

What you need to know about the Trump-Xi summit



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Trump's Beijing visit was his first state visit to China in his second presidency, and the first by any U.S. president in nearly nine years. Originally scheduled for April, it was pushed back by the Iran war before finally landing May 12-15. The chief executives of 16 major U.S. companies accompanied Trump on the trip, including Tesla's Elon Musk, Apple's Tim Cook and Nvidia's Jensen Huang, a detail that would prove significant.

The mood in the room was warmer than markets had anticipated. Trump called Xi a "friend" and a "great leader," describing him as "all business, no games." Xi's headline message was equally constructive: "China and the United States both stand to gain from cooperation and lose from confrontation. We should be partners, not rivals." Both leaders praised the visit as "historic" at the state banquet, and the working talks ran four hours, twice the originally scheduled time. That said, the apparent warmth inherent to diplomatic visits should not obscure the structural reality. The fundamental competition in technology, trade, and geopolitics between the two powers remains firmly intact.

Three Surprises

Expectations were deliberately low heading into the summit, with priority on avoiding escalation and maintaining the trade truce. The result is best described as managed stability; tensions persist but guardrails now exist to prevent escalation like the 2025 trade war. Within this baseline, three surprises stood out:

First, Trump's behaviour was unexpectedly respectful. He avoided extravagant posts, and off-script remarks, maintaining a controlled tone throughout the summit. Whether strategic or situational, this strengthened the U.S. negotiating position and stabilised the tone across both days, enhancing delegation credibility.

Second, Jensen Huang's presence signalled a potential change in U.S. export controls. Reports indicate around ten major Chinese firms, including Alibaba, ByteDance, Tencent, JD.com, Lenovo, and Foxconn may be approved to buy Nvidia H200 chips. This implies a selective easing on the advanced semiconductors that have sat at the heart of the U.S.-China technology rivalry for years. It suggests Washington may be quietly concluding that cutting China off entirely is not worth the economic cost. Nvidia gained 4.39% on May 14 alone, overtaking silver to become the world's second-largest asset by market capitalisation,

reaching a \$5.52 trillion valuation. No official confirmation has been provided yet.

Third, China's purchase commitments were sizeable but also largely anticipated. LNG, oil, soybeans, agricultural goods, and up to 200 Boeing aircraft were signalled. Boeing fell around 4% in a classic buy-the-rumour sell-the-news reaction. Both economies remain dependent on one another. China needs U.S. technology and food supply; America needs Chinese manufacturing and critical minerals. One day, perhaps, the U.S. will process its own rare earths at scale and China will fabricate its own leading-edge chips. The trade truce in place since October 2025 holds for now.

Nine named commitments on Iran & the Strait of Hormuz

This is where the summit delivered its most specific and consequential outputs. Both sides published an exact list of commitments. U.S. companies were granted expanded access to Chinese markets. China committed to increasing direct investment into the United States, to cracking down harder on fentanyl precursor flows, and to buying more American agricultural products. On the Hormuz front, both sides committed in writing that the Strait must remain open. China opposes anyone charging tolls for passage through it and explicitly opposes militarizing the Strait. China also agreed to buy more American oil specifically to reduce its own dependence on the Hormuz route. And both sides agreed that Iran cannot be permitted to have nuclear weapons.

However, the agreements lack quantitative targets or specific timelines, and no formal enforcement mechanisms were established. No formal breakthrough on the Iran conflict was announced; the file remains, in Trump's own words, "to be continued."

One silence as part of the deal: Taiwan

Reporter: "Did you talk about Taiwan?"

Trump: "China is beautiful."

When asked about Taiwan during the visit to the Temple of Heaven, Trump offered no response, only praise for his hosts. The silence spoke for itself.

Xi described Taiwan as "the most important issue in China-U.S. relations" and warning that mishandling it could lead to "collision or conflict." Beijing considers the island as an integral part of its territory; Taipei firmly rejects that claim; and the U.S. has long maintained deliberate ambiguity over how it would respond to any military confrontation. None of that changed in Beijing. Both sides agreed, tacitly, to park Taiwan for the two days and focus on Iran, trade and the technology opening.

What comes next?

Xi and Trump agreed on a “constructive China-U.S. relationship of strategic stability,” framing the next three years around managed coexistence. Cooperation first, measured competition, and manageable differences define the approach even as technological rivalry continues and Taiwan remains a sensitive issue. Trump has invited Xi to Washington on September 24; APEC in Shenzhen follows in November and the trade truce expires later this year.

Overall, both sides seem to agree that managed coexistence is preferable to confrontation for now. The durability of this equilibrium depends on the follow-through: on trade negotiations, on technology policy, and on whether both sides can coordinate quietly on Iran without their relationship being derailed by the next geopolitical shock.

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