



The US Bumpy Trade Relations with China-V

13-30 May 2019

News/Op-ed	Key Takeaway
<p>The US slipped to third place in a ranking of most competitive economies CNBC</p>	<p>While the U.S. still ranked first in economic performance, IMD found that the country fell from its top spot as the boost in confidence from U.S. President Donald Trump's tax policies faded. Higher fuel prices and weaker high-technology exports also hit the economy's competitiveness.</p>
<p>Stock markets fall as ECB adds to warnings on trade war – as it happened The Guardian</p>	<p>European Central Bank vice-president Luis de Guindos warned that a trade war between the world's two largest economies remains the biggest risk to the world economy. If that were to trigger a global slowdown it could also cause financial instability, the ECB warned.</p>
<p>Trump must call off escalating US-China trade war before it's too late Fox Business</p>	<p>Estimates indicate that the average American household will pay at least \$500 extra this year because of tariffs already imposed. Jobs will be hit hard, too, with upwards of 455,000 jobs put at risk because of this costly conflict.</p>
<p>The trade war comes to Walmart, Target and Macy's CNN Business</p>	<p>Walmart, Target, Home Depot, Kohl's, Macy's (M) and others said over the past week that the tariffs have forced them to either alter their financial outlooks, remodel carefully-crafted supply chains or consider raising price tags for customers.</p>
<p>Willas-Array posts HK\$18.96m full-year net loss amid trade war The Business Times</p>	<p>WILLAS-ARRAY Electronics (Holdings) reported a loss attributable to owners of HK\$18.96 million (\$\$3.34 million) for the year ended March 31, compared to a profit of HK\$111.96 million the year before.</p>
<p>Beer industry blames Trump's tariffs for loss of 40K jobs The Hill</p>	<p>A study released this week by the Beer Institute and National Beer Wholesalers Association found that direct, indirect and induced jobs were at 2.19 million in 2018, a drop of 40,000 jobs from 2016.</p>
<p>US-China trade war impact on Japan limited but risks high if United States imposes new tariffs, analysts say South China Morning Post</p>	<p>The US-China trade dispute so far has had hardly any impact on Japan. If anything, Chinese companies have been cautious about capital investment in anticipation of an escalating trade dispute, which has lowered demand for Japanese machines said Mitsubishi UFJ Research and Consulting economist Shinichiro Kobayashi.</p>

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<p>Chinese tourism to US falls after Beijing issues travel warning The Hill</p>	<p>Chinese tourism to the United States dropped for the first time in 15 years after Beijing warned of the potential dangers in visiting the US. National Travel and Tourism Office data first reported by The Associated Press revealed that 2.9 million Chinese tourists travelled to the U.S. in 2018, down 5.7 per cent.</p>
<p>Japanese manufacturers brace for fallout — and losses — from U.S.-China trade war The Japan Times</p>	<p>Japan Display Inc. President Yoshiyuki Tsukizaki apologized for the company's consolidated net loss of ¥109.4 billion for the business year to March of this year. A China-Taiwan consortium has postponed its decision to invest up to ¥80 billion in JDI in order to re-examine the prospects for JDI's business performance.</p>
<p>Walmart says higher tariffs on China goods will increase prices for U.S. shoppers NBC News</p>	<p>Higher tariffs will result in increased prices for consumers. The company will seek to ease the pain, in part by trying to obtain products from different countries and by working with suppliers' "costs structures to manage higher tariffs" said Walmart Chief Financial Officer Brett Biggs.</p>
<p>\$1.1 trillion in stock market value lost so far from trade war sell-off with more expected CNBC</p>	<p>The Dow, at its low, was down more than 700 points. The Dow closed down 617 points at 25,324, while the S&P 500 was off 69, or 2.4% at 2,811. The Nasdaq was down even more, losing 269 points or 3.4%, as the sell-off was led by tech and other industries sensitive to U.S.-China trade. Tech was down as much as 3.7%, while industrials were down 2.8%.</p>