More than 100 members of the US Congress on Monday called on the Obama administration to label China a currency manipulator, in a move that highlighted the pressure on Washington to take a more confrontational stance towards Beijing.

In a letter to Timothy Geithner, Treasury secretary, and Gary Locke, commerce secretary, the 130 Congressmen demanded the administration designate China a manipulator when it issues its regular report on currency manipulation next month. They called for countervailing duties to be imposed on Chinese imports.

"I have not really seen this level of enthusiasm among members of Congress before," said Tim Ryan, one of the Congressmen organising the bipartisan letter. "There is a heck of a coalition behind this and the time is right."

The letter adds to pressure on the Obama administration, which is trying carefully to manage its relationship with China, one of the largest buyers of US government debt, amid fears a rift could unnerve investors and undermine recovery.

The Obama administration has been reluctant to designate China a currency manipulator at a time when figures including Mr Geithner have sought to work with Beijing. The US has looked for support from China on a range of issues from climate change to United Nations sanctions on Iran. But, with US unemployment at nearly 10 per cent, the administration has also identified the alleged undervaluation of the renminbi as a top priority. Calls from the Democratic party’s base for a tougher line have intensified.

"It’s politically important for Democrats obviously but there are also many Republicans and small business owners that would benefit from this," said Mr Ryan, who hailed Mr Obama for having taken “a more aggressive approach on enforcing our trade agreements than any president has for 30 years”.

The letter adds that, after a formal designation, the US should begin talks with China on its foreign exchange regime and signal its willingness to enter a formal complaint at the World Trade Organisation.

"This is very risky. On both the Chinese and the US sides the leadership feels that you have to keep the relationship on an even keel, but with domestic feelings running high there is a risk that it gets out of control," said Eswar Prasad, an expert at Cornell University and the Brookings Institution.

"There is a consensus building in the US that China’s position on the currency is untenable and that China is throwing its weight around in a way that is unfriendly," he added. "The perception in China is that the dynamic in the bilateral relationship has shifted completely to Beijing’s advantage."

In a letter last month 15 US Senators criticised Mr Locke for having “failed” to adequately investigate charges that China deliberately undervalued its currency for trade advantages while a number of members of Congress have introduced legislation to label Beijing a manipulator.

The US Treasury declined to comment on the latest call. The last time it designated a country as having manipulated its currency was in 1994, when it identified China as having done so.

Since then trade between the two countries has risen enormously, with Chinese exports to the US reaching $296bn in 2009 and imports hitting $70bn. Mr Prasad adds that China holds about 10 per cent of the total US outstanding government debt of $7,800bn.