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TRUMP TARIFFS World gets 90-day pause, except China

China levy hiked to 125%; stocks surge after announcement

AGENCIES

US President Donald Trump abruptly backed down yesterday in his global trade war with a 90 day tariff pause for most countries -- but slapped even more levies against China in what has become a brutal duel between the world's two largest economies.

Following days of global market turmoil, Wall Street stocks surged in reaction to Trump's sudden announcement on his Truth Social network.

"I have authorized a 90 day PAUSE" on higher tariffs that took effect yesterday, Trump said, adding that he took the decision after more than 75 countries

by raising tariffs on US imports to 84 percent.

"At some point, hopefully in the near future, China will realize that the days of ripping off the U.S.A. and other Countries, is no longer sustainable or acceptable," Trump said.

US Treasury Secretary Scott Bessent insisted that Trump had not backtracked, saying: "This was his strategy all along, and you might even say that he goaded China into a bad position."

He termed China the "most imbalanced economy" in modern history, posing trade problems for the United States and other countries.

The European Union had earlier launched its own counterattack,



- » Base 10% tariffs to stay
- » China slaps 84% tariffs on US
- » Alarm bells ring as bonds tank
- » EU approves its own tariffs

“I know what the hell I’m doing. I know what I’m doing. And you know what I’m doing too.”

DONALD TRUMP, US president



had reached out to negotiate and did not retaliate against the United States.

Only a flat rate of 10 percent tariffs on all countries that took effect on Saturday will remain in place. This marked a stunning reverse from often punishing levies that hit even many of the closest US allies.

But Trump accused China of still "ripping off" his country.

"Based on the lack of respect that China has shown to the World's Markets, I am hereby raising the Tariff charged to China by the United States of America to 125 percent, effective immediately," Trump said.

Trump had only hours earlier ramped up the duties on Chinese goods to a giant 104 percent. China then retaliated

announcing measures targeting some US products in retaliation for American duties on global steel and aluminum exports.

The 27-nation bloc, which Trump has accused of being created to "screw" the United States, will hit more than 20 billion euros' worth of US products, including soybeans, motorcycles and beauty products.

But the EU notably did not retaliate against the separate 20 percent US tariffs on all goods that came into effect a minute after midnight yesterday.

Trump announced a week ago on what he called "Liberation Day" that he would impose a 10 percent baseline tariff on all countries, taking effect Saturday.

SEE PAGE 2 COL 1

Oil hits 4-year low, gas prices slide too

REUTERS, Singapore

Oil prices fell to a four-year low and traded below \$60 a barrel yesterday, while several commodities, including coffee, tumbled as the trade war between China and the US escalated.

Asian and European equities fell, and US markets opened slightly lower as the rollout of steep US tariffs deepened fears of a global recession.

The European Commission also said it would press ahead with a first set of countermeasures from April 15 against Trump's tariffs on steel and aluminum.

Oil prices dropped to their lowest in more than four years, with Brent futures dipping below \$60 a barrel.

"Fears of weaker global oil demand, combined with the OPEC+ decision to loosen output more quickly than expected, have created a toxic cocktail fuelling concerns of an over supplied oil market," said SEB analyst Ole R Hvalbye.

Brent futures LCO1 were down \$2.47, or 4.8 percent, to \$59.81 a barrel at 1443 GMT. US West Texas Intermediate crude futures CL1 were down 4.1 percent, at \$57.12.

Oil has lost about one-fifth of its value since Trump announced higher tariffs on a range of US trading partners on April 2, the biggest five-day drop since March 2022.

SEE PAGE 7 COL 1

Tariff freeze offers relief to RMG sector

REFAYET ULLAH MIRDHA

Garment exporters heave a sigh of relief as US President Donald Trump yesterday announced a 90-day pause on "reciprocal" tariffs.

This pause gives Bangladesh enough time to make preparations, said Mohiuddin Rubel, a former director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"Bangladesh may be among the highest beneficiaries in the next 90 days as China will face tariffs," he added.

"But in the long run, the future of the industry will depend on how effectively Bangladesh negotiates with the US in the next 90 days," said the owner of a major conglomerate exporting garments.

taxes, the rate will reach 53.5 percent, according to owners of some of the largest garment factories.

They add that most of the garment products made in Bangladesh have less than 20 percent US cotton.

A White House order from April 2 reads, "The [new] rates of duty ... are in addition to any other duties, fees, taxes, exactions, or charges...."

Duty rates will vary by product, but factory owners estimate the average to be around 50 percent.

Bangladesh is the third largest garment exporter to the US, occupying 9.3 percent of the \$105 billion imported clothing market in the US. In 2024, Bangladesh exported garment products worth \$7.2 billion to the US.

As the tariff on Chinese goods stays

“In the long run, the future of the industry will depend on how effectively Bangladesh negotiates with the US in the next 90 days.”

MOHIUDDIN RUBLE, former BGMEA director

Late last night, Chief Adviser Prof Muhammad Yunus wrote on X, "Thank you, Mr. President, (@POTUS) for responding positively to our request for 90-day pause on tariffs. We will continue to work with your administration in support of your trade agenda."

Several garment factory owners have said they were relieved by the 90-day pause, but concerns remained.

If the tariffs President Trump announced earlier are put in effect after 90 days, Bangladesh's \$40 billion apparel industry will face a major challenge as the exporters will face up to 53.5 percent duty in the US market, industry insiders say.

For a T-shirt containing less than 20 percent US cotton, the duty used to be 16.5 percent. As the latest 37 percent tariff is an addition to the previous

in place, China may flood European markets with cheap clothes, spelling another trouble for Bangladeshi factories that export there, industry insiders fear.

Sharif Zahir, managing director of Ananta Group, said the government should begin intense negotiations with the US authorities.

One of his buyers had cut a previous work order in half amid fears of sales slump in the US, he adds.

Prof Yunus on Monday wrote to President Trump, seeking a 90-day pause for the tariff on Bangladeshi goods.

Commerce Adviser Bashir Uddin sent a separate letter to the US Trade Representative Ambassador Jamieson Greer offering duty benefit on import of 100 American products in Bangladesh.



Chief Adviser Prof Muhammad Yunus visiting the Bangladesh Satellite Company Ltd stall showcasing Starlink connectivity at the Bangladesh Investment Summit-2025 at the InterContinental Dhaka yesterday.

PHOTO: PID

ADB sees a 3.9% growth in FY25

STAFF CORRESPONDENT

The Asian Development Bank has identified four major risks to Bangladesh's economy, including the potential impact of additional US tariffs and political uncertainty, both of which could hinder growth and fuel inflationary pressures.

The ADB, in its April Asian Development Outlook, revised Bangladesh's GDP growth forecast for FY25 to 3.9 percent from 4.3 percent, citing persistent economic challenges. The Manila-based lender, however, expects the economy to recover and grow by 5.1 percent in the next fiscal year.

Inflation is projected to accelerate to an average of 10.2 percent in FY25 and ease to 8 percent in FY26.

SEE PAGE 2 COL 4

3RD-COUNTRY EXPORT India revokes transshipment for Bangladesh Shipments to Nepal, Bhutan via road to be unaffected

STAFF CORRESPONDENT

India has revoked the transshipment facility for Bangladesh's export cargo to third countries transiting through its land borders to Indian airports and ports, but clarified that the measure would not affect Dhaka's trade with Nepal and Bhutan through Indian territory.

The move, however, is likely to increase the cost for Bangladesh's apparel exporters who also deliver export orders to Western markets via India's airport, namely, the Indira Gandhi International Airport in New Delhi.

In a notification on Tuesday, the Central Board of Indirect Taxes and Customs (CBIC) of India said it rescinded the transshipment of export cargo from Bangladesh to third countries through Land Customs Stations (LCSs) to ports or airports, in containers or closed-bodied trucks.

An Indian circular in June 2020 had allowed this facility.

In its Tuesday's notification, the CBIC said it decided to revoke the 2020 circular with immediate effect, but

SEE PAGE 2 COL 1

Bangladesh fertile ground for transformative ideas

Says Yunus at investment summit, invites global business

BSS, Dhaka

Chief Adviser Prof Muhammad Yunus yesterday urged global investors to do business in Bangladesh because the country is the best place for investment.

"Bangladesh is a country with crazy ideas to change the world... so we invite you to join that craft not only to change Bangladesh by your business but to change the world," he said while inaugurating the Bangladesh Investment Summit-2025 at Hotel Intercontinental.

The four-day summit is being organised by Bangladesh Investment Development

"If you want to have a business with a purpose, along with the business we do, Bangladesh is the place."

Chief Adviser Prof Muhammad Yunus

Authority (BIDA).

"If you want to have a business with a purpose, along with the business we do, Bangladesh is the place."

Making money from business is happiness, but making other people happy is super happiness, he said.

"If you have a business in Bangladesh, you will get happiness and super happiness. You will be proud of what you have done."

Prof Yunus said Bangladesh and the whole region had powerful resources.

Foreign investors reaffirm commitment to Bangladesh

B1

How youth-led startups are solving real-world problems

P3



S M Mahbubul Alam, Managing Director of Walton Hi-Tech Industries PLC, receiving the prestigious Excellence in Investment Award 2025 from the Honorable Chief Adviser Professor Dr. Muhammad Yunus.