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Macro Roundup Article

Headline: Amazon Takes On Chinese Rivals Temu and Shein With Plans for New Discount Service

Article Link: https://www.wsj.com/business/retail/amazon-plans-channel-for-low-cost-china-goods-to-fend-off-temu-shein-09eea278

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Tweet: Amazon plans to launch a service focused on shipping cheap products directly from warehouses in China to counter growing competition from low-cost Chinese e-commerce platforms Temu and Shein.

Summary: Amazon.com plans to launch a service focused on shipping cheap fashion wear, household goods, and other products directly from warehouses in China, as it faces growing competition from low-cost e-commerce platforms Temu and Shein. Both companies are able to offer lower prices in part because they avoid the expense of fast delivery. They ship products directly from China and don't store much inventory in the U.S. Temu, Shein, and other e-commerce companies benefit from a U.S. statute that allows shipments with a value of \$800 or less to enter the country without facing certain tariffs. Merchants who are part of Amazon's new service could also benefit from the rule. "The only way Amazon could match prices was to replicate the supply-chain advantage," said Juozas Kaziukėnas, founder of market research firm Marketplace Pulse.

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Primary Topic: Trade (not deficits)

Topics: GDP, News article, Trade (not deficits)

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