Brazil. Around 40 vessels carrying Brazilian soybeans are estimated to have arrived at Zhoushan Port in April—a 48% increase compared to April 2023. The USDA reported that China purchased only 1,800 tons of US soybeans in the week ending April 17, down sharply from 72,800 mt the previous week.



PLASTICS

by Andrew Woods

- Market sources continue to react to the 90-day pause in reciprocal tariffs and ongoing 10% levy, with some still unclear about what will happen at the end of this period. Some players speculate that the pause will be extended, whereas others expect increased levies for certain plastics. China continues to be at the center of tariffs within the plastics market.
- Last week, we reported that the 145% levy on Chinese goods and the 125% reciprocal tariff was severely impacting Chinese importers of ethane, which primarily comes from the US. Ethane is a derivative of natural gas and used in the production of various grades of polyethylene, an important material for packaging and construction. Given the severity of the situation, Chinese authorities waived levies on imports of US ethane, improving market conditions for players in the space.



PULP, PAPER & WOOD

by Greg Potter

- Market sources report that SBSK producers in the US slowed production as buyers in important export markets like China, have slowed or stopped purchases. They also indicated that inquiries from buyers hoping to switch sources from EU NBSK to US SBSK have slowed. Other sources report that packaging paper production in China has slackened as demand for boxes and containers for exports has declined over the last thirty days due to the tariff situation.



CLOSING

As quarterly earnings calls take place, participants across all markets are gaining insight into tariff perspectives from global businesses.

Regardless of consumer demand, retailers are starting to shift sourcing regions where possible. For example, US retailers are leaning on free-trade agreements like USMCA. Otherwise, trade is being rushed along in markets where sourcing shifts aren't as easy, sources said.

As new information becomes available, Expana experts will be delivering the latest insights and impacts.

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

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Tariff Talks 2025: Expana's Weekly Rundown #6

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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.

