

Analysis of today Assessment of tomorrow



By: TA | AP Brief

China launches probes targeting US semiconductors ahead of trade talks



China launched two probes targeting the U.S. semiconductor sector Saturday ahead of talks between the two nations in Spain this week on trade, national security and the ownership of social media platform TikTok.

China's Ministry of Commerce announced an anti-dumping investigation into certain analog IC chips imported from the U.S.

The investigation will target some commodity interface IC chips and gate driver IC chips, which are commonly made by U.S. companies such as Texas Instruments and ON Semiconductor.

The ministry separately announced an antidiscrimination probe into U.S. measures against China's chip sector.

U.S. Treasury Secretary Scott Bessent is set to meet Chinese Vice Premier He Lifeng in Madrid between Sunday and Wednesday, his office said.

U.S. measures such as export curbs and tariffs "constitute the containment and suppression of China's development of high-tech industries" such as advanced computer chips and artificial intelligence, a Chinese commerce ministry spokesperson said.

The announcements of the probes follow the U.S. on Friday adding 23 Chinese companies to an "entity list" of businesses that will face restrictions for allegedly acting against U.S. national security and foreign policy interests.

The list includes two Chinese companies accused of acquiring chipmaking equipment for major Chinese chipmaker SMIC.

Reducing trade tensions

The meetings between Bessent and He in Madrid will be the latest in a series of negotiations aimed at reducing trade tensions and postponing the enactment of higher tariffs on each other's goods.

U.S. and Chinese counterparts previously held

discussions in Geneva in May, London in June and Stockholm in July. The two governments have agreed to several 90-day pauses on a series of increasing reciprocal tariffs, staving off an all-out trade war.

Bessent described the talks during the last round in Stockholm as "very fulsome."

"We just need to de-risk with certain, strategic industries, whether it's the rare earths, semiconductors, medicines, and we talked about what we could do together to get into balance within the relationship," Bessent said at the time.

U.S. President Donald Trump and former President Joe Biden placed curbs on China's access to advanced semiconductors including restrictions on the sale of chipmaking equipment to the country.

While Washington cites national security concerns, China argues the curbs are part of a U.S. strategy to contain its growth.