

Trump Unveils 35% Canadian Tariff, Weighs Broader Hikes.

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President Donald Trump is escalating his trade offensive by imposing a 35% tariff on imports from Canada and signaling broader tariff hikes on major trading partners. The measures, set to take effect on August 1, have already stirred unease across global markets and prompted warnings from countries likely to be impacted.

In a Truth Social post late Thursday, Trump accused Canada of retaliatory tariffs in response to U.S. measures announced earlier this year and warned of further penalties above the new 35% rate. He emphasized that any additional countermeasures from Ottawa

would lead to further penalties beyond the planned 35% rate. Trump did not clarify whether USMCA—compliant goods would remain exempt under the new tariff plan, although officials later indicated possible exemptions might apply.

Speaking to NBC News, Trump indicated he is considering blanket tariffs ranging from 15% to 20% on most trading partners, exceeding the current 10% level he championed during his previous term in office. He argued such steps are necessary to protect American industries and counter what he described as unfair practices by foreign governments.

The week also brought a sharp escalation in tariffs on Brazil, with Trump imposing a 50% duty on Brazilian goods. He cited Brazil's prosecution of former President Jair Bolsonaro, who is facing trial in the Supreme Federal Court on allegations he conspired to overturn the 2022 election. Trump framed the tariff as both an economic measure and a statement of solidarity with Bolsonaro, reflecting a broader willingness to tie trade policies to political considerations.

The administration confirmed plans to introduce a 50% tariff on copper imports effective August 1, matching the steel and aluminum rates under Section 232 rules. Trump also floated the possibility of up to 200% tariffs on pharmaceuticals in the future, though he offered no specific timeline for implementation.

China, meanwhile, issued a pointed warning against reviving trade hostilities. Officials in Beijing said they would retaliate against countries cooperating with the United States to exclude China from supply chains, underscoring the risks of renewed tension between the world's two largest economies.

Other trading partners are working to minimize the impact of the escalating tariffs. Vietnam reached an agreement to limit its U.S. tariff exposure to approximately 20%, down from previously threatened higher levels, while goods suspected of being transshipped may still face tariffs up to 40%. The European Union has expressed concerns over the escalating U.S. tariff threats and is negotiating carve-outs for key sectors, but there is no reported agreement to accept a uniform 10% tariff.

Trump's tariff agenda has drawn strong reactions worldwide, with critics warning it could disrupt trade flows and strain alliances. Yet supporters argue that assertive measures are overdue to rebalance trade relationships that have disadvantaged American workers and industries for decades.

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