China may balk at announced purchase of \$50 billion in US crops

China ramping up agricultural purchases to the level that the U.S. is demanding would be a problem and Beijing would probably only do it if the market situation warranted it, analysts said.

Calling it a "crazy amount" of agricultural buying with "market distorting powers" on a global scale, Deborah Elms, executive director of the Asian Trade Centre, said: "The ramping up of scale at that speed is going to be problematic. I would be willing to take a bet ... that we will be back at this table in relatively short order even if we get a deal, because the ability of the Chinese to actually match those purchases is going to be limited."

[Editor's note: <u>Read 'Mini-trade deal' between US, China expected to ease Chinese restrictions on</u> GMO crops to learn more.]

.... Both countries finally reached an agreement after a contentious 18-month trade war. But as part of the deal, U.S. President Donald Trump [said] that Beijing will purchase \$50 billion worth of agriculture goods But Elms warned that the Chinese has been "very cautious" in saying that they would buy according to market conditions and World Trade Organization restrictions.

Read full, original article: China would have to buy a 'crazy amount' of farm goods to meet Trump's demand in phase one deal