

Flash Note 31/07/2018

Alex Fusté
@AlexfusteAlex
alex.fuste@andbank.com

The EU is divided over Trump trade deal

Trade: Agriculture remains a sticking point in EU-US trade negotiations

- The Times reported yesterday that the EU was divided over its trade truce with Trump while the US president celebrated the deal with farmers.
- According to the report, news of an agreement between the US and the EU
 was tentatively welcomed by Britain and German politicians (who hailed it
 as a "breakthrough" that could save millions of jobs).
- Nevertheless, the agreement seems to have prompted anger in Paris amid fears it would leave France "open to an invasion of American food" and damage its farming industry.
- French economy minister Le Maire insisted "agriculture remains out of the field of discussions" and President Macron said he is "not in favor of negotiations leading to a wide ranging trade agreement".
- Bloomberg also cited French President Macron, who said on Thursday that
 "we will seek clarifications from the European Commission on elements of
 the trade agreement its leader, Juncker, thrashed out with US President
 Trump this week". He added that "we have some questions that we will
 want to clarify in the coming days with our European partners".
- The WSJ also discussed the recent US-EU trade agreement and highlighted that a gap between the two sides quickly emerged on what was agreed.
- According to this newspaper, the European officials said that Trump and his
 aides are exaggerating about what was achieved and that there are
 disagreements on agriculture. The article noted that a European
 Commission spokeswoman Mina Andreeva said that Europe has been clear
 on agriculture and this is not part of discussions.

Best