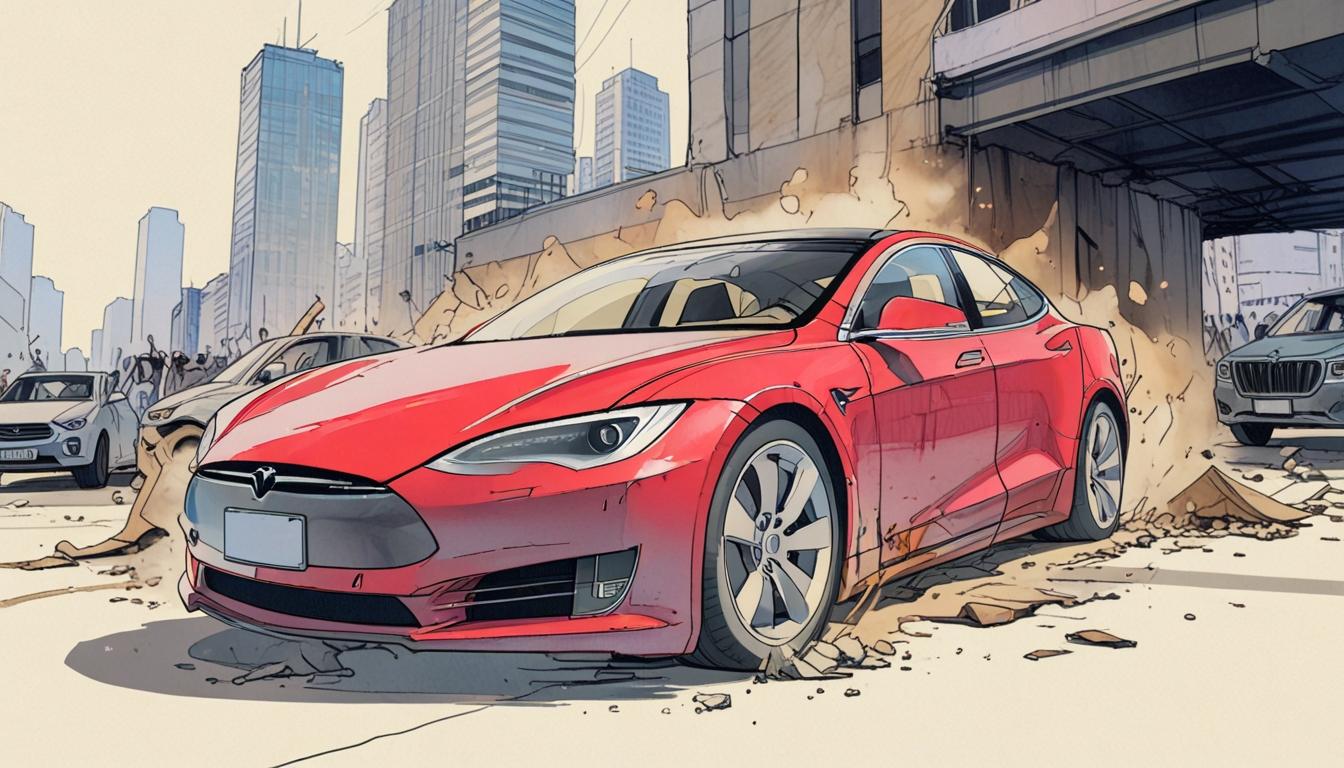
# UK and US near trade deal despite tariff challenges



Government sources indicate that the United Kingdom is poised to agree on a significant economic trade deal with the United States within days, even as Chancellor Rachel Reeves faces obstacles in negotiations, particularly concerning tariffs. Ministers appear determined to strike an agreement under the leadership of former President Donald Trump, despite warnings from his advisers that he is unlikely to reduce tariffs imposed on the UK.

Speaking at a meeting in Poland with European financial ministers, Chancellor Reeves declared that the UK was "resolved" to secure "the best deal possible" with the US. The ongoing discussions are expected to advance rapidly in the coming days. Nonetheless, sources suggested that the UK might not be able to avoid the 'baseline' tariff of 10 per cent on exports to the US. Instead, the focus is likely to be on negotiating an easing of the 25 per cent tariffs affecting key exports such as steel, aluminium, and cars—traditionally the UK’s largest export categories to America.

As tensions continue to rise in trade relations globally, Mr. Trump has asserted that his policies regarding tariffs are "doing really well" and are "moving along quickly." His administration has increased tariffs against China to a staggering 145 per cent, prompting retaliatory measures from China, which has lifted its tariffs on US exports to 125 per cent. This escalating trade conflict has severely curtailed trade activities between the two countries.

In a significant consequence of these tariff policies, electric vehicle manufacturer Tesla has had to suspend new orders for cars in China, which notably represents a substantial market for the company. The automaker has seen its share price decline by approximately 50 per cent, primarily due to heightened taxes and tariffs impacting the supply chain, particularly in sourcing battery materials from Chinese companies. Elon Musk, the CEO of Tesla, has acknowledged that the company faces a "significant" impact from these tariffs, even while advocating for a "zero tariffs" policy between the US and the EU.

In the financial sector, uncertainty followed Mr. Trump’s announcement of tariffs on worldwide imports, resulting in a considerable drop in stock markets. However, his decision to pause most tariffs—except for those on China—for 90 days revived the markets, leading the S&P 500 index to surge over 9 per cent. This abrupt policy shift raised accusations of insider trading against Trump, particularly after he prompted friends and allies to buy shares shortly before the surge.

The White House has reported that over 75 countries have approached the US administration concerning tariff negotiations, with press secretary Karoline Leavitt highlighting a robust interest in establishing new deals. She asserted, "If China continues to retaliate, it's not good for China," reinforcing Trump’s stance that any aggression will be met with retaliation.

In London, a performance art protest by the campaign group "Everyone Hates Elon" drew attention as activists destroyed a Tesla Model S, previously meant for scrap, in demonstration against billionaires and far-Right policies. The act was framed as a means for Londoners to express their frustration with wealth disparity and their sentiments regarding current socio-political issues. The car, valued at £14,000, is set to be auctioned with proceeds directed towards a local food bank, underlining the group's intent to avoid public disorder while delivering their message.

As negotiations between the UK and US continue, the complex landscape of international trade dynamics remains fraught with challenges, both for the nations involved and for major companies like Tesla, which are navigating the effects of elevated tariffs and shifting market conditions.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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