



Trump expands exemptions from Canada and Mexico tariffs



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The US president used profane language more than once during Wednesday's heated exchange, according to US and Canadian media reports. Trudeau told reporters that a trade war between the two allies was likely for the foreseeable future, despite some targeted relief. "Our goal remains to get these tariffs, all tariffs removed," he said.

Sheinbaum said she had had an "excellent and respectful" call with Trump, adding that the two countries would work together to stem the flow of the opioid fentanyl from Mexico into the US and curb the trafficking of guns going the other way. The carveout from the duties applies to goods shipped under North America's free trade pact, the US-Mexico-Canada agreement (USMCA), which Trump signed during his first term.

Items that currently come into the US under the pact's rules include televisions, air conditioners, avocados and beef, according to analysis by the firm Trade Partnership Worldwide. The measures also reduced tariffs on potash - a key ingredient for fertiliser needed by US farmers - from 25% to 10%.

A White House official said about 50% of US imports from Europe, he said it is "galvanising a response from Europe, especially Germany, so we've seen a more positive reaction to European markets". In signing the orders, Trump dismissed the suggestion that he was walking back the measures because of concerns about the stock market. "Nothing to do with the market," Trump said. "I'm not even looking at the market, because long term, the United States will be very strong with what's happening." Ontario Premier Doug Ford, who leads Canada's most populous province, said afterwards that "a pause on some tariffs means nothing".

Earlier, as relief looked likely but before it was announced, he told CNN that the province still planned to go ahead with a 25% tariff on the electricity it provides to 1.5 million homes and businesses in New York, Michigan and Minnesota from Monday. "Honestly, it really bothers me. We have to do this, but I don't want to do this," he said.