

TRADE NEWS WEEKLY

June 29-July 3, 2026

A summary of international business news prepared by the Hawaii Foreign-Trade Zone 9 with the collaboration of the Research and Economic Analysis Division of the Department of Business, Economic Development & Tourism, and based on research and information from various trade publications, which track news and events related to global trade. Other information sources may occasionally be included when appropriate.

China Restricting Rare Earths

The government of mainland China has extended its export control list to include U.S. rare earth producers MP Materials Corp. and USA Rare Earth Inc.

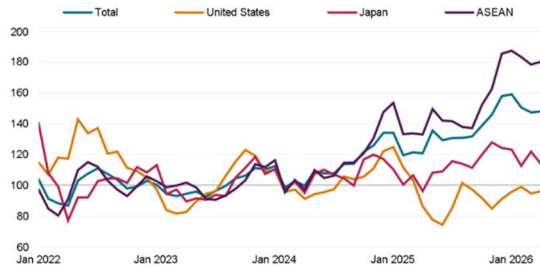
The U.S. government owns equity stakes in both firms, which are key to the U.S. strategy for reducing its strategic reliance on mainland Chinese rare earth materials. Mainland China's exports of materials to the U.S. increased by 11.3% year-over-year in the three months to April 30, 2026, but are 3.9% below their 2023 average.

According to mainland China's Ministry of Commerce (MOFCOM), the move was directly triggered by the U.S. designation of prominent mainland Chinese tech companies as "Chinese military companies" in June 2026 and is likely part of broader efforts to curb U.S. rare earth development plans.

Forthcoming Section 301 (manufacturing) tariffs may be the next tripwire for U.S.-China relations.

Exports to United States lag overall growth in rare earth exports

Mainland China exports of rare earth materials, 3-month average, rebased 2023 = 100



Data compiled June 22, 2026.
Source: S&P Global Market Intelligence.
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Source: Panjiva Data

New Section 301 Tariff Proposed on Imports from Brazil

The Office of the U.S. Trade Representative (USTR) is proposing to impose an additional 25 percent tariff on imports from Brazil following a Section 301 determination against Brazil's acts, policies, and practices related to "digital trade and electronic payment services; unfair, preferential tariffs; anti-corruption enforcement; intellectual property protection; ethanol market access; and illegal deforestation."

USTR states that this tariff would apply to all goods of Brazil except the following:

- informational materials, donations, and accompanied baggage
- all articles and parts of articles subject to section 232 tariffs
- hundreds of products identified in the annex to this notice, which include (1) raw materials that, if subject to the proposed tariff, could lead to the unavailability of domestic supply, (2) products that could cause economy-wide disruptions if subject to the proposed tariff, (3) products that cannot be grown or produced in sufficient quantities in the U.S. or obtained from other sources, and (4) articles for which the additional tariff may not contribute substantially to the elimination of Brazil's acts, policies, and practices at issue.

Source: Sandler, Travis & Rosenberg, P.A.



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CBP Revises Entry Procedures for Low-Value Imports

U.S. Customs and Border Protection (CBP) has taken several steps that it says aim to “ensure that all low-value [import] shipments are subject to consistent enforcement across every mode of entry.”

An executive order (EO) issued earlier this year continued the suspension, first implemented in 2025, of the de minimis exemption allowing duty-free treatment for imports of articles valued at \$800 or less and imported by one person on one day. Consistent with that EO but citing CBP’s own statutory authority under 19 USC 1321 to amend this exemption, CBP has issued two interim final rules revising its regulations to indefinitely suspend the exemption for shipments via the international postal network or any other mode, respectively. The rule regarding mail shipments will be effective July 24, 2026, (though compliance with some provisions will not be required until Oct. 22, 2026), while the other took effect June 24, 2026. Comments on both are due by July 24, 2026.

The rule on entries via mail will also establish a new interim process for informal mail entries valued at \$2,500 or less, including those that would previously have been eligible for the de minimis exemption. Under this process filers will have to email an Excel spreadsheet to CBP containing information specified in the rule. This process will be limited to parties with the right to make entry (i.e., owners or purchasers of the goods or designated and licensed customs brokers), which will have to have a basic importation and entry bond sufficient to secure the entries.

(Shipments that are subject to quotas, antidumping or countervailing duties, any duties imposed under HTSUS Chapters 98 and 99, or import and entry-related partner government agency requirements, or shipments of merchandise for which duty-free treatment is claimed under HTSUS Chapter 98 or pursuant to a free trade agreement, will not be eligible for entry under this process and instead must be entered under the formal entry process.)

However, CBP has also announced its intention to begin a test of a new electronic informal entry type 13 for international mail shipments valued at \$2,500 or less on September 22, 2026. CBP states that this test will provide an alternative to the interim process described above and will allow informal entry in ACE for qualified international mail shipments. It will also temporarily create an informal entry pathway for low-value international mail shipments subject to PGA data requirements or duties other than those set forth in HTSUS Chapters 1-97. Shipments subject to AD/CVD duties or quotas will remain ineligible for this test and will have to be entered under formal entry procedures.

CBP states that it plans to eventually replace the new interim process for informal mail entries with an automated process and that this voluntary test, which will run for an indefinite period, will allow CBP to evaluate the capabilities of the new entry type and determine if it effectively addresses the risks and complexities present in the international mail environment, particularly in light of the large volume of mail formerly eligible for the de minimis exemption.

Source: Sandler, Travis & Rosenberg, P.A.

USTR Launches Section 301 Review of German Pharma

The U.S. Trade Representative (USTR) has launched a Section 301 review of Germany’s pharmaceutical pricing, stating that Germany pays too little for innovative U.S. drugs. The German government has indicated it expects the US to stand by the recently approved EU-U.S. trade deal, which requires tariffs of no more than 15% of pharmaceuticals.

U.S. export prices of drugs to Germany have performed more strongly than those to the rest of the world, with prices in the three months to April 30, 2026, being 256.8% higher than the fourth quarter of 2021, while the price of exports to the rest of the world was down by 17.2%.

If the U.S. decides to apply tariffs on imports of drugs from Germany, then U.S. healthcare prices may rise further. The S&P Global



Healthcare PMI shows input prices have outstripped output prices consistently over time, suggesting a slow pass through of cost increases. Output prices have only fallen in one month (April 2026) since the start of 2021 even though tariffs have not yet been applied.

Alternative measures could be agreed, including a drug pricing policy change like that agreed with the UK, or voluntary “most favored nation” pricing approaches pursued by companies looking to avoid U.S. tariffs. German healthcare and Vietnamese intellectual property are unlikely to be the last to face country-specific Section 301 reviews.



Source: Panjiva Data

Import Duties to be Suspended for Fertilizer from Morocco

President Trump issued June 29, 2026, a proclamation authorizing the suspension of certain antidumping and countervailing duties on phosphate fertilizer imported from Morocco. This suspension will remain in effect for eight months or until the president terminates an emergency (declared in the same proclamation) regarding the availability of sufficient supplies of fertilizers.

A White House fact sheet notes that U.S. production of phosphate fertilizer is currently insufficient to support domestic food production and that global supply chains for this product and its inputs have been disrupted due to events such as conflicts in producing regions and trade actions taken by major producing countries. Easing access to fertilizer from Morocco, a major supplier, is thus intended to “mitigate significant risks to food production,

safeguard national security, and ensure a stable domestic food supply.”

Source: Sandler, Travis & Rosenberg, P.A.

Maersk Raises 2026 Earnings Outlook as Container Market Strength Continues

A.P. Moller-Maersk has sharply upgraded its financial guidance for 2026, citing stronger-than-expected demand in the global container shipping market and a sustained rise in spot freight rates, particularly on trades out of the Far East.

The Danish shipping giant now expects underlying EBITDA of \$8 billion to \$10 billion for the year, up from its previous forecast of \$4.5 billion to \$7 billion. Underlying EBIT is now projected at \$2 billion to \$4 billion, compared with prior guidance ranging from a \$1.5 billion loss to a \$1 billion profit.

Maersk also improved its free cash flow outlook, saying it now expects free cash flow of at least negative \$1.5 billion, versus its previous guidance of at least negative \$3 billion. The company said the stronger outlook reflects continued resilience in container demand and a sustained increase in spot freight rates. Maersk also raised its forecast for global container market volume growth this year to about 4%, from its previous expectation of 2% to 4%.

The upgraded outlook comes as container shipping continues to benefit from an extended period of supply chain disruption that has kept freight rates elevated across major east-west trade lanes. While geopolitical tensions have created significant challenges for carriers and shippers alike, they have also tied up vessel capacity through longer voyages and network disruptions, helping support freight rates.

Maersk continues to operate under extensive contingency measures in the Middle East. In its latest operational advisory, the carrier said it continues to restrict bookings to several Gulf markets, reroute cargo through alternative hubs and inland transport corridors, and levy emergency freight surcharges to cover additional storage, charters and rerouting costs.



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Maersk is scheduled to report its second-quarter results on August 13, 2026.

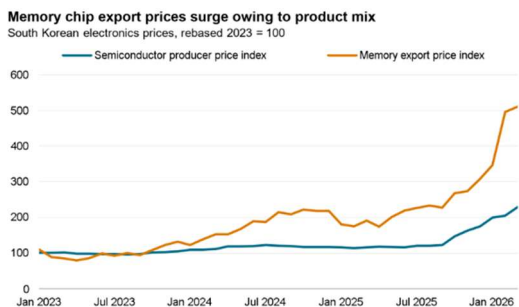
Source: gCaptain

Global Chip Prices Experiencing Significant Price Increases

Global memory chip prices are experiencing significant inflation driven by AI demand, with South Korea’s memory exports surging 240% year over year to US\$24.9 billion in May 2026, largely concentrated in value increases rather than volume growth.

Pricing pressure is cascading through supply chains across multiple regions, reflected in elevated producer and export price indexes in South Korea, mainland China and Japan, while firms like Apple Inc. face margin compression as consumer devices compete with data center infrastructure for the same high-speed memory modules.

Geopolitical factors, including Middle East supply chain disruptions and volatile access to memory in mainland China, continue to create uncertainty, although potential agreements and support packages from South Korea may offer some relief.



Source: Panjiva Data

Apparel Imports Restricted Under New Forced Labor Orders

U.S. Customs and Border Protection (CBP) has announced two new withhold release orders (WRO) that, effective June 23, 2026, require the detention at all U.S. ports of entry of garments produced by Needle Craft Ltd. and Casual Wear Apparel LLC garment-manufacturing factories in Jordan. CBP states that this WRO is based

on evidence that workers at these factories are subject to seven International Labor Organization indicators of forced labor.

According to CBP, importers of detained shipments may seek to destroy or export those shipments or demonstrate that the goods were not produced with forced labor.

WROs are issued pursuant to 19 USC 1307, which prohibits imports of goods made wholly or in part with forced labor, including convict labor. CBP notes that these are the fifth and sixth WROs issued so far in fiscal year 2026.

Source: Sandler, Travis & Rosenberg, P.A.

Long Beach Posts Record 40% Import Surge in May as Shippers Rush to Beat July Cost Increases

The Port of Long Beach handled 842,030 TEUs in May, its third-busiest month on record and 31.7% above year-ago levels, with imports surging 40% to 418,851 Twenty-foot Equivalent Units (TEU). CEO Noel Hacegaba attributed the spike to shippers pulling cargo forward ahead of manufacturers’ cost increases set to take effect in July, rising fuel costs, and tariff uncertainty. Carriers responded by tightening trans-Pacific capacity and pushing rates sharply higher. Hacegaba sees an earlier-than-normal peak season, with above-average volumes expected through July and August. Long Beach has processed 4,050,247 TEUs through May 2026, tracking 2025’s record pace.

The surge is pull-forward demand, not structural growth. Shippers frontloading to beat July increases will face a softer Q3 unless new demand fills the hole. Scarcer booking space and higher trans-Pacific rates are already live. If you haven’t locked capacity through August 2026, that window is closing fast.

Source: FreightWaves

