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## US, China Cut Tariffs: Trade War Tensions Ease

### Description

Stock markets soared on Monday after President Trump declared that recent talks had led to a "total reset" in trade relations with China, somewhat easing the ongoing high-stakes tension between the two nations.

Negotiations in Switzerland culminated in significant reductions of the tariffs imposed since January by both parties.

The US will slash its tariffs from 145% to 30%, while China will reduce its retaliatory tariffs on American goods from 125% to 10%.

Trump noted that some levies are merely suspended and could resurface in three months if progress stalls. However, he expressed optimism that they will not revert to the previous high levels.

Investors responded favorably; the S&P 500 index surged over 3.2%, while Dow and Nasdaq also saw considerable gains.

Nonetheless, the impacts of the trade war are becoming apparent, with US ports reporting a decline in ships from China and factories in China facing reduced orders.

Tat Kei, a Chinese exporter, welcomed the agreement but remains cautious, fearing further challenges ahead. "For now, it feels like a temporary reprieve," he remarked.

In summary, while this agreement brings short-term relief, the path to a long-term resolution remains uncertain.

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### Vocabulary List:

1. **Negotiations** /nɪˌɡoʊ.ʃiˈeɪ.ʃənz/ (noun): Discussions aimed at reaching an agreement.
2. **Tariffs** /ˈtær.ɪfs/ (noun): Taxes imposed on imported goods.
3. **Retaliatory** /rɪˈtæl.i.ə.tɔːr.i/ (adjective): Involving retaliation; responding to an action with a counteraction.
4. **Optimism** /ˈɑːp.tɪ.mɪ.zəm/ (noun): Hopefulness and confidence about the future or the successful outcome of something.
5. **Apparent** /əˈpær.ənt/ (adjective): Clearly visible or understood; obvious.
6. **Reprieve** /rɪˈpriːv/ (noun): A cancellation or postponement of a punishment.

### Comprehension Questions



### Multiple Choice

1. What was the outcome of the recent talks between the US and China regarding trade relations?

- Option: The US will increase tariffs on Chinese goods
- Option: China will maintain the same level of retaliatory tariffs
- Option: Both countries agreed to significant reductions in tariffs
- Option: Tariffs remained unchanged

2. How much will the US slash its tariffs by according to the text?

- Option: From 145% to 30%
- Option: From 80% to 20%
- Option: From 200% to 50%
- Option: From 100% to 10%

3. What was the reaction of investors to the trade agreement mentioned in the text?

- Option: S&P 500 index declined
- Option: Dow and Nasdaq remained unchanged
- Option: Investors responded favorably
- Option: Investors showed no interest

4. How did Tat Kei feel about the trade agreement?

- Option: He was apprehensive
- Option: He was indifferent
- Option: He welcomed the agreement but remains cautious
- Option: He was optimistic

5. What do US ports and factories in China report as a result of the trade war?

- Option: Increased orders
- Option: No impact on shipping and production
- Option: Decline in ships from China and reduced orders in Chinese factories
- Option: Stable trade relations

6. What did President Trump imply regarding the suspensions of tariffs?

- Option: They are permanently removed
- Option: They will resurface in six months
- Option: They might come back if progress halts
- Option: They will be increased soon



### True-False

7. The US and China both decided to increase tariffs after the recent talks.
8. President Trump expressed optimism about the tariffs reverting to their previous high levels.
9. US ports reported an increase in ships from China due to the trade agreement.
10. There are no concerns about long-term resolution in the trade agreement.
11. Tat Kei remains cautious about the future despite welcoming the agreement.
12. The impacts of the trade war are visible in declining orders in Chinese factories.

### Gap-Fill

13. According to the text, the US will reduce its tariffs from 145% to \_\_\_\_\_.
14. What percentage will China reduce its retaliatory tariffs to according to the text? It will lower it from 125% to \_\_\_\_\_.
16. The text mentions that tariffs could resurface in three months if \_\_\_\_\_ stalls.
17. The trade agreement brings short-term relief, but the path to a long-term resolution remains \_\_\_\_\_.

### Answer

**Multiple Choice:** 1. Both countries agreed to significant reductions in tariffs 2. From 145% to 30% 3. Investors responded favorably 4. He welcomed the agreement but remains cautious 5. Decline in ships from China and reduced orders in Chinese factories 6. They might come back if progress halts

**True-False:** 7. False 8. False 9. False 10. False 11. True 12. True

**Gap-Fill:** 13. 30 14. 10 16. progress 17. uncertain

### Vocabulary quizzes



**Multiple Choice ( Select the Correct answer for each question. )**

1. Which word describes something of great importance or significance?  
Option: Staggering  
Option: Landmark  
Option: Victory  
Option: Monumental
2. What is the term for discussions aimed at reaching agreements or settlements?  
Option: Acknowledged  
Option: Skeptical  
Option: Negotiations  
Option: Confusion
3. What is the action of ensuring compliance with laws rules or regulations?  
Option: Influx  
Option: Loophole  
Option: Enforcement  
Option: Mitigate
4. Which word describes actions taken in response to harm or provocation?  
Option: Reprieve  
Option: Frustration  
Option: Retaliatory  
Option: Optimism
5. What term describes the act of sending or transporting goods?  
Option: Customs  
Option: Shipment  
Option: Regulations  
Option: Enforcement
6. Which word describes working together with others towards a common goal?  
Option: Influx  
Option: Loophole  
Option: Collaborating  
Option: Mitigate
7. Which word conveys hopefulness and confidence about the future?  
Option: Negotiations  
Option: Tariffs  
Option: Optimism



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Option: Apparent

8. What term refers to the official department that administers and collects duties on imported goods?

Option: Incurs

Option: Regulations

Option: Mitigate

Option: Customs

9. Which word means clearly visible or understood?

Option: Reprieve

Option: Frustration

Option: Acknowledged

Option: Apparent

10. What term refers to rules or directives made and maintained by an authority?

Option: Loophole

Option: Significant

Option: Tariffs

Option: Regulations

**Gap-Fill ( Fill in the blanks with the correct word from the vocabulary list. )**

11. The impact of the new policy on the economy was \_\_\_\_\_.

12. Complying with the additional regulations placed a heavy \_\_\_\_\_ on small businesses.

13. Failure to follow the guidelines may result in the company \_\_\_\_\_ penalties.

14. Announcing the decision \_\_\_\_\_ caused confusion among the team.

15. The sudden \_\_\_\_\_ of orders overwhelmed the production team.

16. Efforts were made to \_\_\_\_\_ the impact of the new regulations on consumers.

17. The government decided to increase \_\_\_\_\_ on imported goods.

18. The sudden change in policy led to widespread \_\_\_\_\_ among the citizens.

19. The clever lawyer found a \_\_\_\_\_ in the regulations that allowed her to win the case.

20. The repeated delays caused a lot of \_\_\_\_\_ among the customers waiting for their



orders.

**Matching Sentences ( Match each definition to the correct word from the vocabulary list. )**

21. The company publicly the mistake and promised to rectify it.
22. The financial report revealed a increase in profits compared to last year.
23. The team celebrated their hard-earned in the final match of the season.
24. The extension granted a temporary from the impending deadline.
25. Despite the promising results some investors remained about the long-term prospects.
26. The presentation skillfully the importance of customer feedback in product development.
27. It was that more resources were needed to complete the project on time.
28. The top seed secured another in the tennis tournament maintaining an unbeaten record.
29. The groundbreaking discovery was considered a scientific in the field of medicine.
30. The constant technical issues led to growing among the software users.

## Answer

**Multiple Choice:** 1. Monumental 2. Negotiations 3. Enforcement 4. Retaliatory 5. Shipment 6. Collaborating 7. Optimism 8. Customs 9. Apparent 10. Regulations

**Gap-Fill:** 11. significant 12. burden 13. incurring 14. prematurely 15. influx 16. mitigate 17. tariffs 18. confusion 19. loophole 20. frustration

**Matching sentence:** 1. Acknowledged 2. Staggering 3. Victory 4. Reprieve 5. Skeptical 6. Emphasizes 7. Apparent 8. Victory 9. Landmark 10. Frustration

## CATEGORY

1. Business - LEVEL4

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