USA & CANADA INTELLIGENCE BRIEF — SATURDAY, AUGUST 15, 2026

Four Days And A Draft

Negotiators are racing to put a trade deal in front of the president before a 50% tariff on roughly $20 billion of Canadian goods lands on Wednesday. They aim to present a path as early as Monday.

Behind the deadline sits a larger change. Washington declined in July to extend the continental agreement for another sixteen years, triggering annual reviews for a decade.

Domestic stories only, with no war stories. Every item is dated at source, and there is no sport.

IN THIS ISSUE

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A TARIFF ON WEDNESDAY · A TREATY UNDER ANNUAL REVIEW

A Treaty On Annual Renewal

Two governments have four days to avoid a 50% tariff, and their negotiators are trying to put something on a desk by Monday. Behind the deadline sits a change that will outlast it by a decade.

American and Canadian officials are racing to reach a deal that would avert a tariff on roughly 20 billion dollars of Canadian goods, due to take effect Wednesday. The dispute has disrupted a relationship that was until a year ago nearly tariff-free.

Canada's trade minister Dominic LeBlanc has met United States Trade Representative Jamieson Greer repeatedly in recent days. The two sides aim to present the president a path to a potential agreement as early as Monday.

Presenting a path is not concluding an agreement, and Monday leaves two days. Negotiators working this close to a deadline are usually trading scope for time.

The larger story was decided in July. The administration said it would not extend the continental trade agreement for another sixteen years.

> *That triggered an annual rolling review process that will continue for a decade, at which point the deal would expire if the three countries do not agree to continue it.*
>
> REPORTED DESCRIPTION OF THE PROCESS · AUGUST 15 2026

A tariff on 20 billion dollars of goods is a large number that can be reversed with a signature. An agreement placed under annual review for ten years changes how every factory investment in North America is priced.

Capital committed to a plant expects the rules to hold for longer than a year. That is the sentence that matters most in this brief.

Mexico is in the same agreement on the same schedule, and continuation at the end requires all three countries to agree. Mexican manufacturing has been the principal Latin American beneficiary of nearshoring.

Southeast Asian countries competing for the same relocated factories can now point to a North American agreement with an expiry mechanism attached. Geography still favours Mexico and certainty no longer does.

The negotiation is also happening into a softer market. American retail sales fell 0.6% in July to 763.6 billion dollars and consumer sentiment slid about 8% to a preliminary 51.

Canada added 75,100 jobs in July and cut unemployment to 6.4%, its lowest since July 2024. Domestic performance has not been the problem.

Markets now price around a 35% chance of a September Federal Reserve increase, down from 55% a week earlier. One component of Thursday's producer report still points the other way.

For readers in Latin America the review process matters more than Wednesday. Every nearshoring calculation in Mexico rests on access that has just been formally shortened.

The Day At A Glance

Here is Saturday'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 · Four Days to the Tariff

A 50% American tariff on roughly $20bn of Canadian goods takes effect Wednesday, and officials on both sides are racing to avert it.

Trade · A Path for Monday

Canadian and American negotiators aim to present the president a path to a potential agreement as early as Monday.

Trade · Who Is at the Table

Canada's trade minister Dominic LeBlanc has met United States Trade Representative Jamieson Greer repeatedly in recent days.

Trade · Sixteen Years Declined

The administration said in July it would not extend the continental trade agreement for another sixteen years.

Trade · A Decade of Annual Reviews

That triggered a rolling review running ten years, after which the agreement expires unless all three countries agree to continue it.

Mexico · In the Same Agreement

The review process reaches Mexican industry on the same schedule, and continuation requires all three countries to agree.

US · Retail Sales Fell 0.6%

Sales dropped to $763.6bn in July, the steepest decline since May 2025, with the control group used for growth calculations down 0.4%.

US · Sentiment at 51

Consumer sentiment slid about 8% early this month to a preliminary reading of 51, worse than economists expected.

US · Rate Odds Cut

Markets price around a 35% chance of a September Federal Reserve increase, down from 55% a week earlier.

Canada · Strong Data, Same Deadline

Canada added 75,100 jobs in July and cut unemployment to 6.4%, its lowest since July 2024. None of that moves Wednesday.

The Numbers At A Glance · USA & Canada · Saturday August 15, 2026

CA Tariff **50%** Wednesday	CA Goods covered **~$20bn** Compliant goods	-- Draft to president **Monday** Aim	-- Extension declined **16 years** Decided July
-- Review period **10 years** Then expiry	US Retail sales **-0.6%** $763.6bn	US Sentiment **51** Was 55.2	US Sept hike odds **~35%** Was 55%

OUR SIMPLE HEALTH CHECK · USA + CANADA

How The Economies Are Doing

This is our simple health check, updated Saturday as negotiators worked toward a deadline. Each area is rated from 1 to 5, where a lower number is better and a higher one means more strain.

AREA	POLITICS	BUDGET	MONEY	MARKETS	OUTSIDE	WHAT'S DRIVING IT
Canada Trade exports	5	4	3	3	5	A 50% tariff on roughly $20bn of goods lands Wednesday, with negotiators aiming to present a path to a deal as early as Monday.
Continental Agreement CUSMA	5	3	3	3	4	Washington declined in July to extend it another sixteen years, triggering annual reviews for a decade after which it expires without unanimous agreement.
US Consumption retail	4	3	4	3	3	Sales down 0.6% to $763.6bn in July, the steepest since May 2025, with the control group used for growth calculations down 0.4%.
US Sentiment households	4	3	4	3	3	The preliminary August index fell about 8% to 51, with the largest declines among older, lower-income and non-graduate consumers.
US Fed / Rates policy	3	2	3	2	3	September increase odds down to around 35% from 55% after three cooling readings, though one producer price component rose 0.4% against 0.1% in June.
US Long Bonds 30-year	3	5	4	3	3	Near twenty-year highs; it prices fiscal expectations rather than the next meeting and this week's data does not touch it.
US Markets shares · US$	2	3	3	2	3	Trading near record levels on earnings and softer inflation, though a weakening consumer is a harder foundation than an easing central bank.
Canada Jobs employment	2	3	2	2	3	75,100 jobs added in July with unemployment at a two-year low of 6.4%; domestic execution has not been the problem here.
Canada Rates policy	2	3	2	2	3	Ten-year yields near 3.68%, more than a point below American equivalents, with at least one analyst house expecting no change through 2026.
Mexico Exposure CUSMA member	4	3	3	3	5	In the same agreement on the same annual review schedule, with its nearshoring case resting on access that now carries an expiry mechanism.

How to read the colours: 1 = calm, 2 = fairly good, 3 = mixed, 4 = some strain, 5 = serious strain. Each row's number is the average across the five areas. Updated August 15.

DEEP DIVE · WHAT A DECADE OF REVIEWS COSTS · 04

SIXTEEN YEARS DECLINED · TEN ANNUAL REVIEWS · THREE COUNTRIES

Three Ways The Agreement Could End Up

Three ways the continental trade agreement could develop through the coming decade, and what each means for Latin American industry. The chances add up to 100%.

Part 1 · What Was Actually Decided

The administration said in July it would not extend the agreement for another sixteen years. That triggered an annual rolling review process running for a decade.

At the end of that period the agreement expires unless all three countries agree to continue it. Continuation requires unanimity, which is a materially different standard from automatic renewal.

A tariff is reversible with a signature and a review structure is not. This changes the planning horizon for every plant serving the North American market.

Mexico is a full party and faces the same schedule. Its nearshoring case rests entirely on tariff-free access to American consumers.

> *The Trump administration said in July it would not be extending the agreement for another sixteen years, triggering an annual rolling review process that will continue for a decade.*
>
> AS REPORTED · AUGUST 15 2026

Part 2 · Possibility A — Annual Renewal Becomes Routine (45%)

In this case each review passes without drama, the process becomes administrative, and investors learn to discount it. Access continues in practice even without a long guarantee.

Mexican industrial investment resumes its previous pace after a pause. For the region it is the outcome to hope for and the most likely single one.

Part 3 · Possibility B — Each Review Becomes Leverage (35%)

Here every annual review is used to extract concessions, as this week's tariff deadline is. Access continues but is renegotiated yearly at a political price.

Long-horizon manufacturing investment shifts toward jurisdictions with fewer renewal dates. Southeast Asia gains at Mexico's expense.

Part 4 · Possibility C — The Agreement Lapses (20%)

In this path the parties fail to agree at the end of the decade and the agreement expires. North American trade reverts to a tariff regime negotiated bilaterally.

It would be the largest structural change to Latin American trade in thirty years. Mexican manufacturing would need an entirely different case.

POSSIBILITY	CHANCE	THE REVIEWS	ACCESS	WHAT IT MEANS FOR LATIN AMERICA
A · Routine renewal	45%	Administrative	Continues	Investment resumes after a pause
B · Annual leverage	35%	Political each year	Priced yearly	Long-horizon capital goes elsewhere
C · It lapses	20%	Fail at the end	Ends	The largest change in thirty years

Source: Rio Times desk · drawing on The Washington Post, CTV News, CBC News, CNN and prior reporting. Not financial advice.

WHAT WE ARE WATCHING · 05

OUR OPINION ONLY · NOT FINANCIAL ADVICE

Eight Things We Are Watching

These are just our own opinions, not financial advice. In short: we read the decade of annual reviews as more consequential than Wednesday's tariff, and treat American consumption as the demand risk to plan around.

WHAT	HOW WE SEE IT	OVER WHAT PERIOD	WHY
North American trade certainty	▼ CAREFUL	120 months	A treaty under annual review for a decade reprices every long-horizon plant decision.
Mexican industrial property	▼ CAREFUL	36 months	Its nearshoring case rests on access that now carries an expiry mechanism.
Canadian export names	▼ CAREFUL	6 months	A 50% tariff lands Wednesday unless negotiators reach the president in time.
A Monday agreement	◆ MIXED	1 week	Presenting a path is not concluding one, and two days is very little margin.
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 down to around 35% from 55%.
Southeast Asian competition	▲ POSITIVE	36 months	It can now point to a North American agreement with a renewal clock attached.
US long bonds	▼ CAREFUL	18 months	Near twenty-year highs and untouched by any of this week's data.

POWER PLAYERS · 06

SIX FORCES · IN THE NEWS TODAY

Six Forces Shaping The News

Six people, institutions and forces whose decisions reach Latin American desks.

Dominic LeBlanc

Trade Minister · Canada

He has met his American counterpart repeatedly in recent days, aiming to present the president a path to a deal as early as Monday. Four days from a 50% tariff, that is the whole job.

Jamieson Greer

Trade Representative · United States

He is the counterpart in those meetings and the channel through which any agreement reaches the president. He was at the Iowa State Fair on Friday.

The annual review process

Legal structure · North America

Triggered by July's decision not to extend the agreement sixteen years, it runs for a decade and ends in expiry without unanimous agreement. It reprices every plant decision on the continent.

Mexico

Third party · North America

It is in the same agreement on the same schedule, and its nearshoring case rests on access that now carries a renewal clock. It has no vote on Wednesday's tariff.

American consumers

Demand · United States

Their retail spending fell 0.6% in July and sentiment dropped to a preliminary 51. Canadian exporters are negotiating into a market that just weakened.

Federal Reserve expectations

Rates · United States

September increase odds have fallen to around 35% from 55% after three cooling readings. That eases regional debt service directly.

DAILY BRIEFING · 07

BY COUNTRY · TRADE · CONSUMPTION · POLICY · MARKETS

The Day, Country By Country

Thirteen items, domestic only, with no war stories. Every item is dated at source, and there is no sport.

TRADE — THE DEADLINE

A Race Before Wednesday

American and Canadian officials are racing to reach a deal that would avert a 50% tariff on roughly 20 billion dollars of Canadian goods, in a dispute that has disrupted a once nearly tariff-free relationship. Sources: The Washington Post · August 15.

A Path for the President by Monday

Canada's trade minister Dominic LeBlanc and United States Trade Representative Jamieson Greer aim to present the president a path to a potential agreement as early as Monday. Sources: CBC News · August 11-15.

Repeated Meetings

LeBlanc met Greer for the second time in less than a week ahead of the deadline, alongside chief trade negotiator Janice Charette. Sources: CTV News, CBC News · August 11.

TRADE — THE STRUCTURE

Sixteen Years Declined

The administration said in July that it would not extend the continental trade agreement for another sixteen years. Sources: CTV News · August 15.

A Decade of Annual Reviews

That decision triggered an annual rolling review process continuing for ten years, at which point the agreement would expire if the three countries do not agree to continue it. Sources: CTV News · August 15.

Mexico on the Same Schedule

The agreement covers three countries, so the review process reaches Mexican industry identically and continuation requires unanimity. Sources: Rio Times desk · August 15.

UNITED STATES — CONSUMPTION

Retail Sales Fell 0.6%

Sales dropped to 763.6 billion dollars in July from a revised 768.1 billion, the steepest decline since May 2025, against a consensus of about 0.1% growth. Sources: Census Bureau via CNN, Quartz · August 14.

The Control Group Fell 0.4%

The narrower measure used to calculate economic growth fell 0.4%, and sales excluding autos and gasoline fell 0.2%. Sources: Census Bureau via Bloomberg, Epoch Times · August 14.

Sentiment at a Preliminary 51

Consumer sentiment slid about 8% early this month from a final 55.2 in July, ending a two-month rising streak, with the largest falls among older, lower-income and non-graduate consumers. Sources: University of Michigan via Bloomberg, CNN · August 14.

Why Economists Say It Happened

Generous tax refunds that had supported second-quarter spending are now exhausted, while June online sales were inflated by a retail promotion that ran earlier than usual. Sources: Reuters via The Globe and Mail · August 14.

POLICY · CANADA

Rate Odds Down to Around 35%

Markets price roughly a 35% chance of a September Federal Reserve increase, down from 55% a week earlier after three cooling readings. Sources: Trading Economics, TradingKey · August 14.

One Component Still Disagrees

Thursday's producer report showed prices excluding food, energy and trade services up 0.4%, four times June's pace, feeding the gauge published on 26 August. Sources: TechTimes analysis of BLS data · August 13.

Canada · Strong Data, Same Deadline

Canada added 75,100 jobs in July and cut unemployment to 6.4%, its lowest since July 2024, with ten-year yields near 3.68% and no policy change expected through 2026. Sources: Statistics Canada, FXStreet · August 7-11.

Pipeline, Sectors, And The Calendar

ITEM	TYPE	WHEN	STATUS
Canadian tariff	Trade	Wednesday	50%, ~$20bn
Draft to president	Trade	Monday	Aim
Extension declined	Trade	July	16 years
Annual review process	Trade	10 years	Then expiry
Mexico exposure	Trade	Same schedule	Unanimity needed
July retail sales	Data	Aug 14	-0.6%
Control group	Data	Aug 14	-0.4%
August sentiment	Data	Aug 14	51 preliminary
Sept hike odds	Rates	Aug 14	~35%, was 55%
PCE index	Data	Aug 26	Fee surge feeds it

Sector Watch · Four Things to Track

THE REVIEW, NOT THE TARIFF

A tariff reverses with a signature. A treaty under annual review for a decade reprices every plant on the continent.

UNANIMITY AS A STANDARD

Continuation at the end requires all three countries to agree. That is materially different from automatic renewal.

MEXICO HAS NO VOTE THIS WEEK

It is a full party to the agreement and a spectator to Wednesday's deadline. Both facts matter.

NEGOTIATING INTO A SOFTER MARKET

American retail sales fell 0.6% and sentiment dropped to 51. The prize is a weaker customer than it was in June.

Calendar · Next 30 Days

DATE	EVENT	WHY IT MATTERS
Monday	A path presented to the president	Two days before the tariff
Wednesday	The 50% Canadian tariff	Roughly $20bn of goods
Aug 26	Personal consumption gauge	Thursday's fee surge feeds it
September	Federal Reserve meeting	Odds down to around 35% from 55%
Mid-September	August retail sales	Whether July was a dip or a turn
Annually, ten years	Continental agreement review	Expiry without unanimous agreement
Ongoing	Mexican industrial investment	Its case rests on access with a renewal clock
Ongoing	US consumer spending	Two-thirds of growth, and it just fell
Ongoing	The 30-year yield	Near twenty-year highs, untouched this week

Ongoing	Canadian employment	75,100 added in July, unemployment 6.4%

WHERE NORTH AMERICA STANDS · OUR TAKE

What Today Tells Us

Our take on Saturday is that the deadline is loud and the structure is louder. Wednesday's tariff can be reversed with a signature and a decade of annual reviews cannot.

American and Canadian officials are racing to avert a 50% tariff on roughly 20 billion dollars of goods, with negotiators aiming to present the president a path as early as Monday. Presenting a path is not concluding an agreement.

Behind that, the administration said in July it would not extend the continental trade agreement for another sixteen years. That triggered an annual rolling review running a decade.

At the end of that period the agreement expires unless all three countries agree to continue it. Unanimity is a materially different standard from automatic renewal.

Mexico is a full party on the same schedule and has no vote on Wednesday. Its nearshoring case rests on tariff-free access to American consumers.

The negotiation is also happening into a softer market. American retail sales fell 0.6% in July and consumer sentiment slid to a preliminary 51, both worse than forecast.

Canada added 75,100 jobs in July and cut unemployment to a two-year low of 6.4%. Domestic performance has not been its difficulty.

For readers in Latin America the review process is the story. Capital committed to a factory expects the rules to hold longer than a year, and this week that expectation was formally shortened.

Sources & Method

TRADE — THE DEADLINE	The Washington Post · CTV News · CBC News · August 11-15 2026 (English/French).
TRADE — THE STRUCTURE	CTV News reporting on the July decision and review process · August 15 2026 (English).
US — CONSUMPTION	US Census Bureau via CNN, Bloomberg, Quartz and The Epoch Times · University of Michigan · August 14 2026 (English).
US — PRICES AND RATES	Bureau of Labor Statistics · TechTimes · Trading Economics · TradingKey · August 13-14 2026 (English).
CANADA	Statistics Canada · FXStreet · August 7-11 2026 (English/French).
EXCLUDED	A claim circulating on a partisan blog regarding White House statements on transshipped goods was not used, as it could not be verified against a neutral source.
LATAM LINK	Mexico's, Brazil's and Colombia's central banks · IDB · S&P; Global · B3 · BMV.
DATING NOTE	The negotiation reporting is August 15 with background from August 11; the decision not to extend was taken in July; the retail sales and sentiment figures are August 14 covering July and early August; the tariff takes effect August 19.

Method. We select only those items that change what a Latin American investor should think or do. Every item carries its own date. Where a claim appears only on a partisan or unverified source we exclude it and say so. We cover domestic stories only, and there is no sport. The health check was updated August 15. The opinions are our own — not financial advice.

All times Eastern unless noted