newsquawk

PREVIEW: Trump-Xi Summit to take place in Beijing on May 14th-15th

- **US President Trump and Chinese President Xi are set to meet in Beijing for the first time since October 2025.**
- **The public tone is expected to be warm and friendly, but the substance of the meeting is expected to cover a range of topics.**
- **No breakthrough is expected in US-China relations, with attention instead focused on implications for Iran and Taiwan.**
- **The situation in Iran will likely be one of the core topics, with some fearing a Iran-for-Taiwan bargain.**

SCHEDULE

- Trump is expected to arrive in Beijing on the evening of **Wednesday, 13 May**.
- The main Trump-Xi talks are expected across **Thursday, 14 May** and **Friday, 15 May**.

Thursday

- The White House said Trump will meet Xi on **Thursday at 10:15 Beijing time / 03:15BST / 22:15EDT** .
- Thursday is expected to be the main ceremonial and diplomatic day, including a welcome ceremony, Temple of Heaven visit, formal bilateral meeting and state banquet.
- The banquet is scheduled for **Thursday at 18:00 Beijing time / 11:00BST / 06:00EDT** .

Friday

- Discussions are expected to continue on **Friday**, including extended talks and a working lunch before Trump's departure later in the day.

AGENDA

- **Iran:** A primary focus will be the war in Iran, with the US pressing China to use its influence over Tehran to support de-escalation, reopen the Strait of Hormuz and curb oil-funded escalation.
- **Taiwan:** Taiwan is expected to be one of the most sensitive issues, with concern focused on whether Xi pushes Trump for softer US language on Taiwan independence or restraint on arms sales.
- **Russia:** The US is expected to raise China's economic ties with Russia, including revenue flows, dual-use goods, components, parts and potential weapons-related support.
- **Strategic guardrails:** The leaders are expected to discuss a possible formal AI communication channel to manage military and cyber risks, alongside nuclear arms-control issues, although Beijing remains cautious on nuclear arsenal transparency.
- **Commercial:** The summit could produce major "big win" announcements, including Chinese purchases of Boeing aircraft, agricultural products such as soybeans and beef, and energy.
- **Board of Trade/Investment:** Proposals are on the table for a bilateral Board of Trade and Board of Investment, designed to manage trade and investment flows through formal channels rather than relying mainly on tariff escalation.

DETAILS

Iran / Strait of Hormuz

- **Primary summit focus:** The war in Iran, which began after US and Israeli strikes on 28th February , is expected to be one of the dominant geopolitical issues at the meeting.
- **US pressure on Beijing:** Washington is said to be pressing China to use its influence over Tehran, given China's role as a major buyer of Iranian oil, to push Iran towards a deal and support efforts to end the conflict.
- **Strait of Hormuz:** The US is expected to press China to help secure the reopening of the Strait of Hormuz.
- **China's position:** Beijing has so far avoided joining a US-led pressure campaign against Tehran, while continuing to call for de-escalation and a diplomatic resolution.
- **China's exposure:** China's dependence on Gulf energy flows gives it a direct interest in ending the Hormuz disruption.
- **Sanctions:** Days before the summit, on May 11th, the US issued new sanctions against three individuals and nine companies accused of facilitating Iranian oil shipments to China.

Taiwan

- **Arms sales:** Trump said he will discuss US arms sales to Taiwan with Xi, alongside other sensitive issues including Hong Kong media tycoon Jimmy Lai. Trump admin announced a more than USD 11bln weapons package for Taiwan in December, the largest-ever US weapons package for Taiwan.
- **No policy change:** US officials have said the Trump-Xi summit signals no change in longstanding US policy toward Taiwan.

- **China's position:** China said its stance against US arms sales to Taiwan is "consistent and clear." Beijing continues to frame Taiwan as a core issue and a red line in US-China relations.
- **Semiconductor angle:** Taiwan's strategic importance is also tied to the US technology supply chain, particularly semiconductors and advanced manufacturing.
- **South China Sea**: Regional security is likely to come up alongside Taiwan, military communication and wider US-China strategic competition. The South China Sea remains a persistent flashpoint, with US concerns around Chinese military activity and Chinese objections to US regional deployments and alliances in the region, such as the AUKUS security pact.

Iran-for-Taiwan Risk

- **Linkage:** There has been reporting and speculation that Beijing could seek to trade help on Iran or the Strait of Hormuz for US restraint on Taiwan, including softer language on Taiwan independence or reduced pressure around arms sales.
- **Concerns:** The concern is that Beijing may offer help on Iran or the reopening of the Strait of Hormuz in return for softer US language on Taiwan or restraint on arms sales. Politico reported that diplomats from Asian and European countries are worried Trump could make an off-script statement that appears to shift US policy on Taiwan. Taiwanese officials have expressed concern about being "on the menu" during the Trump-Xi talks.
- **Shift in Language**: The key wording risk is a shift from the current US formulation of **"we do not support Taiwan independence"** to Beijing's preferred wording of **"we oppose Taiwan independence."** Desks suggest that a shift would be significant as Beijing could use it to challenge routine US-Taiwan engagement, including arms sales, lawmaker visits and other political contacts.
- **US Position**: Despite the speculation, US officials have publicly stated that US policy toward Taiwan will not change at the summit.

China's Backing of Iran and Russia

- **Direct confrontation:** Trump is expected to press Xi over China's economic and material support for Iran and Russia.
- **Iranian oil:** China remains a major buyer of Iranian oil, and Washington views those flows as helping Tehran withstand US pressure and finance military activity.
- **Russia links:** The US is also expected to raise China's economic ties with Russia, including whether Chinese trade is helping Moscow sustain its war effort.
- **Dual-use goods:** Officials cited concerns around Chinese dual-use goods, components, parts and potential weapons exports to Iran and Russia.
- **Iran weapons sanctions:** On 8th May, the US imposed sanctions on individuals and companies, including China- and Hong Kong-based entities, accused of helping Iran obtain materials for Shahed drones and ballistic missiles.
- **Iran oil sanctions:** On 11 May, the US imposed separate sanctions on three individuals and nine companies accused of facilitating Iranian oil shipments to China.
- **50% tariff threat:** Trump previously threatened 50% tariffs on imports from countries supplying military weapons to Iran, with no exemptions,.

Trade

- **Trump tariff stance:** Trump commented that the US needs more tariffs, keeping tariff risk firmly on the table.
- **Trade-truce extension:** The two sides are expected to discuss whether to extend the existing trade-war truce.
- **Unclear timing:** A US official said it is not yet clear whether the agreement will be extended this week, but expressed confidence that it will eventually be extended.
- **October meeting:** Trump and Xi's last meeting in October in South Korea resulted in a pause to a trade war that had seen the US impose triple-digit tariffs on Chinese goods and Beijing threaten rare earth restrictions.
- **Tariff Legality:** Trump has vowed to reimpose some tariffs through alternative legal avenues after the Supreme Court said in February.

Investments

- **Trade and investment forums:** Reports suggested that the US and China are expected to agree on forums to facilitate mutual trade and investment.
- **Board of Trade / Board of Investment:** A Board of Trade and Board of Investment may be formally announced, although officials said these mechanisms may require further work before implementation.
- **Chinese purchase announcements:** China is expected to announce purchases related to Boeing (BA) aircraft, US agriculture and energy.
- **Sectors to watch:**The main areas to watch are aircraft, agriculture, energy, trade flows, investment access, market-opening commitments, payments access, technology restrictions and regulatory approvals.
- **Delegation:** Executives from Tesla (TSLA), Apple (AAPL), Boeing (BA), GE Aerospace (GE), Meta Platforms (META), BlackRock (BLK), Blackstone (BX), Micron (MU), Mastercard (MA), Qualcomm (QCOM), Visa (V), Cargill, Coherent (COHR) and Illumina (ILMN) are part of, or linked to, the US business delegation. Cisco (CSCO) was invited but its CEO is not attending due to earnings, while NVIDIA (NVDA) CEO Jensen Huang was initially reported not to be attending, although he later boarded Air Force One along with the CEOs.

AI

- **AI channel:** Trump and Xi are expected to discuss creating a formal US-China communication channel on AI-related security risks.

- **US concern:** US officials are increasingly concerned about advanced Chinese AI models and their potential military, cyber and intelligence uses.
- **Military risk:** Talks are expected to cover AI risks in autonomous weapons, cyber operations and military decision-making.
- **Nuclear guardrails:** AI may also be discussed alongside nuclear stability, including keeping AI out of nuclear launch decisions.
- **Export controls:** Any AI dialogue will sit against the backdrop of US chip controls and wider tech restrictions on China.

Nuclear arms-control

- Washington has long sought nuclear arms-control talks with Beijing.
- China has privately told the US it has no current interest in sitting down for nuclear arms-control discussions.
- Expectations for a breakthrough on nuclear arms control remain low, but even agreement to continue dialogue would be net constructive.

**Fentanyl **

- The White House said Trump and Xi will discuss fentanyl.
- The US is expected to press China on precursor chemicals and enforcement against supply chains linked to the opioid crisis.

STOCKS TO WATCH

- **Apple (AAPL) — CEO Tim Cook attending;** China consumer demand and supply-chain exposure.
- **BlackRock (BLK) — CEO Larry Fink attending;** China investment access / deal scrutiny.
- **Blackstone (BX) — CEO Stephen Schwarzman attending;** China investment access / dealmaking exposure.
- **Boeing (BA) — CEO Kelly Ortberg attending;** potential Chinese aircraft order.
- **Cargill — senior executive attending;** US agriculture purchase readthrough; privately held.
- **Cisco (CSCO) — CEO Chuck Robbins invited but not attending;** China tech / networking exposure.
- **Citigroup (C) — CEO Jane Fraser attending;** China financial-services access.
- **Coherent (COHR) — senior executive attending;** optical chips / critical-material restrictions.
- **GE Aerospace (GE) — CEO Larry Culp attending;** aviation supply-chain / aircraft-order readthrough.
- **Goldman Sachs (GS) — CEO David Solomon attending;** China capital-markets access.
- **Illumina (ILMN) — senior executive attending;** China regulatory access.
- **Mastercard (MA) — senior executive attending;** China payments-market access.
- **Meta Platforms (META) — executive Dina Powell McCormick attending;** China regulatory / commercial access angle.
- **Micron (MU) — senior executive attending;** chip restrictions and China market exposure.
- **Nvidia (NVDA) — CEO Jensen Huang attending;** AI chip export-control readthrough.
- **Qualcomm (QCOM) — senior executive attending;** chip export controls and China sales exposure.
- **Tesla (TSLA) — CEO Elon Musk attending;** China approvals / FSD / market access.
- **Visa (V) — senior executive attending;** China payments-market access.