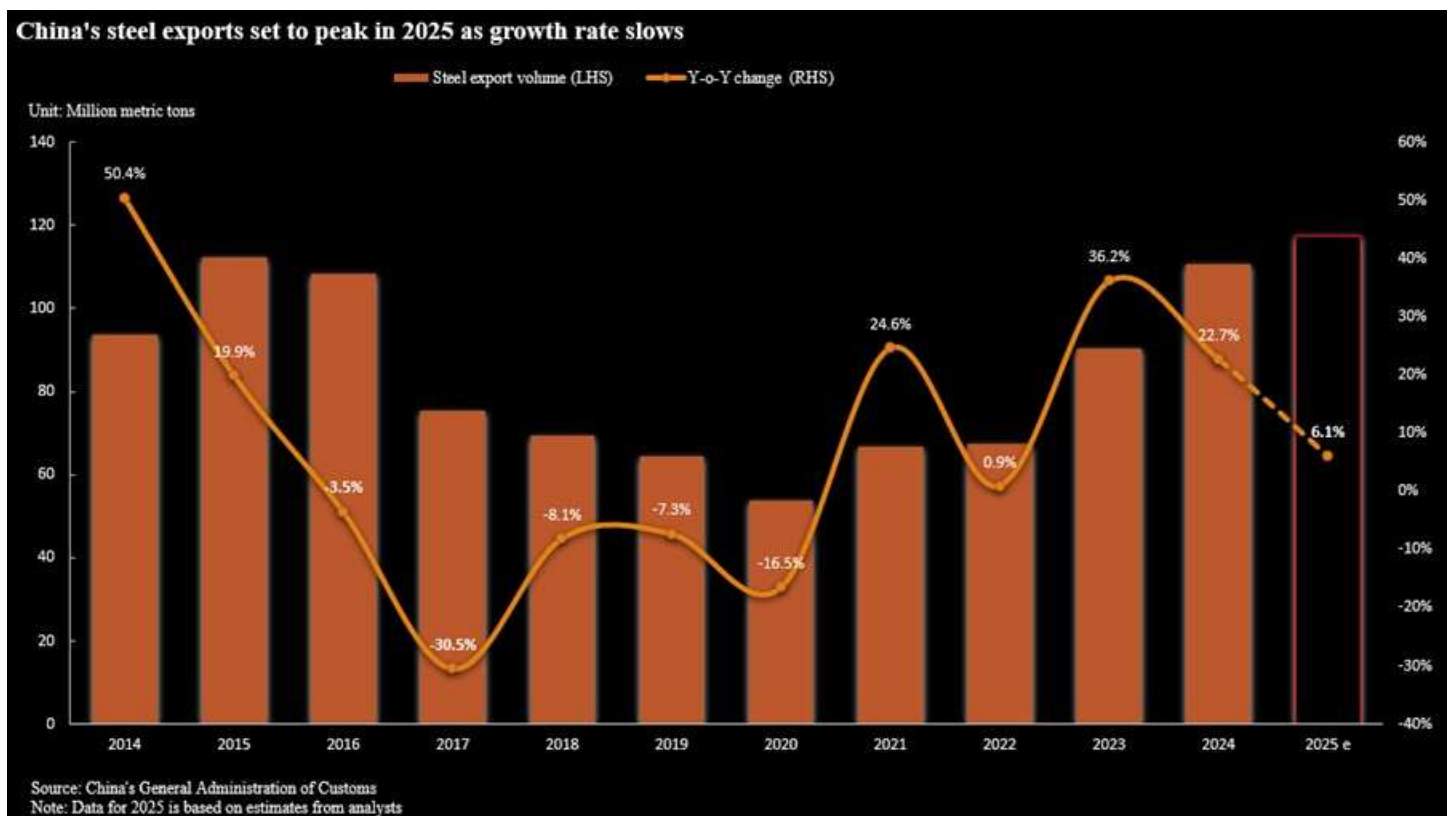


## China steel exports poised for record high, risking further tariff backlash

By Reuters, September 16, 2025

BEIJING - China's steel exports are set to hit an all-time high this year, defying predictions that unprecedented trade barriers would drive down shipments, and threaten to provoke an even fiercer protectionist backlash against the world's dominant producer. Exports will grow 4% to 9% this year to hit between 115 million and 120 million metric tons, according to forecasts from 11 analysts, all of whom had forecast earlier this year that exports would fall. Record exports from China, which produces more than half of the world's steel, underscore how its steelmakers and traders need new markets for metal that can no longer be absorbed at home, where consumption peaked in 2020 before the collapse of the property market. The drive also reflects worry among steelmakers that trade barriers will keep rising. Better to sell as much as possible now, the thinking goes, according to three analysts and a trader who spoke on condition of anonymity given the sensitivity of the issue in China.

But that fear risks becoming self-fulfilling as the export drive reshapes global flows and spurs countries to close off their markets to support domestic steelmaking. Some 54 tariffs and other trade barriers have been initiated against Chinese steel from 2024, more than the total between 2019 and 2023, according to China Trade Remedies Information. Analysts say more exports will encourage further curbs. The European Union said earlier this month it would find new ways to curb steel imports. Mexico on Thursday unveiled a plan to raise tariffs on Chinese imports, including steel. Steel exports last peaked in 2015, before rising trade barriers and a property market boom in China that stoked demand for steel in construction reversed the trend. This time, steelmakers are maintaining exports in part by pivoting to new markets where barriers are lower or nonexistent. China's largest listed steelmaker, Baoshan Iron & Steel (600019.SS) or Baosteel, said last month shipments to emerging markets in the Middle East, Central Asia and North Africa were growing rapidly, forecasting exports of 10 million tons this year.



The country's steel exports to Saudi Arabia, Malaysia and Thailand climbed 24%, 14% and 13% respectively in the first seven months of this year from a year earlier. Malaysia imposed anti-dumping duties on some imports in July. However, China's exports to major trade partners Vietnam and South Korea, which have also imposed anti-dumping measures, fell by 20% and 10% in the first seven months, respectively, the state-backed China Iron and Steel Association (CISA) said in a note in late August. "It's such a brutal market for us traders ... Currently there are barely any orders from Vietnam and South Korea ... We have no choice but to develop new markets now," said an east China-based steel trader on condition of anonymity. China typically exports higher-value steel products, but steelmakers are increasingly turning to less complex products like steel billet - semi-finished blocks of raw metal - because they attract fewer tariffs.

Exports of billet were three times higher in the first seven months of the year from a year earlier, while shipments of steel rebar, used in construction, surged by 77%. Hot-rolled thin wide steel strip, used in manufacturing and frequently subject to tariffs, slumped by 23%, customs data showed. The pivot to lower-value, unfinished products is dragging down the value of China's exports despite record volumes, said Alexis Ellender, senior lead, dry bulk insights at Kpler. Steel exports rose 10% by volume in the first eight months of the year but fell 1% in dollar value, customs data showed. "The increase in semis exports is often a sign that exports are close to peaking. It means semis can be more profitable than exporting finished steel. It shows a market under pressure," said Tomas Gutierrez, head of data at consultancy Kallanish Commodities.

## THE PEAK

Rising exports of semi-finished products are also drawing opposition from the Chinese government. Beijing wants steelmakers to add value and is weighing higher export taxes to discourage shipments of lower-value steel. That plus a new wave of protectionism means exports will likely peak this year, some analysts predict. "Overseas markets are saturated and trade barriers are proliferating. It won't get any easier to sell overseas," said Gutierrez. Kpler expects China's steel exports to retreat to between 100 million and 105 million tons in 2026. Three analysts forecast volume to fall slightly below 100 million. At around 100 million tons, exports would still outrank every country's steel production other than India. "This year, we have encountered record trade disputes including anti-dumping duties," Baosteel general manager Baojun Liu said in an earnings call last month. "But as a steel company at the current scale, we must export."

## **In latest trade warning to US, China says Nvidia violated anti-monopoly law**

By Eduardo Baptista and Arsheeya Bajwa, Reuters, September 15, 2025

BEIJING - China on Monday accused Nvidia (NVDA.O) of violating the country's anti-monopoly law, the latest escalation in its trade war with the United States that has claimed the chipmaker as collateral damage. The statement from China's market regulator was made after what it said was a preliminary probe into Nvidia's business practices, and comes as the two countries hold trade talks in Madrid, where chips are expected to be on the agenda. U.S. Treasury Secretary Scott Bessent called the announcement from China's State Administration for Market Regulation "poor timing," a move analysts said gave China leverage in the trade talks.

The two countries have traded barbs over the past six months since U.S. President Donald Trump hit China with massive tariffs, before lowering them to 30%, and threatened to shut down popular social media app TikTok. China has responded with 10% tariffs and antitrust probes against the likes of Alphabet's (GOOGL.O) Google, signaling more regulatory scrutiny on U.S. firms. "It's a warning that if the U.S. export control paradigm operates in the same way as in the past several years there will be consequences, and China is willing to inflict damage on U.S. companies," said Zhengyuan Bo, partner at research company Plenum. He added that SAMR's preliminary ruling was likely a counter to the Trump administration's decision on Friday to place 23 Chinese companies on a U.S. trade blacklist.

China's announcement piles on more uncertainty for Nvidia's business in China, which last year accounted for 13% of its total sales. It shows that CEO Jensen Huang's charm offensive in China is not enough. Huang visited the country three times this year to signal his commitment to the Chinese market, and has said that selling AI technology to that country is key to the United States' ambitions to be a leader in the business. Despite big demand from Chinese tech firms including Tencent (0700.HK) and TikTok parent ByteDance for Nvidia's chips that are needed to build out infrastructure for soaring AI workloads, Reuters has reported that China has discouraged the firms from such purchases as it tries to wean itself off U.S. technology. Beijing last month also asked Nvidia to explain whether its H20 chip, made specifically for the Chinese market, posed backdoor security risks that could affect Chinese user data and privacy.

Even after the U.S. authorized export licenses allowing Nvidia to sell H20 chips in exchange for 15% of its sales in the country, the chipmaker has not sent any H20 chips to China because the U.S. has yet to come up with rules on how to get the payment. The uncertainty over the China business has pressured Nvidia stock, which fell 2% on Monday before paring losses. Nvidia said in a statement that it was complying with the law and would "continue to cooperate with all relevant government agencies as they evaluate the impact of export controls on competition in the commercial markets." The company declined to comment further on where it stood with the U.S. government on paying the 15% share of its China revenue. The U.S. Department of Commerce and the White House did not immediately respond to requests for comment. Nvidia CEO in Taipei to visit TSMC, says in talks with US over new China chip. Separately, Bessent said on Monday that the two countries have reached a framework to switch TikTok to U.S.-controlled ownership, the second time this year that they have come close to a deal.

The brief statement by China's State Administration for Market Regulation on Monday did not elaborate on how Nvidia might have violated China's anti-monopoly laws, according to which companies can face fines of between 1% and 10% of

their annual sales from the previous year. Five years ago, China had approved Nvidia's deal to buy Israel's Mellanox Technologies with the condition that Nvidia would continue to supply the Chinese market with high-tech GPU chips. But the company was forced to end sales of its most advanced chips due to export controls implemented by the administration of former President Joe Biden. The SAMR on Monday added that it would continue its investigations.

Mellanox makes high-speed networking equipment for data centers and Nvidia bundles them with its chips to offer advanced cloud-computing products. "The real concern is the potential for China to impose new measures restricting Nvidia's ability to sell networking solutions to Chinese customers," said Ray Wang, lead semiconductor analyst at Futurum Group. "This business is worth billions of dollars annually and continues to grow alongside rising demand for networking in data centers." Wang added that the Mellanox gear played a "very important role, second to CUDA", Nvidia's computing platform, in allowing the firm to provide the best networking technology in the world. Lian Jye Su, chief analyst at consultancy Omdia, said Nvidia could be required to sell chips in China unaccompanied by Mellanox's technology. Still, an unfavorable ruling for Nvidia on the antitrust probe was unlikely to affect Nvidia's bottom line as much as China's efforts to foster domestic substitutes to the U.S. chipmaker's most powerful AI chips, Plenum's Bo said. "This should not be taken as a sign that China is trying to kick Nvidia out of the country," he said.

### **Banker warns we could lose US farmers at alarming rate unless Trump puts 'arms around them' — here's what's hurting them**

Moneywise, Cory Santos, Wed, September 10, 2025

Recently, a large group of farmers in Arkansas gathered to plead for federal assistance as export prices plummet and input costs increase. But this crisis extends nationwide. US farm debt is expected to reach \$561.8 billion by the end of 2025, a 3.7% increase from the previous year, with Chapter 12 bankruptcies nearly doubling in the first quarter of this year. In Arkansas, where agriculture brings \$16 billion annually, farmers are losing hope. "Right now, there's no optimism, there's no way to look at a profit," Kenny Qualls, a farmer from Lake City, Arkansas, told K8 News in Jonesboro. "A lot of people are going to be getting out. We always look for the next year, but the next year is not promising anything better. It's taken away hope for a lot of people."

Farmers in northeast Arkansas could soon be losing their land at an alarming rate, according to Paul McAnally of Southern Bancorp. **That's because they've been dealing with a perfect storm of extreme weather and tariffs that have seen their crops both decimated and without international buyers.** They recently met with federal officials to express their concerns about the potential lack of federal assistance, but the aid is uncertain. "Where we are needing help is some kind of federal assistance. We started in 2023 and 2024 being off years," McAnally told K8 News. "Some farmers had to refinance in '25 for this year to be able to stay in business and right the ship."

Agriculture is a big part of the Arkansas economy, but 2025 has proven to be a year tougher than most. Severe flooding in April resulted in 10 deaths and caused \$78 million in crop damage. Then, President Trump's tariff policy angered China customers who typically purchase half of the state's soybean crops, with no soybean orders to date. Chinese imports account for approximately one-tenth of all US agricultural output. Soybean prices are at their lowest levels since the pandemic, with prices potentially dropping below \$10 per bushel. In 2023, farmers received \$13.10 per bushel.

**Farmers are also dealing with increased overhead on everything from seed and machinery to farm laborers. Immigration raids have depleted farms of foreign manual laborers who typically work for lower wages than American laborers.** "This year, the labor shortfall in US agriculture will exceed 400,000 jobs," said Michael Marsh, president and CEO of the National Council of Agricultural Employers. "Technology will not fill that need." Now the situation is dire. According to McAnally, up to one-third of Arkansas farmers could face bankruptcy. The question many are asking is how long banks will continue to support their struggling farmers. Elsewhere, farmers are already struggling to secure financing. "Bankruptcies are on the rise, and you will see many more on the auction block in the coming months, especially this fall," said John Boyd of the National Black Farmers Association. **"I was turned down by banks for the simple fact of low commodity prices due to the president's tariffs."**

According to reports, the Trump administration is considering another farmer bailout. Still, many smaller farmers believe that any bailout is only temporary, with large agricultural conglomerates waiting in the wings to swoop in and acquire foreclosed farms. "This is what farmers know and experience," farmer Adam Chappell told Farm Journal. "You can bet your a— the monopolies will get their money. If you think otherwise, you've got blinders on." "I really don't think people understand how bad the situation is. It hasn't gotten a lot of attention, and even if the government were to step in with a large payment, that may be a temporary band-aid," said Qualls, the Lake City farmer. "There's a lot of little stuff that could happen to help a little bit, but until our markets turn around and our inputs come down, it's not going to get any better."