

US - CHINA TRADE WAR UPDATE



US China trade talks conclude

Following the conclusion of the three-day trade talks this week between US and Chinese officials in a bid to resolve the ongoing trade war between the two countries, both sides have released statements. The Chinese Commerce Ministry has commented that the concluded round of trade talks were extensive and have laid the foundations for a resolution of the dispute. The ministry said that both parties have agreed to remain in close contact.

The US also released a statement earlier in the day, acknowledging that although there are still a number of outstanding issues to be addressed, China has pledged to purchase a substantial amount of agriculture, energy, manufactured goods and other products and services from the United States. The statement also reinforced President Trump's commitment to addressing the persistent trade deficit and to resolving structural issues in order to improve trade between the US and China.

China GDP growth Chinese economy predicted to slow to 6.2%

China's GDP growth forecasts have been cut with the economy predicted to slow to around 6.2%, although this figure is still relatively high compared to most developed economies, it represents a slowdown in the growth of the country in comparison to the rapid growth of recent

years, not helped by the trade war with the US.

Data released at the beginning of the month showed manufacturing activity in China decreasing for the first time in 19 months. However, the effects of a slowdown in the Chinese economy are already impacting global trade - last week Tech giant Apple blamed a slowdown in business on Chinese trade tensions. With half of the world's steel, copper, coal and cement exports going to China, this is not the news that the dry bulk market wants to hear.

World Bank warns of 'Storm clouds' for global growth in 2019

The World Bank has warned of 'Storm clouds' for global growth in 2019, citing elevated trade tensions and international trade moderation as the reasons behind a slowdown as the US China trade war has a knock-on effect on the globally.

The world economy has slowed to 2.9% this year compared to 3% in 2018. According to the World Bank, growth in the US is likely to slow to 2.5% this year from 2.9% in 2018, while China is expected to grow at 6.2% compared to 6.5% in 2018.

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