

CUSTOMER ADVISORY

Temporary US-China Tariff Reductions
12 MAY 2025



Temporary US-China Tariff Reductions May Spur Pre-Peak Shipping Surge

On May 11, U.S. and Chinese officials announced a temporary agreement to significantly reduce tariffs on each other's goods. Effective immediately, both countries will lower reciprocal tariffs by 115% for a period of 90 days—down to 30% for U.S. tariffs on Chinese goods and 10% for Chinese tariffs on U.S. goods. The announcement follows the weekend trade talks held in Switzerland between U.S. Treasury Secretary Scott Bessent and Chinese officials.

Key Highlights:

- **Effective May 14:**
 - U.S. tariffs on Chinese goods will be reduced **from 145% to 30%**
 - China's retaliatory tariffs on U.S. goods will be reduced **from 125% to 10%**
- **90-Day Window:** This temporary relief is set to expire in early August, just ahead of the typical U.S. peak shipping season. Importers and exporters may accelerate cargo movements to take advantage of the reduced rates.
- **Anticipated Volume Increase:** Based on recent reporting and industry commentary, an increase in demand is likely as shippers adjust their timelines to benefit from the tariff pause—potentially straining capacity, equipment, and transit times on U.S.-China trade lanes.
- **Policy Uncertainty:** There is no guarantee of further extensions, and tariff levels may revert or shift again after the 90-day window closes.



A member of the **KWE** Group

DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.

Visual Summary: U.S.-China Tariff Changes in 2025

China's Tariffs on U.S. Goods

Date	Announcement No.	Tariff Rate	Description
April 4, 2025	No. 4	+34%	Initial additional tariff on U.S. goods.
April 9, 2025	No. 5	+50%	Additional tariff, cumulative rate reaches 84%.
April 11, 2025	No. 6	+41%	Further increase, cumulative rate reaches 125%.
May 12, 2025	Joint Statement	10%	Suspended 24% of No. 4 tariff; removed No. 5 & 6 tariffs.

U.S. Tariffs on Chinese Goods

Date	Executive Order	Tariff Rate	Description
April 2, 2025	EO 14257	+34%	Initial additional tariff on Chinese goods.
April 8, 2025	EO 14259	+50%	Additional tariff, cumulative rate reaches 84%.
April 9, 2025	EO 14266	+41%	Further increase, cumulative rate reaches 125%.
May 12, 2025	Joint Statement	30%	Suspended 24% of EO 14257 tariff; removed EO 14259 & 14266 tariffs.

KWE is closely monitoring developments and working with customers to secure capacity, adjust shipping plans, and mitigate potential disruptions.



A member of the **KWE** Group

DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.

Sources:

- [USA Today – Trump live updates: US, China reach 90-day tariff deal](#)
- [BBC – US and China agree to reduce tariffs as trade war eases](#)
- [Reuters – US, China agree to temporary tariff cut after Swiss summit](#)
- [White House - Joint Statement on U.S.-China Economic and Trade Meeting in Geneva](#)



A member of the **KWE** Group

DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.