



Trade Developments

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Hello and welcome to this edition of Trade Developments.

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US-China Agreement

President Trump and President Xi hailed extensive progress on a trade deal at the APEC summit in South Korea, pausing the escalation of trade tensions between the US and China. The proposed agreement would suspend China’s planned export controls on rare earths and US controls on semiconductor technology, alongside pauses on new US port fees and Chinese countermeasures affecting the shipping and logistics sectors.

The deal also reportedly includes a US commitment to halve its fentanyl-related tariff from 20 to 10 per cent, in exchange for Chinese pledges to curb exports of precursor chemicals. Both sides highlighted progress on agricultural trade, cooperation on disputes involving individual companies in each territory, and a pathway to resolve issues linked to TikTok’s US operations. Trump said he would visit China in April for further talks, with President Xi expected to make a reciprocal visit to the US in the near future

Other US Trade Agreements

At the Association of Southeast Asian Nations summit in Kula Lumpur, President Trump concluded agreements with [Malaysia](#), [Thailand](#) and [Cambodia](#). All three countries will now face tariff rates of 19% with the USA, with the levy reduced to zero for some goods. The agreements include provisions on infrastructure development, digital trade standards and supply chain resilience. A framework deal with [Vietnam](#) was also agreed.

The Administration also signed agreements on critical minerals supply with [Malaysia](#), [Thailand](#) and [Japan](#). These agreements highlight a broader U.S. effort to diversify production networks and reduce dependence on Chinese inputs in key industries. Alongside these agreements [Japan](#) and [South Korea](#) also agreed technology deals with the US, reflecting Washington’s aim to expand economic engagement in the region.

However, progress with Canada has halted after Ottawa’s criticism of U.S. tariff policy prompted a temporary suspension of bilateral trade talks. The province ran a series of adverts in the US featuring President Reagan speaking in 1987 and appearing to criticise tariffs. The meaning of Reagan’s words were disputed by the White House and the Reagan Foundation.

UK sets out trade vision at first WTO review since Brexit

Trade Minister Chris Bryant has set out the UK’s priorities at its first World Trade Organization Trade Policy Review since leaving the EU. Speaking in Geneva, Bryant positioned the UK as a champion of free and fair trade, focused on growing services exports, attracting investment, advancing digital trade and ensuring sustainability in line with net zero goals. The review coincides with new trade agreements, including deals with the EU, US and India, which the government told the WTO will deliver stronger export opportunities, higher wages and long-term growth. The UK also reaffirmed its commitment to WTO reform and to modernising global trade rules through transparency and cooperation. The government’s announcement can be found [here](#).

Chancellor visits the Gulf

At the end of October, the Chancellor Rachel Reeves visited Saudi Arabia and Qatar, marking the first visit of a UK Chancellor to the Gulf in six years. The UK is in the final stages of negotiating an FTA with the Gulf Co-operation Council nations, which include Kuwait, the UAE, Qatar and Saudi Arabia. Government estimates suggest that an FTA with the GCC would add approximately £1.6 billion annually to UK GDP over the long run. During her attendance at the Future Investment Initiative in Riyadh the chancellor sought to bolster UK-GCC trade and investment. Chancellor Reeves emphasised that "Our number one priority is growth," and she presented Britain's offer of stability, regulatory agility, and world-class expertise to the GCC nations. The government’s press release can be found [here](#).

UK Export Finance signs agreement to boost UK-Saudi trade opportunities

UK Export Finance has signed a Memorandum of Understanding with Saudi Arabia’s Public Investment Fund (PIF) to strengthen financial cooperation and expand trade and investment between the two countries. The agreement will support PIF and its portfolio companies in sourcing goods and services from UK suppliers, backed by UKEF’s £45 billion market risk appetite in Saudi Arabia. The partnership is designed to unlock new export contracts for British businesses, particularly in infrastructure and innovation linked to Saudi Arabia’s Vision 2030 programme.

The government hopes that the deal will be a step towards deeper regional economic ties with Minister for Investment Lord Stockwood describing it as “a win for British businesses”. He also added that the government were “focused on strengthening our relationship in the region alongside our trade talks with the GCC which will boost exports”. The government’s announcement can be found [here](#).

Digital Trade Leadership

On 23 October, Trade Minister Chris Bryant attended the Berlin Global Dialogue, one of Europe’s leading economic forums, to promote UK leadership in digital trade and to strengthen economic ties with Germany. The visit built on the UK-Germany Kensington Treaty signed in July, which set out a joint agenda for growth, innovation and closer cooperation between the two economies.

In Berlin, the Minister invited businesses to join new digital trade pilots under the Government’s Digital Trade Corridors programme, which will trial electronic trade documents to replace paper-based processes and make cross-border trade faster, cheaper and more efficient. The first pilots will focus on trade with Germany and France, where early trials have already shown cost savings of up to 25%, shipment times reduced by 40% and productivity gains across participating businesses. The government’s announcement can be found [here](#).

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