THE RIO TIMES · INTELLIGENCE DESK · 2026

USA & CANADA INTELLIGENCE BRIEF — FRIDAY, AUGUST 21, 2026

The List Of Things Canada Would Give Up

Three weeks of negotiation end tonight, and the shape of what Ottawa was prepared to trade is now visible. Dairy was held, steel and aluminium were bargained down, softwood and agriculture were left on the table.

The interesting part is not the deal. It is the order in which a country discovered its own priorities, in public, industry by industry, under a clock set by somebody else.

Domestic stories only, read in English and Canadian French. No war coverage and no sport.

IN THIS ISSUE

EDITOR'S LEADER · 01

A COUNTRY SORTS ITS OWN INDUSTRIES IN PUBLIC

What Ottawa Would Trade

Negotiations reveal preferences. Three weeks of them, conducted against a published deadline, reveal preferences to everybody.

Dominic LeBlanc and Janice Charette met Jamieson Greer in Washington on Friday morning. The fifty per cent duty is due to apply at one minute past midnight, and there is no published text from either government.

Thursday's session ran for nearly three hours, the longest of the whole sequence, and was scheduled for thirty minutes. LeBlanc came out and said the two sides were very close and continuing to make progress.

That is the ninth day this newspaper has reported on the same deadline. What has changed is not the odds of a deal but the visibility of Canada's own ranking.

What was defended

Supply management in dairy will remain protected. LeBlanc said so on Wednesday, plainly and without conditions, and it was the first thing either government treated as settled.

That is a system covering roughly ten thousand farms, and it survived the week intact. A country that will not trade its dairy quota under a fifty per cent threat has told you what it considers constitutional rather than commercial.

What was traded

A source with knowledge of the agreement told the national broadcaster that American duties on Canadian steel and aluminium are being reduced from fifty per cent to twenty-five. Those are the sectors that have carried the tariffs longest.

Relief there is real and it is also a concession accepted rather than won. Twenty-five per cent was the rate before this summer, so the industries are being returned to where they started and asked to call it progress.

> *We're very close and we continue to make progress.*
>
> DOMINIC LEBLANC, MINISTER RESPONSIBLE FOR CANADA-US TRADE, WASHINGTON · THURSDAY 20 AUGUST 2026

What was left

Softwood lumber and agriculture remain unresolved with hours to go. Both are old disputes and both belong to provinces with fewer seats than Ontario and Quebec.

The liquor question folded fastest of all. Every premier agreed to return American alcohol to provincial shelves after the prime minister asked, and Newfoundland and Labrador's Tony Wakeham confirmed it publicly.

A federation that spent eighteen months treating those shelves as a matter of principle gave them up inside a day. The lesson is not that the position was weak but that it was always understood to be a bargaining chip.

The number nobody has settled

How much trade is actually covered is still reported two ways. The Canadian Press puts it at twenty-eight billion dollars of goods and earlier reporting put it at twenty billion, and neither government has published a figure.

We are carrying both rather than choosing. A measure whose size is unknown one day before it applies is a description of how this has been run.

EXECUTIVE SUMMARY · 02

TEN ITEMS, RANKED BY CONSEQUENCE

The Day At A Glance

Here is Friday's news, in order of consequence for Latin American readers. Every item is dated and domestic.

#	ITEM	WHY IT MATTERS
1	Talks resume in Washington Friday morning	LeBlanc and Charette meet Greer with the fifty per cent duty due at one minute past midnight. No text has been published by either side.
2	Steel and aluminium reported cut to 25%	A source briefed on the agreement told the national broadcaster the American rate falls from fifty. That returns both metals to their pre-summer level.
3	Dairy supply management protected	LeBlanc confirmed on Wednesday that the quota system stays. It was the first element either government described as settled.
4	Softwood lumber and agriculture unresolved	Both remained open as of Friday morning. They are the two files with the longest dispute history and the smallest electoral weight.
5	Every premier folds on American alcohol	Provinces agreed to restock after a request from the prime minister. Wakeham of Newfoundland and Labrador confirmed it as part of the tentative agreement.
6	The covered volume is still disputed	Twenty-eight billion dollars by one account and twenty billion by another. We are reporting both figures rather than reconciling them.
7	Federal debt passes forty trillion dollars	The milestone was reached this week. It arrives as the long end of the market is refusing to settle.
8	Long borrowing costs will not come down	The thirty-year eased only to about 5.24% from 5.26% early Friday and the ten-year held near 4.70%. Wednesday's intervention has not held its gains.
9	Two Federal Reserve officials disagree in public	Daly said the bond market shows policy is well positioned. Musalem said he is undecided on September and that underlying inflation is still too high.
10	Starbucks cuts 224 corporate posts	The reductions follow staff refusing relocation to Nashville. It is a second round in the same restructuring.

THE NUMBERS AT A GLANCE · USA & CANADA · FRIDAY, AUGUST 21, 2026

UNITED STATES S&P 500 **-0.9%** Thursday close	**UNITED STATES** Dow Jones **-1.3%** Thursday close	**UNITED STATES** Nasdaq **-1.0%** Thursday close	**UNITED STATES** 30-year Treasury **5.24%** Friday, from 5.26%
UNITED STATES 10-year Treasury **4.70%** Friday, steady	**UNITED STATES** Federal debt **$40tn** passed this week	**CANADA** Tariff deadline **00:01** Saturday morning	**CANADA** Steel, aluminium **50-25%** reported reduction

OUR SIMPLE HEALTH CHECK · USA + CANADA

How The Countries Are Doing

Our own reading of ten domestic dimensions across the two economies, scored one to five. This is a judgement, not a forecast, and it is not financial advice.

	POLITICS	BUDGET	MONEY	MARKETS	OUTSIDE	WHAT WE SEE
Canadian trade policy Ottawa	5	4	3	4	5	Hours from a fifty per cent duty with no published text and the covered volume still reported two ways.
Canadian dairy Supply management	2	2	2	2	3	Confirmed protected on Wednesday and treated by both governments as outside the negotiation.
Canadian metals Steel and aluminium	3	3	3	3	4	Reported cut from fifty per cent to twenty-five, which restores the rate that applied before the summer.
Canadian forestry Softwood lumber	4	4	3	4	5	Still unresolved on the final morning, as it has been through every previous round of this dispute.
Canadian provinces The federation	3	3	2	2	4	All premiers agreed to restock American alcohol within a day of being asked by the prime minister.
Canadian policy Bank of Canada	2	3	3	3	4	Expected to hold at 2.25% on 2 September, with June retail sales published this morning.
US public debt Treasury	3	5	4	4	3	Federal borrowing passed forty trillion dollars this week against an unsettled long end.
US long borrowing Bond market	3	5	4	4	3	Thirty-year at about 5.24% and ten-year near 4.70%, giving back most of Wednesday's improvement.
US monetary policy Federal Reserve	4	3	4	3	3	Two officials took opposite readings in public within a day of each other on the September decision.
US employers Corporate	3	3	3	3	3	Starbucks cut 224 corporate posts after staff declined relocation, in a second restructuring round.

How to read the colours: 1 = calm, 2 = fairly good, 3 = mixed, 4 = some strain, 5 = serious strain. Updated Friday, August 21, 2026.

DEEP DIVE · THE DEADLINE · 04

WHAT HAPPENS WHEN THE CLOCK RUNS OUT

The Price Of Being Ready

Part One · What Actually Happened

Three proclamations signed on 20 July impose a fifty per cent duty on a range of Canadian goods. Unlike most other American tariffs they carry no exemption for products that qualify under the continental agreement.

Energy, potash, fish and critical minerals are outside the measure. Vehicles, alcohol, dairy and a long basket of other goods are inside it.

The duty was due on 19 August and was paused for three days. That pause expires at one minute past midnight tonight.

Canada arrived at this week with three things it could offer and one it would not. The offer set was retaliatory auto tariffs, provincial alcohol bans and the shape of dairy quotas, and the refusal was supply management itself.

By Friday morning two of the three had moved. The alcohol bans went in a day and the metals rate was reported down to twenty-five per cent, while dairy was declared untouchable on Wednesday.

What that sequence shows is a country that had already decided its ranking before the talks began. The negotiation did not create the priorities, it published them.

Part Two · Three Ways This Can Go

Possibility A · A deal is signed before midnight · 45%

The metals reduction and the alcohol restocking are enough, and softwood and agriculture are deferred to a later process. Ottawa books relief in the sectors that employ the most people and accepts an unfinished file.

Possibility B · Another short extension · 35%

The two sides run out of drafting time rather than agreement and the deadline moves again. This has already happened once this week and the machinery for it is in place.

Possibility C · The duty applies · 20%

Talks fail on softwood or agriculture and fifty per cent lands on a disputed volume of goods. Canada would then face the question of whether to retaliate into an economy that has already contracted in three of four recent quarters.

OUTCOME	WHAT IT LOOKS LIKE	WHAT IT MEANS FROM LATIN AMERICA
A deal tonight	Metals relief confirmed, alcohol back on shelves, softwood carried forward.	A working template for a middle power negotiating with Washington under a clock.
Another extension	No text, no duty, and the same conversation next week.	Deadlines that move teach exporters everywhere to discount the next one.
The duty applies	Fifty per cent on twenty to twenty-eight billion dollars of goods.	Confirmation that continental trade agreements do not shield signatories from unilateral action.

Chances are Rio Times Intelligence Desk estimates and sum to one hundred. They are a way of ordering possibilities, not financial advice.

EIGHT THINGS, WITH OUR OWN VIEW

Eight Things We Are Watching

Eight things we are watching, with our own view on each. These are opinions from the Rio Times Intelligence Desk and not financial advice.

WHAT	WHEN	OUR VIEW
Whether a text is published	Tonight	Nothing either government has said this week has been written down. Until a document exists, the fifty per cent remains legally live.
Softwood lumber	Days	The oldest dispute on the continent and the one most likely to be deferred rather than settled. Deferral is the realistic good outcome.
Agriculture beyond dairy	Days	Supply management was ring-fenced but the rest of the sector was not. Watch which commodities were quietly inside the offer.
The covered volume	Unresolved	Twenty billion or twenty-eight billion changes the arithmetic materially. Neither capital has published the schedule.
Canadian retail sales, June	Published this morning	Released at half past eight eastern time, describing a month spent waiting for exactly this deadline.
American flash surveys	Published today	The first read on August activity, out at a quarter to ten eastern time.
The September Federal Reserve meeting	15-16 September	Two officials gave opposite public readings this week. A committee that already split three ways in July is not converging.
Bank of Canada	2 September	Expected to hold at 2.25%. What tonight produces will matter more to that decision than any domestic figure.

POWER PLAYERS · 06

WHO IS DECIDING THIS WEEK

Five People Shaping The News

Five people whose decisions this week shape what follows. We characterise stances and choices, not private motives.

Dominic LeBlanc · Minister responsible for Canada-US trade

Has run nine meetings in three weeks and has said almost nothing quotable in any of them. His discipline has kept Canada's concessions from being priced before they were offered.

Janice Charette · Chief trade negotiator, Canada

Present at every session and named in none of the announcements. The technical work that turned a threat into a schedule of sectors was hers.

Jamieson Greer · United States Trade Representative

Has held to one demand throughout, that Canada lift its retaliatory measures first. The sequencing has been the American position and it has largely been met.

Mark Carney · Prime Minister of Canada

Asked the premiers to restock American alcohol and received unanimous agreement within a day. That is a considerable amount of federal authority spent on a single item.

Tony Wakeham · Premier of Newfoundland and Labrador

Confirmed publicly that the premiers had agreed to the alcohol request as part of a tentative deal. He described the arrangement before either national government did.

DAILY BRIEFING · 07

WHAT HAPPENED WHERE

The Day, Country By Country

What happened where, in the two countries, on Friday 21 August 2026.

OTTAWA AND WASHINGTON

LeBlanc and Charette met Greer on Friday morning in Washington, with the pause expiring at one minute past midnight. Canada's ambassador and the prime minister's chief of staff were part of Thursday's session.

Thursday's meeting ran close to three hours against a scheduled thirty minutes. It was the longest engagement of the entire sequence.

THE SECTORS

American duties on Canadian steel and aluminium are reported to fall from fifty per cent to twenty-five. The figure comes from a source briefed on the agreement rather than from either government.

Softwood lumber and agriculture were still open on Friday morning. Dairy supply management was confirmed protected on Wednesday.

THE PROVINCES

All premiers agreed to return American alcohol to provincial shelves following a request from the prime minister. Alberta and Saskatchewan had already reversed their bans earlier in the dispute.

Newfoundland and Labrador's premier confirmed the agreement publicly. Provincial liquor boards are the retail channel in most of the country.

THE UNITED STATES TREASURY

Federal debt passed forty trillion dollars this week. The thirty-year yield eased only to about 5.24% from 5.26% early on Friday.

The ten-year held near 4.70%. Wednesday's announcement has not held the improvement it produced on the day.

THE FEDERAL RESERVE

Mary Daly said bond markets show that policy is well positioned and dismissed concerns about the institution's credibility. Alberto Musalem said he remains undecided on September.

Musalem added that underlying inflation is still too high. The July meeting held at 3.50 to 3.75% on a nine to three vote.

AMERICAN EMPLOYERS

Starbucks cut 224 corporate positions after staff declined to relocate to Nashville. The company describes it as part of a wider restructuring.

Shares in the largest American retailer fell nine per cent on Thursday despite raised full-year guidance. That reaction is carried here as context rather than as news.

CORPORATE PIPELINE · 08

DEALS, SECTORS AND DATES

Pipeline, Sectors, And The Calendar

Deals, sectors and dates that matter to the two economies over the next month.

WHAT	WHO	WHERE IT STANDS
Canada-US tariff settlement	Ottawa, Washington	Under negotiation Friday morning. Duty applies at one minute past midnight unless a text is signed.
Steel and aluminium rate	Both governments	Reported reduction from fifty per cent to twenty-five, unconfirmed by either capital.
Provincial alcohol restocking	Ten provinces	Agreed in principle by all premiers. Implementation is a matter for provincial liquor boards.
Softwood lumber	Both governments	Unresolved. No mechanism announced for handling it after tonight.
Starbucks restructuring	Corporate	224 corporate roles cut after staff declined Nashville relocation.

Sector Watch · Four Things to Track

Metals

A reduction to twenty-five per cent restores the position that applied before this summer rather than improving on it. Producers will book the relief and keep the capital plans on hold.

Forestry

Softwood has outlived every previous framework agreement between the two countries. Nothing this week suggests that pattern is ending.

Retail and distribution

Provincial liquor boards must now reverse eighteen months of delisting. That is a logistics exercise with a political deadline attached.

Government debt

Forty trillion dollars of federal borrowing meets a long end that will not settle. The two facts are becoming one conversation.

Calendar · Next 30 Days

DATE	WHAT
21 August	Canadian retail sales for June, and American flash activity surveys for August.
22 August	The fifty per cent duty applies from one minute past midnight unless a text is signed.
25 August	American house price index, new home sales and consumer confidence.
26 August	The second estimate of American second-quarter output, first put at 1.5%.
28 August	Canadian second-quarter output and June monthly output.
2 September	Bank of Canada decision, expected to hold at 2.25%.
15-16 September	Federal Reserve meeting, after a nine to three July vote with three dissents for an increase.

BOTTOM LINE · SOURCES · 09

WHAT THE DAY ADDS UP TO

What Friday Tells Us

A negotiation conducted in public against a published clock does not just produce an outcome. It produces an inventory.

Canada now has, on the record, a ranked list of what it will defend and what it will trade. Dairy at the top, metals in the middle, softwood and provincial liquor policy at the bottom.

That inventory outlives tonight regardless of what is signed. Every future counterpart has read it.

For Latin American readers the transferable lesson is not about tariffs. It is that a middle power negotiating under a deadline set by somebody else will reveal its own hierarchy faster than it can conceal it.

The one thing still missing is a document. Nine days of reporting on this deadline have produced no published text from either government, and that absence is itself the most reliable fact in the story.

	DETAIL
PRIMARY	Statements by Dominic LeBlanc in Washington, 19 and 20 August. Proclamations signed 20 July. Federal Reserve officials' public remarks, 20 August.
REPORTING	CBC News, CTV News, CP24, Global News, The Canadian Press, Reuters, marketScreener, investingLive · 19-21 August 2026.
LANGUAGES	English and Canadian French.
VERIFICATION NOTE	The volume of goods covered is reported as twenty-eight billion dollars by The Canadian Press and twenty billion by earlier reporting. Neither government has published a schedule, and we carry both figures rather than reconciling them. The steel and aluminium reduction is attributed to a single source briefed on the agreement and is not confirmed by either capital.
UPDATED FIGURE	Long yields have given back most of Wednesday's improvement. The thirty-year stood near 5.24% on Friday morning against the 5.18% reported after the announcement.
EXCLUDED	No sport and no conflict coverage. Market moves appear as evidence only.
SKIPPED	American flash activity surveys for August were not published before this edition closed.