

**Flash Note**  
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**Morning news from Asia (China, Trade tensions, etc)**

**US-China Trade tensions**

Vice finance minister dismisses talk of selling US Treasuries in response to tariffs

China Vice Finance Minister Zhu Guangyao told CNBC that the government is not considering reducing its US Treasury holdings any time soon.

Zhu said "China is a responsible investor," reiterating prior comments made by Premier Li Keqiang that cutting Treasury holdings was not on the table.

China announced reciprocal tariffs yesterday, unveiling a list of products worth \$50B imported from the United States that will be subject to higher tariffs, including soybeans, automobiles, aircraft and chemical products. The plan also included additional tariffs of up to 25% on 106 items.

Commerce Ministry said that China filed a request for consultations under the WTO dispute settlement framework over the US tariff hike proposals based on the Section 301 investigation.

Vice Minister of Commerce Wang Shouwen told reporters that the "Made in China 2025" strategy should not be used as an excuse for unilateral measures as it does not go against China's obligations to the World Trade Organization (WTO). Wang added the strategy is transparent, open, and non-discriminatory with foreign firms also allowed to participate.

**Asian Markets (overnight)**

Greater China markets were closed for the Ching Ming Festival.

Japan benchmarks closed sharply higher Thursday with the Nikkei up 1.53% and Topix up 1.08%. Topix sectors were mostly higher led by precision instruments, real estate and banks. Press widely attributed global easing in trade war fears.

Korean Kospi closed higher +1.22%

Indian Sensex is trading up +1.4%

Best regards