



U.S, China step up trade war, slap tit-for-tat tariffs

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Highlights

- The trade rivalry between the U.S. and China escalated to an unprecedented level, with both countries announcing new tariffs on imports from each other which will go into effect on Sep 24.
- The U.S. has announced 10% tariff on \$200 billion of imports from China, whose retaliatory tariffs between 5% and 10% will apply to \$60 billion of imports from the U.S.

Rates to go up

- With the new announcements, U.S. tariffs will apply to \$250 billion of Chinese goods and Chinese tariffs will apply to \$110 billion of U.S. goods.
- The rate of the new tariffs will be raised to 25% by the end of 2018, the U.S. administration has said.
- Around 5,000 American items are expected to face the new measures, including aircraft, soya bean oil, smoked beef, coffee and flour, according to a provisional list released last month.
- The two largest economies might be hurtling towards a prolonged trade war that could impact the world economy.

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