

# Trump readies reciprocal tariffs as global trade war fears mount

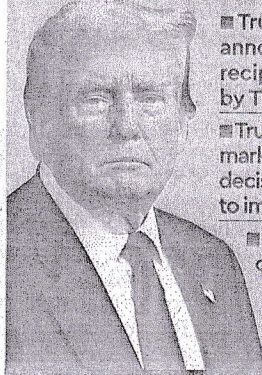
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DONALD TRUMP'S TRADE advisers were finalising plans on Wednesday for the reciprocal tariffs the US president has vowed to impose on every country that charges duties on US imports, ratcheting up fears of a widening global trade war.

Separately, trade ministers of the 27-country European Union were due to meet later by videoconference to determine their response after European Commission president Ursula von der Leyen said tariff moves against the bloc "will not go unanswered".

Trump stunned markets with his decision on Monday to impose tariffs on all steel and aluminium imports beginning on March 12. The plans drew condemnation from Mexico, Canada and the European Union, while Japan and Australia said they were seeking exemptions from the duties.

## TARIFF PING-PONG



■ Trump plans to announce new reciprocal tariffs by Thursday

■ Trump stunned markets with his decision on Monday to impose tariffs

■ Experts warn of challenges in implementing reciprocal tariffs

■ Europe's steelmakers are worried that US tariffs will lead to a flood of cheap steel coming into Europe

■ White House officials have been tight-lipped about the structure or timing the next tariffs

■ Experts say structuring the reciprocal tariffs that Trump wants poses big challenges for his team

The news sent industries reliant on steel and aluminum imports scrambling to offset an expected jump in costs.

Last week, Trump imposed an additional 10% tariff on Chinese goods, effective February 4, with Chinese countermeasures taking effect this week.

He delayed a 25% tariff on goods from Mexico and Canada for a

month until March 4 to allow negotiations over steps to secure US borders and halt the flow of fentanyl.

Some US workers welcomed Monday's metal tariffs, but many manufacturing-heavy firms expressed deep concern over the next steps, warning the tariff hike would reverberate across supply chains, affecting all businesses that rely on the materials.

Executives from companies including supermarket chain Ahold Delhaize and Siemens Energy warned tariffs would lead to higher prices as they seek to pass on the extra costs of imports.

Europe's steelmakers are also worried that U.S. tariffs will lead to a flood of cheap steel coming into Europe. French steelmaker Aperam urged Brussels to intervene to curb imports if that happened, while Austria's speciality steelmaker voestalpine called on the EU to take immediate countermeasures.

Australia's industry minister meanwhile said the nation's plan to boost "green" aluminium exports would not be derailed by the threat of US tariffs.

"The world has a high demand for our aluminium; we need it as part of the transition to net zero," Ed Husic told reporters at the National Press Club in Canberra. "The question is for our American friends do you really want to pay more for that product that you've got a big demand for?"

—REUTERS