

News

China-US tariff reduction 'positive' but too high for apparel sourcing

US President Trump has said tariffs on Chinese imports, including apparel will be cut, however apparel industry experts remain cautious on what this could mean for fashion sourcing in the long-term.

Laura Husband | October 31, 2025

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US tariffs on imported apparel goods from China will sit at 47% as opposed to 57% following US-China talks. Credit: Studio Romantic/Shutterstock.com.

The US has agreed to shave 10% off the tariffs against China after Chinese president Xi Jinping agreed to tackle the illicit fentanyl trade of fentanyl however, this means US tariffs on imported apparel goods from China will still sit at 47% as opposed to 57%.

The in-person China talks followed a series of Trump visits to other Southeast Asia nations such as Malaysia, South Korea and Japan.

The visit to Malaysia included Trump attending the annual meeting of the Association of Southeast Asian Nations (ASEAN).

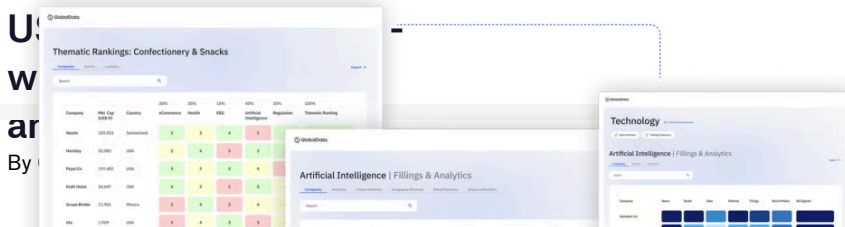
[During this meeting, China and the ASEAN bloc of Southeast Asian countries, which include key apparel sourcing nations such as Malaysia, Thailand, Cambodia and Vietnam, signed an upgrade to their free trade agreement.](#)

Some analysts see this agreement as a potential buffer against US tariffs, according to news publication [Reuters](#), but it adds that its provisions are weaker than some other regional trade deals due to competing interests among members.


What does 10% US-China tariff reduction mean for apparel sourcing?

American Apparel & Footwear Association (AAFA) president and CEO Steve Lamar see this deal as a “positive first step” toward a “more stable period in US-China relations.”

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He continues: “With  for more details and clarifications, any movements toward predictability and lower tariff rates help US companies get back on the path of making longer-term sourcing decisions with greater confidence.”

However, he points out that many questions remain with other trade negotiations and programmes, and he hopes to see them resolved soon.

He jokes that “on Halloween, we can ideally stop being haunted by high tariff rates and trade uncertainty and instead focus on scares from neighbourhood kids in their Halloween costumes.”

United States Fashion Industry Association (**USFIA**) president Julie Hughes shares Lamar’s sentiment, adding: “We are pleased to see a de-escalation of the trade tensions between the US and China. We hope that the two sides really are close to an agreement and look forward to more certainty for fashion brands and retailers.”

University of Delaware professor of fashion and apparel studies Dr Sheng Lu sees the newly announced US-China “trade deal” as providing “several benefits to fashion companies and their suppliers”.

He tells Just Style: “With Chinese products now facing lower tariffs and the two nations agreeing to at least a one-year truce, some US fashion brands may view this as reducing the risks associated with sourcing from China.”

Considering the higher tariffs imposed on other Asian countries like India, Lu wouldn’t be surprised if

companies start shifting some sourcing orders back to China.

However, he maintains that due to the competitive nature of the US-China relationship, he does not anticipate companies fundamentally reversing their efforts to “re-risk” sourcing from China.

Robert P. Antoshak, VP of strategic global sourcing and development at Grey Matter Concepts also regards the one-year pause in the tariff war between the US and China as “welcome news”.

But, he is quick to highlight that for Chinese clothing manufacturers and US importers there will still be “hefty costs”.

He says: “Sure, any reduction in tariffs, in this case 10%, will help, but the remaining tariffs remain onerous for many companies. Yet, there are still details to be announced related to the specifics of the deal. Headlines are well and good, but it’s in the details where companies will determine the course of action from now on.”

Cato vice president for general economics Scott Lincicome issues caution given that “the bigger picture” remains “unchanged.”

He states: “The United States is currently fighting a trade war with China by taxing Americans’ purchases of Chinese products that have no national security nexus, by applying broad tariffs on imports from countries that should be considered China alternatives (and alienating those governments in the process), and by doing it all in a slapdash and legally suspect way that breeds growth-

sapping uncertainty in the US market. So, while a temporary bilateral truce is nice, the fundamental problems with Trump's approach to China remain.”

GlobalData retail analyst Neil Saunders is also keen to issue a word of caution: “This is generally good news, but even with the reductions, it still leaves China tariffs at a high rate and that will be off-putting for many in apparel.”

His view is that many brands and retailers “will still look to pivot to alternative sourcing locations so they can keep costs under control.”

Plus, he asserts that “despite this latest negotiation, the relationship with China is still fractious, so there is a fear that tariffs may go up at some point in the future. This uncertainty is something importers want to avoid.”

Trump's US-China tariff timeline

[Trump's agreement to reduce China tariffs by 10% has arrived just weeks after he announced his intention to levy a 100% tariff on Chinese goods starting from November.](#)

Back in [May, the US administration placed a 90-day pause on its 145% tariffs on Chinese goods](#).

In mid-August 2025, [both nations agreed to prolong their tariff truce for an additional 90 days until 10 November 2025.](#)

This extension saw the US uphold a 30% tariff on Chinese imports, whereas China maintained a 10% tariff on US goods.

[On 1 August, Trump announced tariffs for every country in the world, including several fashion sourcing majors such as Bangladesh, Pakistan, India, Cambodia, Indonesia, Myanmar, Vietnam and Sri Lanka.](#)

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