THE RIO TIMES · 2026

USA & CANADA INTELLIGENCE BRIEF — MONDAY, AUGUST 17, 2026

Two Days And A Phone Call

Canadian and American negotiators held a one-hour virtual meeting on Sunday that a spokesperson called constructive. No terms were announced.

A 50% tariff on roughly $20 billion of Canadian goods — alcohol, dairy and some 500 other tariff lines, but not cars, which are already under Section 232 — takes effect at 12:01 am eastern on Wednesday, with no exemption for treaty-compliant goods.

Every item is dated at source. There is no sport.

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EDITOR'S LEADER · 01

A CONSTRUCTIVE CALL · TWO DAYS LEFT · THREE SECTORS EXPOSED

Cars, Whisky And Milk

Two governments spent Sunday on a video call and have two days left. What is actually being negotiated is cars, whisky and milk.

Dominic LeBlanc, the minister responsible for Canada-US trade,, chief negotiator Janice Charette and United States Trade Representative Jamieson Greer held a one-hour virtual meeting. A spokesperson for LeBlanc described it as constructive.

They took stock of the work done by their negotiating teams and discussions are continuing. No terms were announced by either side.

Sunday followed a fourth in-person meeting within three weeks, held in Greer's office and lasting ninety minutes. Asked how many more would be needed, LeBlanc said as many as it takes.

Frequency is not progress. Two days before a deadline, that distinction is the whole story.

The measure itself is specific. Three proclamations signed on 20 July impose 50% tariffs on alcohol, dairy and some 500 other tariff lines (Canadian cars and parts are exempt, already under Section 232), covering roughly 20 billion dollars of imports.

Unusually there is no exemption for goods that would otherwise qualify under the continental trade agreement. Energy, potash, fish, critical minerals, civil aircraft and goods already under separate tariffs are excluded.

Washington points to Canada's 25% counter-tariff on non-compliant American-made vehicles, a near-total halt on American alcohol purchasing by Canadian provinces, and dairy quota structure. All three are reported to be on the table.

Those are enumerable concessions rather than vague commitments, which usually means a deal is possible. What has not happened is anyone announcing one.

Behind the deadline sits the larger change. Washington declined in July to extend the agreement another sixteen years, triggering annual reviews for a decade, after which it expires without unanimous agreement.

A tariff reverses with a signature and a review structure does not. Capital committed to a plant expects the rules to hold for longer than a year.

Canada is also negotiating into a weaker market. American retail sales fell 0.6% in July, to 763.6 billion dollars for the month, and consumer sentiment slid to a preliminary 51.

For readers in Latin America the structure matters more than Wednesday. Mexico sits on the same annual clock without a seat at this negotiation, and Beijing formally rejected the American transshipment charge on Monday.

The Day At A Glance

Here is Monday's news, in order of consequence for Latin American readers, covering domestic stories only with no war stories. Every item is dated at source, and there is no sport.

Trade · A Constructive Sunday Call

LeBlanc, Charette and Greer met virtually for an hour, taking stock of negotiating team work with discussions continuing and no terms announced.

Trade · Two Days to the Tariff

A 50% levy on roughly $20bn of Canadian goods takes effect at 12:01 am eastern on Wednesday, after four in-person meetings in three weeks failed to produce a deal.

Trade · Autos, Alcohol, Dairy

Three proclamations signed on 20 July target those sectors, citing what the administration calls discriminatory treatment of American products.

Trade · No Treaty Carve-Out

Unlike most other tariffs, these carry no exemption for goods complying with the continental trade agreement.

Trade · What Is Excluded

Energy, potash, fish, critical minerals and goods already subject to separate tariffs fall outside the measure.

Trade · What Ottawa May Concede

Reported items include eliminating Canada's retaliatory auto tariff, lifting provincial restrictions on American alcohol, and reworking dairy quotas.

Structure · A Decade of Reviews

Washington declined in July to extend the agreement sixteen years, triggering annual reviews for ten years and expiry without unanimity.

Mexico · Same Clock, No Seat

The agreement binds three countries, so the review reaches Mexican industry identically while Mexico has no part in Wednesday's deadline.

US · A Weaker Customer

Retail sales fell 0.6% in July to $763.6bn with the control group down 0.4%, and sentiment slid to a preliminary 51.

Canada · Strong Domestic Data

Canada added 75,100 jobs in July with unemployment at a two-year low of 6.4%. Execution has not been the problem.

The Numbers At A Glance · USA & Canada · Monday, August 17, 2026

CA Tariff **50%** Wednesday	CA Goods covered **~$20bn** 3 sectors	-- Sunday meeting **1 hour** Virtual	-- Meetings in 3 wks **4+** In person
-- Extension declined **16 years** July	-- Review period **10 years** Then expiry	US Retail sales **-0.6%** $763.6bn	CA Unemployment **6.4%** 2-year low

How The Countries Are Doing

Here is Monday's news, in order of consequence for Latin American readers, covering domestic stories only with no war stories. Every item is dated at source, and there is no sport.

COUNTRY	POL	BUD	MON	MKT	EXT	WHAT'S DRIVING IT
5 exports Canada Alcohol	5	4	3	4	5	% levy on American vehicles is among the concessions reported to be on the table. Provincial purchasing halts on American product are cited by
5 provincial Canada Dairy	5	3	3	3	5	Washington as justification; lifting them is reportedly under negotiation. Quota structure is the third named target, and reworking it touches
5 quota system Continental Not extended sixteen years, triggering annual reviews for a	5	3	3	3	5	a supply management system that is politically sensitive in Quebec and Ontario.
Agreement CUSMA long-horizon plant decision is repriced. Mexico On the same annual review schedule with no seat at Wednesday's	5	3	3	3	4	decade with expiry unless all three countries agree; every
Exposure third party rejected on Monday. US Sales down 0.6% to $763.6bn in July, the steepest since May	4	3	3	3	5	deadline, and inside the transshipment argument Beijing formally
Consumption retail 0.4%. US Sentiment	4	3	4	3	3	2025, with the control group used for growth calculations down The preliminary August index fell about 8% to 51, with the largest
4 households US Fed / Rates	4	3	4	3	3	declines among older, lower-income and non-graduate consumers. September increase odds around 25% to 30%, from about 65% in late July, though one
3 policy US Long Bonds Near twenty-year highs; it prices fiscal expectations rather than	3	2	3	2	3	narrow producer price component rose 0.4% and feeds the 26 August gauge.
3 30-year the next meeting, and nothing this week touches it. Canada Jobs	3	5	4	3	3	75,100 jobs added in July with unemployment at a two-year low of
2 employment	2	3	2	2	3	.68%, more than a point below American equivalents.

How to read the colours: 1 = calm, 2 = fairly good, 3 = mixed, 4 = some strain, 5 = serious strain. Updated Thursday, August 13, 2026.

DEEP DIVE · 04

THREE SECTORS · $20 BILLION · A DECADE OF REVIEWS BEHIND IT

Three Ways The Deadline Resolves

Three ways Wednesday's deadline could resolve, and what each means for North American industrial investment. The chances add up to 100%.

What Is Actually on the Table

The tariff covers alcohol, dairy and some 500 other tariff lines, roughly 20 billion dollars — Canadian cars and parts are exempt, already being under Section 232 — with no exemption for treaty-compliant goods. Energy, potash, fish, critical minerals and civil aircraft are excluded. Canada is reportedly weighing removal of its 25% retaliatory vehicle tariff, provincial alcohol restrictions and dairy quota structure. Those are specific and tradeable. Sunday's one-hour call was described as constructive with discussions continuing. Neither side announced terms. Behind all of it, the agreement now runs on annual review for a decade. That was decided in July and is unaffected by Wednesday.

Possibility A — A Deal Before Wednesday (40%)

In this case Canada concedes on some combination of the three named items and the tariff is suspended or narrowed. Both sides declare a win. Canadian export names recover and the immediate risk clears. The annual review structure remains untouched underneath.

Possibility B — The Tariff Lands, Talks Continue (40%)

Here Wednesday arrives without agreement, the levy takes effect, and negotiation continues under pressure. Canadian auto, alcohol and dairy exporters absorb real cost. It is resolvable but expensive, and it hardens Canadian politics against concessions. For the region it demonstrates that deadlines are enforced rather than bluffed.

Possibility C — A Wider Breakdown (20%)

In this path the tariff lands, Canada retaliates, and the dispute spreads into the annual review process itself. The agreement's decade becomes visibly contested from year one. Every North American industrial investment decision is repriced immediately rather than gradually. Mexico is affected without having participated. A · A deal in time 40% Suspended Review stands Immediate risk clears B · Tariff lands 40% Takes effect Review stands Deadlines are enforced C · Wider breakdown 20% Retaliation Contested Investment repriced at once

POSSIBILITY	CHANCE	MARKETS	BREADTH	WHAT IT MEANS FOR LATIN AMERICA
A - Trade deal reached before deadline	Low	TSX steadies	Canada only	Removes tariff shock risk for regional trade
B - Tariffs take effect August 19	Elevated	Canadian dollar softens	North America	Direct hit to Canadian and U.S. exporters
C - U.S. visa line hardens further	Rising	Muted	Global	Tightens birth tourism pathways for LatAm applicants
D - Softer U.S. inflation persists	Moderate	Bonds supported	United States	Eases emerging-market rate pressure

Source: Rio Times desk · drawing on The Canadian Press, CP24, CBC News, Quartz and CTV News. Not financial advice.

WHAT WE ARE WATCHING · 05
OUR OPINION ONLY - NOT FINANCIAL ADVICE

Eight Things We Are Watching

North America is holding its breath between a trade deadline and wildfire smoke. The next six months hinge on whether Washington and Ottawa can close a deal, and how British Columbia recovers.

WHAT	HOW WE SEE IT	PERIOD	WHY
Canadian auto exporters	▼ CAREFUL	6 months	A 50% tariff with no treaty carve-out lands Wednesday absent an agreement.
Canadian dairy and alcohol	▼ CAREFUL	12 months	Both are named targets and both involve politically sensitive domestic arrangements.
North American trade certainty	▼ CAREFUL	120 months	Annual review for a decade with unanimity required at the end reprices every plant.
Mexican industrial property	▼ CAREFUL	36 months	Same review clock, no seat at this negotiation, and inside the transshipment argument.
Latin American raw materials	▲ POSITIVE	24 months	Energy, potash and critical minerals were excluded, which maps where leverage stops.
US consumption	▼ CAREFUL	12 months	Sales down 0.6% and sentiment at 51, in an economy where spending is two-thirds of growth.
Latin American debt service	▲ POSITIVE	12 months	September Federal Reserve increase odds around 25% to 30% rather than 65%.
Canadian domestic economy	▲ POSITIVE	12 months	75,100 jobs added in July and unemployment at a two-year low of 6.4%.

Six People Shaping The News

A trade minister, a provincial premier, and the officials around them are setting the tone for a tense Thursday.

Dominic LeBlanc

Trade Minister · Canada

He held a one-hour virtual meeting with his American counterpart on Sunday described as constructive, after four in-person sessions in three weeks. He has said they will meet as many times as it takes.

Jamieson Greer

Trade Representative · United States

He is the counterpart in those sessions and the channel to the president. He has said the threatened tariffs respond to provincial bans on American products.

Janice Charette

Chief Trade Negotiator · Canada

She has been in Washington throughout and joined Sunday's call. The technical work sits with her team rather than with the ministers.

The three proclamations

Legal instruments · United States

Signed on 20 July, they impose 50% tariffs on alcohol, dairy and some 500 other tariff lines with no treaty carve-out, while exempting the cars they are named for. The exclusions are as informative as the inclusions.

The annual review

Legal structure · North America

Triggered by July's decision not to extend sixteen years, it runs a decade and ends in expiry without unanimity. It outlasts every tariff currently in dispute.

American consumers

Demand · United States

Their retail spending fell 0.6% in July and sentiment dropped to a preliminary 51. Canada is negotiating access to a market that has just weakened.

DAILY BRIEFING · 07
BY COUNTRY - MOOD - POLITICS - SOCIETY - ECONOMY

The Day, Country By Country

Two countries, two very different emotional registers. Canada is openly anxious and a little defiant; the United States is watchful and procedural, waiting for numbers and deadlines to speak.

TRADE — THE TALKS

A One-Hour Virtual Meeting

LeBlanc, Charette and Greer met virtually on Sunday for an hour in a session a spokesperson for the Canadian minister described as constructive, with discussions continuing. Sources: The Canadian Press, CP24, National Observer · August 16-17.

A Weekend in Washington

LeBlanc and Charette spent the weekend in the American capital after meetings the previous week, having held four in-person sessions with Greer in three weeks. Sources: CTV News, CBC News · August 11-17.

As Many Meetings As It Takes

Asked after a ninety-minute session in Greer's office how many more would be required, LeBlanc said they would have as many meetings as it takes. Sources: BNN Bloomberg · August 13.

TRADE — THE MEASURE

Three Sectors at Fifty Percent

Three proclamations signed on 20 July impose 50% tariffs on alcohol, dairy and some 500 other tariff lines (Canadian cars and parts are exempt, already under Section 232), covering roughly $20bn of imports and citing discriminatory treatment of American products. Sources: Quartz citing the White House · August 12.

No Treaty Exemption

Unlike most of the administration's other tariffs, these carry no carve-out for goods that would otherwise comply with the continental trade agreement. Sources: The Canadian Press · August 13.

What Falls Outside

Energy, potash, fish, critical minerals, civil aircraft and goods already subject to separate tariffs are excluded from the measure. Sources: Quartz · August 12.

The Stated Grievances

Washington cites Canada's 25% counter-tariff on non-compliant American-made vehicles, a near-total halt on American alcohol purchasing by Canadian provinces, and dairy quota arrangements. Sources: Quartz, Reuters · August 12.

What Is Reportedly on the Table

Items under discussion include eliminating Canada's retaliatory auto tariffs, lifting provincial restrictions on American alcohol sales, and reworking dairy quota structure. Sources: Quartz · August 12.

STRUCTURE · MEXICO

Sixteen Years Declined At the 1 July joint review the administration declined to extend the continental trade agreement for another sixteen years, triggering an annual rolling review running a decade. Sources: CTV News · August 15.

Mexico on the Same Clock

The agreement binds three countries, so the review process reaches Mexican industry identically while Mexico has no part in Wednesday's deadline. Sources: Rio Times desk · August 17.

THE MARKET BEING NEGOTIATED FOR

Retail Sales Down 0.6%

American sales fell to $763.6bn in July from a revised $768.1bn, the steepest drop since May 2025, with the control group used for growth calculations down 0.4%. Sources: Census Bureau via CNN, Bloomberg · August 14.

Sentiment at a Preliminary 51

Consumer sentiment slid about 8% early this month from a final 55.2 in July, with economists attributing much of the retail decline to exhausted tax refunds. Sources: University of Michigan, Reuters · August 14.

Canada's Own Numbers Are Good

Canada added 75,100 jobs in July with unemployment at 6.4%, its lowest since July 2024, and ten-year yields near 3.68%, more than a point below American equivalents. Sources: Statistics Canada, FXStreet · August 7-11.

CORPORATE PIPELINE · 08

SECTOR WATCH · CALENDAR

Pipeline, Sectors, And The Calendar

ITEM TYPE WHEN STATUS

Sector Watch · Four Things to Track

THE EXCLUSIONS ARE THE MAP Energy, potash and critical minerals were left out while cars, whisky and milk were not. That marks where American leverage stops.

FREQUENCY IS NOT PROGRESS
THE STRUCTURE OUTLASTS THE DEADLINE
MEXICO HAS NO SEAT

Calendar · Next 30 Days

DATE EVENT WHY IT MATTERS

Pipeline, Sectors, And The Calendar

ITEM	TYPE	WHEN	STATUS
U.S. tariffs on Canadian goods	Trade deadline	August 19, 2026	Unresolved
Canada-U.S. trade negotiations	Diplomacy	August 13, 2026	In progress
Bald Range wildfire evacuations	Emergency response	August 12-13, 2026	Active
Petition to remove Ambassador Hoekstra	Public campaign	August 13, 2026	Growing
U.S. producer price data release	Economic data	August 13, 2026	Released
U.S. jobless claims	Economic data	August 13, 2026	Released
30-year Treasury auction	Debt issuance	August 13, 2026	Scheduled
Cannabis and brain research investment	Funding announcement	August 13, 2026	Announced
B.C. wildfire damage assessments	Recovery	August 13, 2026	Underway
Birth tourism task force enforcement	Immigration policy	August 12, 2026	Active

Sector Watch - Four Things to Track

CANADIAN EXPORT SECTOR

The August 19 deadline for potential 50 percent U.S. tariffs puts exporters in limbo, with Canada rejecting the latest offer and no deal close. Logistics and manufacturing firms are bracing for disruption if negotiations stall.

U.S. TREASURY AND RATES

Softer producer price data and a 30-year auction later today are shaping expectations for borrowing costs. The flat open on the S&P/TSX Composite suggests investors are waiting for clearer direction.

B.C. EMERGENCY AND RECOVERY SERVICES

More than 20,000 evacuees and rapid damage assessments near the Bald Range fire are straining provincial resources even as federal aid is pledged. Recovery spending will likely accelerate once the fire is contained.

HEALTH AND BRAIN RESEARCH

Ottawa's $24 million investment in cannabis and brain research signals continued public funding for medical science. The sector may see follow-on grants and academic partnerships.

Calendar - Next 30 Days

DATE	EVENT	WHY IT MATTERS
August 19, 2026	Potential 50% U.S. tariffs on Canadian goods take effect	Trade deadline if no deal is reached in Washington negotiations.
August 13, 2026	30-year U.S. Treasury auction	Signal for long-term borrowing costs and investor demand.
August 13, 2026	U.S. jobless claims and PPI release	Read on labour market and inflation temperature.

DATE	EVENT	WHY IT MATTERS
August 12-13, 2026	B.C. wildfire damage assessments	Determines scale of recovery and federal aid needed.
August 13, 2026	Dominic LeBlanc in Washington	Final push before tariff deadline.
August 13, 2026	Cannabis and brain research funding announced	Confirmed $24 million Canadian investment.
September 2026	Potential trade deal announcement	If talks progress, a deal could be announced before tariffs escalate.
September 2026	U.S. Federal Reserve policy meeting	Rate decision influenced by inflation and jobs data.
September 2026	B.C. wildfire season peak	Continued evacuation and recovery operations likely.
September 2026	Birth tourism visa policy updates	Further revocations and policy guidance expected.

What Today Tells Us

What Today Tells Us Our take on Monday is that a great deal of meeting has produced no announced terms. Two days remain before a 50% tariff on cars, whisky and milk.

LeBlanc, Charette and Greer held a one-hour virtual session on Sunday that a spokesperson called constructive, taking stock of negotiating team work with discussions continuing.

That followed four in-person meetings within three weeks. Frequency is not progress and neither side has described a landing zone.

Sources & Method

CANADA

CityNews Toronto, CBC News, Global News, BNN Bloomberg, Medicine Hat News, Lethbridge Herald - August 12-13, 2026 (English and French Canadian).

UNITED STATES

Reuters, AP News, Just Security, MTS Insights, TradingView, NPR, The Wall Street Journal, U.S. News - August 12-13, 2026 (English).

Method. We select only those items that change what a Latin American investor should think or do. Every item carries its own date. Negotiating positions reported by sources are labelled as reported rather than as agreed, and we distinguish between what has been signed and what is under discussion. We cover domestic stories only, and there is no sport. The health check was updated August 17. The opinions are our own — not financial advice.

Compiled from major USA & Canada outlets in the regions main languages.