

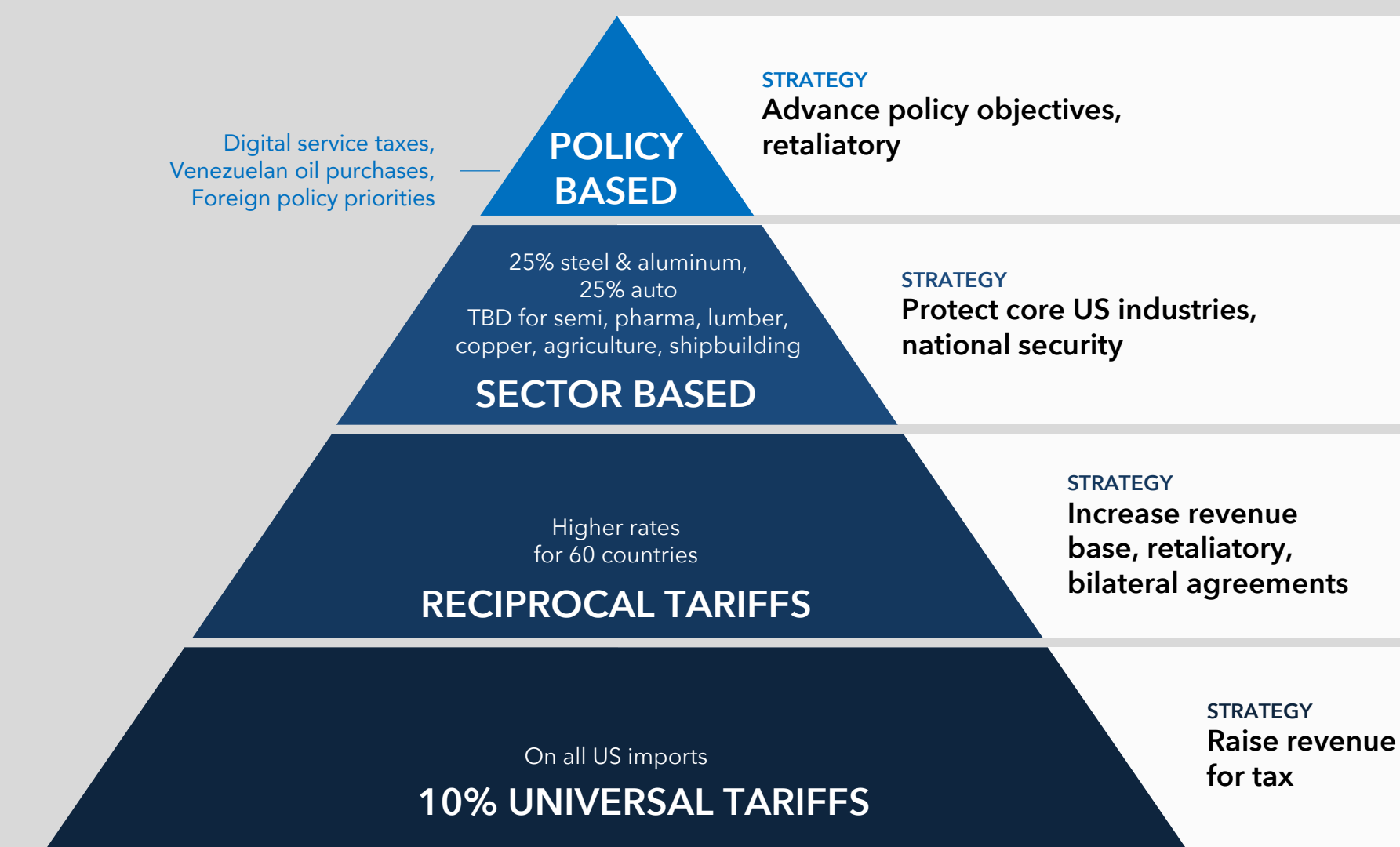
Chart of the Day

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Multi-Layered Approach With Varying Objectives

President Trump's trade war is not just about trade. By using a multi-layered approach to his tariff strategy, each with different strategic objectives, President Trump is leveraging the size and strength of the US economy to achieve a broad range of policy objectives. As such, even after bilateral trade agreements may be signed, we expect many of these new tariffs to remain longer term.



Fewer Exemptions and Carveouts This Time

Unlike the tariffs in 2018-19, there are very few carveouts and exemptions in the Trade War 2.0 tariffs of 2025. By virtue of using IEEPA legal provisions, the President has also eliminated the long investigation and review periods of his first term, during which companies could provide comments and apply for product exemptions.

Limited Exemptions Announced on Liberation Day

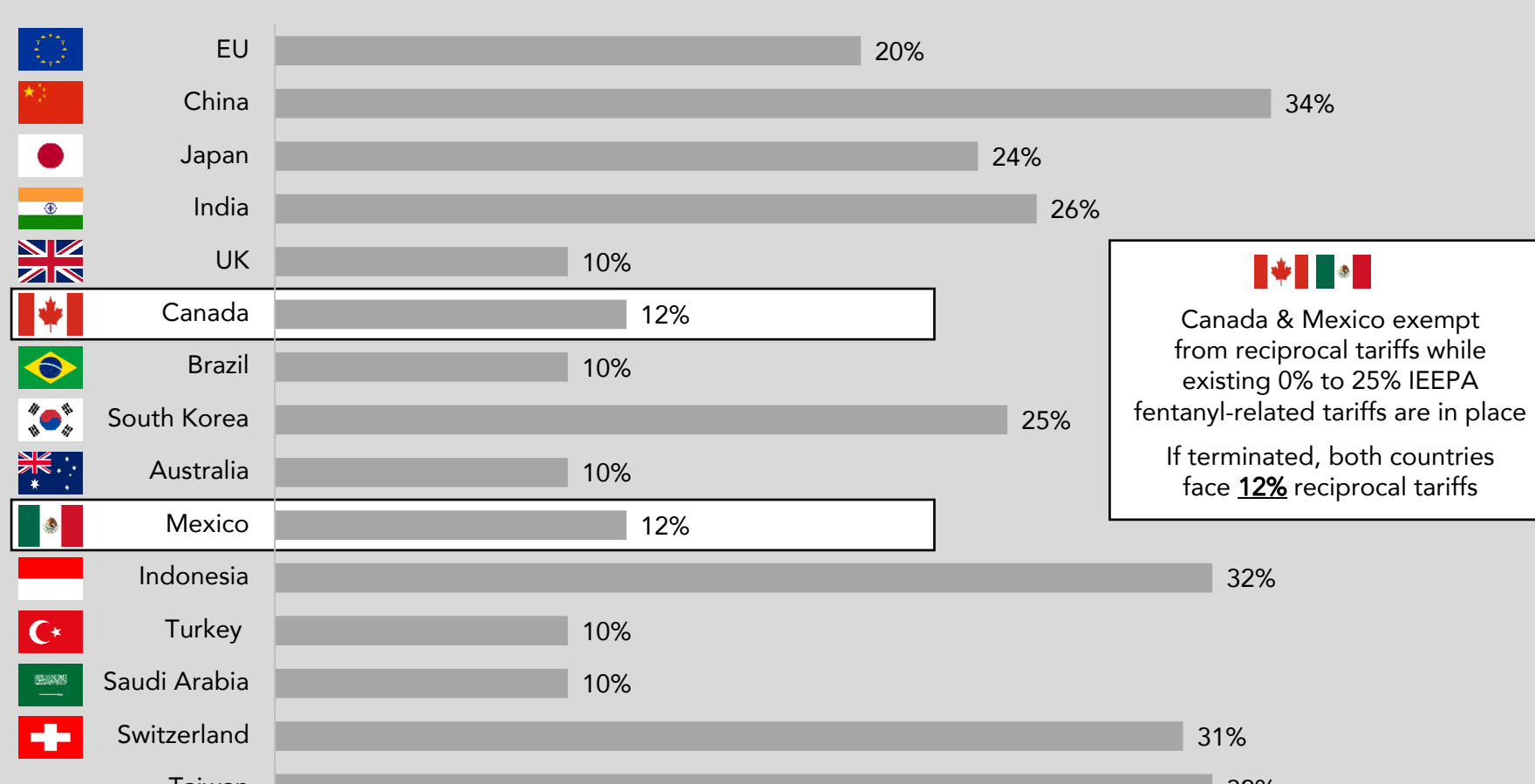
<p> Universal & Reciprocal tariffs:</p>	<p>Exemptions limited to products subject to current or forthcoming sector tariffs</p> <ul style="list-style-type: none"> Steel & aluminum Auto & auto parts Copper, lumber Pharma, semiconductors Energy & minerals not available in US Bullion 50 USC 1702 (b) (i.e., humanitarian)
<p> Canada & Mexico:</p>	<ul style="list-style-type: none"> While IEEPA fentanyl tariffs remain: Exempt from reciprocal tariffs If IEEPA fentanyl tariffs terminated: 12% reciprocal tariffs
<p> De Minimis Exemption:</p>	<p>Eliminated on China origin goods (< \$800)</p> <ul style="list-style-type: none"> Used widely by Chinese e-commerce sellers

Reciprocal Tariffs: US vs. The World

Region	Tariffs charged to US	US reciprocal tariffs
Europe		
Serbia	74%	37%
Lichtenstein	73%	37%
Bosnia & Herzegovina	70%	35%
North Macedonia	65%	33%
Switzerland	61%	31%
Moldova	61%	31%
European Union	39%	20%
Norway	30%	15%
APAC		
Cambodia	97%	49%
Laos	95%	48%
Vietnam	90%	46%
Sri Lanka	88%	44%
Myanmar (Burma)	88%	44%
Bangladesh	74%	37%
Thailand	72%	36%
China	67%	34%
Taiwan	64%	32%
Indonesia	64%	32%
Fiji	63%	32%
Nauru	59%	30%
Norfolk Island	58%	29%
Kazakhstan	54%	27%
India	52%	26%
South Korea	50%	25%
Brunei	47%	24%
Japan	46%	24%
Malaysia	47%	24%
Vanuatu	44%	22%
Philippines	34%	17%
Americas		
Saint Pierre & Miquelon	99%	50%
Falkland Islands	82%	41%
Guyana	76%	38%
Nicaragua	36%	18%
Venezuela	29%	15%
MENA		
Lesotho	99%	50%
Madagascar	93%	47%
Syria	81%	41%
Mauritius	80%	40%
Iraq	78%	39%
Botswana	74%	37%
Reunion	73%	37%
Angola	63%	32%
Libya	61%	31%
South Africa	60%	30%
Algeria	59%	30%
Pakistan	58%	29%
Tunisia	55%	28%
Côte d'Ivoire	41%	21%
Namibia	42%	21%
Jordan	40%	20%
Zimbabwe	35%	18%
Israel	33%	17%
Malawi	34%	17%
Zambia	33%	17%
Mozambique	31%	16%
Nigeria	27%	14%
Chad	26%	13%
Equatorial Guinea	25%	13%
Cameroon	22%	11%
DR Congo	22%	11%

Reciprocal Tariffs: 15 Largest Economies

Reciprocal tariff rate for 15 largest economies by GDP (ex-US)



Source: (1-4) The White House. Tariffs charged to the US include currency manipulation and trade barriers. GDP data is 2025 IMF numbers. Russia not included in reciprocal tariff announcement due to sanctions policy.

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"Macro stability isn't everything, but without it, you have nothing."