

Politics

China and US Holding Second Day of Trade Talks in London

Tap to unmute

Advertisement 0:01

Skip Ad ►

US-China Trade Talks 'Going Well': Commerce Secretary Lutnick

By [Daniel Flatley](#)

June 10, 2025 at 11:44 AM GMT+2

Updated on June 10, 2025 at 5:05 PM GMT+2

Supply Lines is a daily newsletter that tracks global trade. [Sign up here.](#)

Talks between the US and China stretched into a second day in London, with financial markets on edge as the world's largest economies try to agree to allow exports of key tech and industrial goods and avoid escalating their trade war.

The teams led by US Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng reconvened following lunch on Tuesday just after 2:00 p.m. The negotiators started their meetings around 10:40 a.m. at Lancaster House, a Georgian-era mansion near Buckingham Palace.



He Lifeng departs from trade talks at Lancaster House in London, on June 10. *Photographer: Chris J. Ratcliffe/Bloomberg*

Speaking to reporters as officials arrived, US Commerce Secretary Howard Lutnick said talks are going well and are expected to go all day Tuesday.

President Donald Trump told reporters at the White House on Monday that “we are doing well with China. China’s not easy,” adding that he was “only getting good reports” from the nearly seven-hour session Monday. Bessent said after day one they had a “good meeting.”

Read more: [From Visas to Jets, US and China Are Finding New Trade Leverage](#)

Bond and currency markets are closely monitoring the talks for clues on the potential economic impact. US stocks inched higher on Tuesday as investors looked for clues the two sides could further deescalate their trade war.

The key issue this week is re-establishing terms of an agreement reached in Geneva last month, in which the US understood that China would allow more rare earth shipments to reach American customers. The Trump

administration accused Beijing of moving too slowly, which threatened shortages in domestic manufacturing sectors.

In return, the Trump administration is prepared to remove a recent spate of measures targeting chip design software, jet engine parts, chemicals and nuclear materials, people familiar with the matter said. Many of those actions were taken in the past few weeks as tensions flared between the US and China.

‘Win by China’

“A US decision to roll back some portion of the technology controls would very much be viewed as a win by China,” said Dexter Roberts, nonresident senior fellow at the Atlantic Council’s Global China Hub, adding that the possibility of unwinding “any controls” seemed “pretty much unthinkable” until recently.



Howard Lutnick on June 10. *Photographer: Chris J. Ratcliffe/Bloomberg*

A month ago Beijing and Washington agreed to a 90-day truce through mid-August in their crippling tariffs to allow time to resolve many of their trade disagreements – from tariffs to export controls.

Lancaster House carries historical significance. It has hosted major addresses by UK prime ministers, speeches by central bank governors and parties for Britain's royal family.

At the same time, Trump's trade team is scrambling to secure bilateral deals with India, Japan, South Korea and several other countries that are racing to do so before July 9, when the US president's so-called reciprocal tariffs rise from the current 10% baseline to much higher levels customized for each trading partner.

Meanwhile, Chinese President Xi Jinping on Tuesday held his first phone conversation with South Korea's newly elected President Lee Jae-myung and called for cooperation to safeguard multilateralism and free trade.

"We should strengthen bilateral cooperation and multilateral coordination, jointly safeguard multilateralism and free trade, and ensure the stability and smoothness of global and regional industrial chains and supply chains," Xi said, according to the CCTV report.

– *With assistance from Colum Murphy and Annmarie Hordern*

(Updates to reflect ongoing talks)

How easy or hard was it to use Bloomberg.com today?

Share feedback 