

China News Digest

June 08, 2019



Leite, Tosto e Barros
ADVOGADOS

Contents

Latest news	01
Russia and China sign deals worth US\$20 billion as Xi Jinping and Vladimir Putin's growing friendship bears fruit	01
Brazil expects China to lift ban on Brazilian beef soon -minister	02
Pile drive: China expected to divert outstanding U.S. soybean cargoes into reserves	03
Brazil halts beef exports to China after atypical mad cow case	04
Mexico Warns of Retaliation for U.S. Tariffs	05
China Puts U.S. Soy Buying on Hold as Tariff War Escalates	06
Brazil's Mourao seeks to repair ties with China	07
China appears to make veiled threat about rare earth minerals crucial to US technology industry	08
Recent background	09
Tracing the global rise of China's tech giants	09
Trade war threatens instability and deforestation in Latin America	10
Trade war? No, the US and China are vying for technological supremacy, and the markets are catching on	11
How China's appetite for meat is putting forests at increasing risk	12
Is China a new alternative to US hegemony?	13
Worrying trends in the global trade scenario	14
High-tech surveillance: from China to Brazil?	15
Short of war, US can't help but lose to China's rise in Asia, says think tank Lowy Institute	16
Evaluating The Effects Of China's Pork Crisis	17
China in Latin America: partner or predator? (3-part series)	18

LATEST NEWS

Russia and China sign deals worth US\$20 billion as Xi Jinping and Vladimir Putin's growing friendship bears fruit

<https://www.scmp.com/news/china/diplomacy/article/3013483/russia-and-china-sign-deals-worth-us20bn-xi-jinping-and>

6 June 2019, *South China Morning Post*

Abstract:

China and Russia have signed more than US\$20 billion of deals to boost economic ties in areas such as technology and energy following Xi Jinping's summit with his "best friend" Vladimir Putin.

Brazil expects China to lift ban on Brazilian beef soon -minister

<https://www.reuters.com/article/trade-brazil-china/brazil-expects-china-to-lift-ban-on-brazilian-beef-soon-minister-idUSL2N23B0T7>

4 June 2019, *Reuters*

Abstract:

Brazil's Agriculture Minister Tereza Cristina Dias said on Tuesday she expects China will soon lift a ban on Brazilian beef, which was announced Monday, following a case of atypical mad cow disease found in the state of Mato Grosso.

Pile drive: China expected to divert outstanding U.S. soybean cargoes into reserves

<https://www.nasdaq.com/article/pile-drive-china-expected-to-divert-outstanding-us-soybean-cargoes-into-reserves-20190604-00120>

4 June 2019, *Nasdaq*

Abstract:

China will stockpile up to 7 million tonnes of soybeans bought from the United States during an earlier truce in the trade war between the nations, two traders familiar with the matter said, rather than crush them for immediate sale as a feed ingredient.

Brazil halts beef exports to China after atypical mad cow case

<https://uk.reuters.com/article/us-trade-brazil-china/brazil-suspends-beef-exports-to-china-due-to-atypical-mad-cow-case-newspaper-idUKKCN1T42E8>

3 June 2019, *Reuters UK*

Abstract:

Brazil has temporarily halted beef exports to China following an atypical case of mad cow disease in leading farm state Mato Grosso, the agriculture ministry said on Monday.

Mexico Warns of Retaliation for U.S. Tariffs

<https://www.wsj.com/articles/mexico-warns-of-retaliation-for-u-s-tariffs-urges-talks-11559576566>

3 June 2019, *The Wall Street Journal*

Abstract:

Mexico is exploring possible retaliation to the threat of U.S. tariffs on all of its exports but would rather convince the Trump administration that a negotiated solution is in both countries' best interest, senior officials said Monday.

China Puts U.S. Soy Buying on Hold as Tariff War Escalates

<https://www.bloomberg.com/news/articles/2019-05-30/china-puts-u-s-soy-purchases-on-hold-as-tariff-war-escalates>

30 May 2019, *Bloomberg*

Abstract:

China, the world's largest soybean buyer, has put purchases of American supplies on hold after the trade war between Washington and Beijing escalated, according to people familiar with the matter.

Brazil's Mourao seeks to repair ties with China

<https://www.ft.com/content/5d1506a8-80aa-11e9-b592-5fe435b57a3b>

29 May 2019, *Financial Times*

Abstract:

Vice-president met with Xi Jinping in Beijing to defuse Jair Bolsonaro's rhetoric.

China appears to make veiled threat about rare earth minerals crucial to US technology industry

<https://www.cnbc.com/2019/05/28/china-makes-veiled-threat-about-withholding-rare-earth-minerals.html>

28 May 2019, *CNBC*

Abstract:

Speculation that China could use its dominance in rare earth minerals as a weapon in the trade war intensified after a Chinese official warned that products made from the materials should not be used against China's development.

RECENT BACKGROUND

Tracing the global rise of China's tech giants

<https://www.weforum.org/agenda/2019/06/tracing-the-global-rise-of-chinas-tech-giants/>

7 June 2019, *World Economic Forum*

Abstract:

Huawei and other Chinese technology giants have pervaded the global economy, creating a complicated latticework of international trade and investment that could make meddling with them for geopolitical reasons a risky endeavour.

Trade war threatens instability and deforestation in Latin America

<https://dialogochino.net/27724-trade-war-threatens-instability-and-deforestation-in-lat-in-america/>

7 June 2019, *Diálogo Chino*

Abstract:

US-China tensions have increased Latin American exports, but could expand agriculture and hit demand.

Trade war? No, the US and China are vying for technological supremacy, and the markets are catching on

<https://www.scmp.com/comment/opinion/article/3013064/trade-war-no-us-and-china-are-vying-technological-supremacy-and>

6 June 2019, *South China Morning Post*

Abstract:

The US implemented tariffs because it sees China as its long-term rival for technological supremacy. This not only means ongoing restrictions on companies like Huawei, but a stark global realignment.

How China's appetite for meat is putting forests at increasing risk

<http://www.ethicalcorp.com/how-chinas-appetite-meat-putting-forests-increasing-risk>

3 June 2019, *Ethical Corporation*

Abstract:

CDP's Morgan Gillespy argues that Chinese banks, which have otherwise made strong progress on green finance, have a blindspot over deforestation risk. Amid uncertainties over US-China trade war, the risks related to soy are set to deepen.

Is China a new alternative to US hegemony?

<https://www.asiatimes.com/2019/06/opinion/is-china-a-new-alternative-to-us-hegemony/>

3 June 2019, *Asia Times*

Abstract:

“The world is experiencing a paradigm shift from unipolarity to a bipolar power struggle between China and the well-established superpower the United States. In order to achieve its ambitions, the Chinese regime launched the ambitious Belt and Road Initiative, which has become recognized as a “New Silk Road,” in 2013 to counter the presence of the US in Asia as well as across the globe.”

“...Before 2010, China had only invested \$5 billion into Latin America and the Caribbean (LAC). But now, the US lags behind China in terms of investment in this region as well. According to the Economic Commission for Latin America and the Caribbean, the US is responsible for only 28% of the investment, whereas with 42% of the total investment, China leads the way.”

Worrying trends in the global trade scenario

<https://www.thehindubusinessline.com/opinion/columns/c-p-chandrasekhar/worrying-trends-in-the-global-trade-scenario/article27428642.ece>

3 June 2019, *The Hindu Business Line*

Abstract:

World trade is slowing. While the US triggered trade war with China is part of the explanation, the real driver is a loss of momentum in the world economy.

High-tech surveillance: from China to Brazil?

<https://www.hrw.org/news/2019/05/31/high-tech-surveillance-china-brazil>

31 May 2019, *Human Rights Watch*

Abstract:

“The Chinese government has developed a mass surveillance system that has been used to monitor millions of people belonging to Muslim ethnic minorities living in China’s western Xinjiang region.”

“Some of these technologies have also been exported to other countries. While Chinese surveillance technologies are not the only ones available for export, the Chinese government has provided loans to make them more affordable. This increases the danger of both mass surveillance and highly intrusive targeting of minorities, especially in already repressive and authoritarian contexts.”

Short of war, US can't help but lose to China's rise in Asia, says think tank Lowy Institute

<https://www.scmp.com/news/asia/diplomacy/article/3012137/short-war-us-cant-help-lose-chinas-rise-asia>

28 May 2019, *South China Morning Post*

Abstract:

Lowy Institute's 2019 Asia Power Index puts Washington behind both Beijing and Tokyo for diplomatic influence; Trump's assault on trade has done little to stop Washington's decline in regional influence, compared to Beijing, say experts.

Evaluating The Effects Of China's Pork Crisis

<https://seekingalpha.com/article/4266639-evaluating-effects-chinas-pork-crisis>

27 May 2019, *Seeking Alpha*

Abstract:

African swine fever is ravaging China's pork supply and having a global impact on protein prices. For equity investors, the crisis serves as a reminder that even amid trade-war uncertainty, research into domestic trends can help investors access the country's vast stock market.

"Pork producers in China, Brazil and Europe could stand to benefit from rising prices and margins; shares of chicken farming companies might also see increased demand. At the same time, companies that sell animal feed and grain could face pressure, and their shares may be vulnerable today."

China in Latin America: partner or predator? (3-part series)

<https://multimedia.scmp.com/week-asia/article/3011618/beijing-conquest-latin-america/index.html>

25 May 2019, *South China Morning Post*

Abstract:

Whether they're new colonisers or a vital source of cash and technology, the jury is out on Beijing's investment in the region – but one thing is certain, the US will not relinquish its control without a fight.