

23/03/25

## Article 1

### **ARTICLE QUOTES:**

UK is in discussions with the US about slashing or abolishing altogether Britain's digital services tax before April 2

Britain's digital services tax, which hits US tech giants including Alphabet, Meta and Amazon, is expected to raise some £800mn in 2024-25

see the digital services tax rolled back. Mandelson wants to forge a UK-US tech pact, including collaboration on the development of artificial intelligence.

### **ANALYSIS:**

Trump has threatened "reciprocal" tariffs on countries imposing taxes on US companies, which could impact UK businesses.

Liberal Democrat leader Sir Ed Davey opposes cutting the DST, calling it "giving in to Trump bullying."

Technology Secretary Peter Kyle and Business & Trade Secretary Jonathan Reynolds are engaged in talks, signaling urgency in securing a deal.

### **STOCKS AFFECTED:**

If UK removes the DST, US tech like Alphabet (GOOGL), Meta (META), and Amazon (AMZN) could increase in share prices (lower tax)

If the UK secures tariff exemptions, UK-based companies that trade heavily with the US could benefit

Collaborating in AI, lead to boost in AI businesses

## Article 2

### **QUOTES:**

Huawei and China Telecom, over concerns that some of them are ignoring restrictions on their operations in the US.

opened a “sweeping investigation” into [Chinese groups](#) that also include ZTE, a big telecoms equipment provider, and Hikvision, the world’s largest maker of surveillance cameras.

China Mobile International USA, and the US subsidiaries of China Telecom, and China Unicom.

US concerns about the potential for Chinese telecom groups, such as Huawei, to help Beijing engage in espionage have soared. China insists that Huawei and other companies are not engaging in spying.

### **ANALYSIS:**

The inquiry aims to close loopholes that allow Chinese companies to bypass previous US bans.

### **STOCKS AFFECTED:**

Chinese Telecom & Tech Stocks (Huawei, ZTE, Hikvision, China Mobile, China Unicom)

Increase in regulatory risk causes decrease in stock prices

Potential for new sanctions or stricter US bans on Chinese telecom equipment.

US Telecom & Chip Stocks (Qualcomm, Cisco, Intel, Nvidia, Broadcom)

Increased demand for US-made telecom and 5G infrastructure as Chinese suppliers face restrictions, increase US brands stock.

Surveillance & Security Industry (Hikvision, Dahua, Hytera Communications)

Companies involved in security cameras and surveillance tech could face new restrictions in the US, causing decrease

Article 3

### **QUOTES:**

Premier Li Qiang, responsible for the Chinese economy under leader Xi Jinping

White House says is designed to pressure Beijing to crack down harder on companies that make the ingredients for fentanyl, a sometimes deadly synthetic opioid that has triggered an epidemic of drug use in the US.

Chinese premier comes as Beijing tries to improve consumer and investor sentiment

[Quiver](#) of potential countermeasures to new US pressure. They include curbing American access to supply chains for strategic minerals and resources.

Xi's government is pivoting towards more investment in cutting-edge technology and manufacturing, in part to steel itself for a more hostile geopolitical environment.

Earlier this month the State Council, China's cabinet, released a new white paper outlining Beijing's "rigorous control" over fentanyl-related substances and precursor chemicals.

### **ANALYSIS:**

US Set to Impose New Tariffs on China (April 2)

Trump administration is preparing "reciprocal tariffs" on China, continuing its tough stance on trade.

Stock market impact: This could increase volatility, particularly in Chinese exports, manufacturing, and US companies reliant on Chinese supply chains.

China's Response: Preparing for Economic Shocks

Possible Chinese retaliation: Restricting US access to rare earth minerals and strategic resources.

Market impact: US companies dependent on Chinese supply chains (e.g., Apple, Tesla, chipmakers like Nvidia and Qualcomm) could face supply disruptions.

China is engaging with key US figures, such as Senator Steve Daines, Pfizer's CEO, and Qualcomm's CEO, to improve ties.

US-China Relations & Fentanyl Crisis

The US is pressuring China to crack down on precursor chemicals used in fentanyl production.

China argues the US is shifting blame instead of addressing its domestic drug problem.

## **STOCKS AFFECTED:**

Negative for Chinese Stocks:

Manufacturers & Exporters (Foxconn, BYD, Xiaomi, Alibaba, JD.com) may suffer from tariffs.

Tech & Semiconductor firms (SMIC, Hikvision, Huawei) face potential US supply restrictions.

Negative for US Companies Dependent on China:

Apple (AAPL), Tesla (TSLA), and US chipmakers (Nvidia, Qualcomm, Intel) could face supply chain disruptions.

Companies relying on rare earth minerals (EV makers, defense contractors) may see cost increases if China restricts exports.

Potential Boost for Domestic Manufacturing in the US:




US firms producing semiconductors (Micron, Texas Instruments), steel, and electronics could benefit from reduced Chinese competition.

### Stock Picks for this week:

GOOGL, META, AMZN look at for this week

Qualcomm, Cisco, Intel, Nvidia, Broadcom look at for this week

Mon 24/03/2025, 15:47

Markets		Change 1D	
	<b>AVGO</b> Broadcom Inc	0.73 ▲ (0.38%)	
	<b>NVDA</b> NVIDIA Corporation	3.58 ▲ (3.04%)	
	<b>INTC</b> Intel	-0.03 ▼ (-0.11%)	
	<b>CSCO</b> Cisco Systems Inc	0.74 ▲ (1.22%)	
	<b>QCOM</b> Qualcomm Inc	3.31 ▲ (2.11%)	
	<b>AMZN</b> Amazon.com Inc	5.24 ▲ (2.67%)	
	<b>META</b> Meta Platforms Inc	16.75 ▲ (2.81%)	
	<b>GOOGL</b> Alphabet Inc Class A	2.71 ▲ (1.65%)	

**To Be Aware of:**

New tariffs potentially imposed on 2nd April, affects:  
Apple (AAPL), Tesla (TSLA), and US chipmakers (Nvidia, Qualcomm, Intel) could face supply chain disruptions.

Companies relying on rare earth minerals (EV makers, defense contractors) may see cost increases if China restricts exports.