

## IOWA CATTLEMEN'S ASSOCIATION

2055 Ironwood Court | Ames, IA 50014 | 515-296-2266

# Trade Deal Status

## ICA Fact Sheet | August 4, 2025

### Trade Deals Reached

#### Mexico

The existing trade deal with Mexico has been extended 90 days, meaning that Mexico will continue to pay a 25% tariff rather than increasing to 30% on non-USMCA-compliant goods. They are still subject to the 50% tariff on steel, aluminum, and copper.

#### China

In April, Trump put a 145% tariff on Chinese imports. China responded with a 125% tariff on U.S. goods. A temporary 90-day truce followed, bringing tariffs back down to roughly 30% for Chinese goods entering the U.S. and 10% for U.S. exports to China. This 90-day truce is set to expire on August 12, and negotiations are currently underway.

#### European Union

The European Union will pay the United States a tariff rate of 15% on most goods and will continue to pay a 50% tariff on steel, aluminum, and copper. The EU will purchase \$750 billion in U.S. energy and make new investments of \$600 billion in the United States by 2028. They will also work to reduce tariff and non-tariff barriers for U.S. exports.

#### United Kingdom

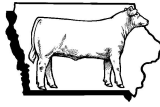
The U.S.-UK Economic Prosperity Deal includes billions in increased U.S. exports, particularly in beef, ethanol, and agriculture. It also requires the UK to reduce or eliminate non-tariff barriers that previously disadvantaged American products. Key sectors addressed include automobiles, aerospace, and steel and aluminum, with tariff-rate quotas and structured processes tied to national security concerns. For autos, the first 100,000 UK vehicles imported annually face a 10% tariff, with additional imports subject to a 25% tariff. The agreement also paves the way for regulatory cooperation in digital trade, pharmaceuticals, and supply chain security.

#### Japan

The trade deal with Japan includes a \$550 billion Japanese investment in key U.S. industries such as energy, semiconductors, and pharmaceuticals. The deal establishes a 15% baseline tariff on Japanese imports, expands U.S. market access in Japan for agriculture, energy, manufacturing, and autos, and strengthens supply chains and defense cooperation.

#### Philippines

Under the trade deal negotiated in July, Filipino imports to the U.S. will be subject to a 19% tariff. In return, American automobiles (and maybe other goods) will have tariff-free market access in the Philippines. Many details of the deal remain unknown.



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### Vietnam

Although there is still uncertainty surrounding this deal it seems the U.S. will impose 20% tariffs on goods from Vietnam, and a 40% tariff on goods suspected of being transshipped from China. In return, the president said that American goods will face no tariff in Vietnam. This is not confirmed.

### Indonesia

The trade agreement with Indonesia eliminates tariff and non-tariff barriers on over 99% of U.S. exports, including agricultural, industrial, and digital goods. Indonesia will pay the United States a reciprocal tariff rate of 19% and remove long-standing restrictions on U.S. vehicles, pharmaceuticals, remanufactured goods, and food products. The deal also secures reforms in digital trade, data protection, intellectual property, and **labor standards**. It ultimately aims to reduce the \$17.9 billion U.S. trade deficit with Indonesia.

### South Korea

The agreement with South Korea sets a 15% tariff, reduced from a previously threatened 25%. As part of the deal, South Korea committed to investing \$350 billion in the United States in projects chosen by President Trump, including contributions toward reducing the national debt. Additionally, South Korea agreed to purchase \$100 billion worth of U.S. energy products.

### Cambodia and Thailand

Cambodia and Thailand were both facing threats of 36% tariffs and engaged in negotiations with the U.S. when conflict broke out between the two countries. Trump threatened to end trade conversation if the countries did not agree to a ceasefire. Stating, "I don't want to trade with anybody that's killing each other." While limited details are available it seems an agreement was reached as the countries agreed to a ceasefire and both received 19% reciprocal tariffs.

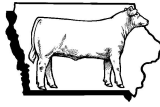
## Reciprocal Tariff Rates - Beginning Aug 6, 2025

### Brazil

Brazil will face a 50% tariff on most goods, this is a 40% increase from the current 10% tariff.

**Good to know:** *Brazilian beef is also charged a 26.4% tariff under the "Other Country Quota" and that tariff will remain in place through the end of 2025. In total, Brazilian beef will face a 76.4% tariff entering the U.S. market.*

*17 countries are eligible to export beef to the United States. To regulate these imports, the U.S. uses tariff-rate quotas (TRQs), which allow a specified amount of beef to be imported at a lower tariff rate, while quantities exceeding that amount are subject to a higher tariff. Four countries, Australia, New Zealand, Argentina, and Uruguay, have individual country-specific quotas. Beef imports from Australia enter tariff free within the quota due to a free trade agreement, but any volume above the quota is subject to a 21.1% tariff. Imports from New Zealand, Argentina, and Uruguay are charged a small tariff within their quotas, and a 26.4% tariff for volumes above the quota. All other eligible exporting countries fall under a combined "other" category; their beef imports are also subject to a small tariff within the quota and a 26.4% tariff once the quota is exceeded.*



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### **Canada**

The fentanyl-related tariff on Canada will rise from 25% to 35%. This tariff does not apply to articles that are covered under the U.S.-Mexico-Canada agreement (USMCA), including cattle and beef.

*Note: in March the rate of duty on potash was reduced from 25% to 10%.*

### **15% Reciprocal Tariffs**

Afghanistan, Angola, Bolivia, Botswana, Cameroon, Chad, Costa Rica, Cote d'Ivoire, Democratic Republic of Congo, Ecuador, Equatorial Guinea, Certain European Union Goods, Fiji, Ghana, Guyana, Iceland, Israel, Japan, Jordan, Lesotho, Liechtenstein, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nauru, New Zealand, Nigeria, North Macedonia, Norway, Papua New Guinea, South Korea, Trinidad and Tobago, Turkey, Uganda, Vanuatu, Venezuela, Zambia, and Zimbabwe

### **19% Reciprocal Tariffs**

Cambodia, Indonesia, Malaysia, Pakistan, Philippines, and Thailand

### **20% Reciprocal Tariffs**

Bangladesh, Sri Lanka, Taiwan, and Vietnam

### **25% Reciprocal Tariffs**

Brunei, India, Kazakhstan, Moldova, and Tunisia

### **30% Reciprocal Tariffs**

Algeria, Bosnia and Herzegovina, Libya, and South Africa

### **35% Reciprocal Tariffs**

Iraq and Serbia

### **40% Reciprocal Tariffs**

Laos and Myanmar

### **Other**

Switzerland - 39% and Syria - 41%

### **10% Reciprocal Tariffs**

Falkland Islands, United Kingdom, and any other foreign trading partner not otherwise specified.