

Trump says US-China trade deal will be signed on January 15

‘Phase one’ pact to be inked at White House ahead of talks in Beijing

December 31 2019



Donald Trump, right, with China's president Xi Jinping in Beijing in 2017 © AP

US president Donald Trump has said he will sign a “phase one” trade deal at the White House on January 15 in the presence of high-level representatives from China.

In a tweet on Tuesday, Mr Trump also said he will travel to Beijing at a later date to begin “phase two” talks.

Washington and Beijing on December 13 reached a [limited agreement](#) to pause the trade war between the countries, in which more than half a trillion

dollars of goods have been hit with new levies.

The US agreed not to impose fresh levies on \$156bn of Chinese consumer goods and agreed to halve tariffs on \$120bn of imports that were introduced in September. Meanwhile, China pledged to increase imports from the US, such as agricultural purchases, and promised better protection of intellectual property rights.

“I will be signing our very large and comprehensive Phase One Trade Deal with China on January 15,” Mr Trump said. “The ceremony will take place at the White House. High level representatives of China will be present. At a later date I will be going to Beijing where talks will begin on Phase Two!”

The exact terms of the 86-page agreement have not been made public and are being translated and reviewed by the two sides.

But White House adviser Peter Navarro had indicated that signing the phase one agreement was near, when he told Fox News on Monday: “That’s a deal, put that one in the bag.”

He said the details of the agreement would be released “as quickly as possible” and added: “If I’d had my way it would have been out right away but basically you need to get it translated into Chinese and double checked so both versions match.”



Donald J. Trump ✓
@realDonaldTrump

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9:16 AM · Dec 31, 2019 · [Twitter for iPhone](#)

During the interview, Mr Navarro declined to comment on a report from the South China Morning Post on Monday that had said Chinese officials, including vice-premier Liu He, would travel to Washington to sign the agreement.

Wall Street largely shrugged at Mr Trump's tweet and was modestly lower in late-morning trade. However, the S&P 500 was on track for its biggest annual gain since 2013.

While business groups have cheered the deal, Eswar Prasad, a professor at Cornell University and former head of the IMF's China division, said it left unresolved the sources of economic tension between the US and China.

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“The much-touted trade deal seems to have terms and concessions that the Chinese had been willing to put on the table early on in the negotiating process, while more substantive issues will be deferred to future negotiations,” he added.

Having made progress on a trade truce with China and enacted the USMCA

agreement with Canada and Mexico to replace Nafta, the Trump administration may now have more time to focus on the EU.

Washington in October placed tariffs on \$7.5bn of EU goods, as allowed by the World Trade Organization in a dispute over aircraft subsidies, and has [threatened to increase tariffs](#) on a range of other goods.